

Dated

~~2017~~2018

GVC HOLDINGS PLC

AMENDED AND RESTATED
DEED POLL CONSTITUTING
CONTINGENT VALUE
RIGHTS

Issued in connection with the
acquisition of Ladbrokes Coral
Group plc by GVC Holdings PLC

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THIS DEED POLL is made on

20172018

BY:

- (1) **GVC HOLDINGS PLC** (registered in the Isle of Man with company number 4685V), whose registered office is at 32 Athol Street, Douglas, Isle of Man, IM1 1JB (**Company**)

WHEREAS:

(A) This Instrument was originally made by the Company on 22 December 2017 (the **Original CVR Instrument**). The Company wishes to supplement, amend and restate the Original CVR Instrument as provided for herein, and the terms set out herein shall apply in substitution for the terms set out in the Original CVR Instrument.

(B) ~~(A)~~ The Company has, by a board resolution passed on 21 December 2017, approved the creation of the CVRs, which will be constituted under this Instrument.

(C) ~~(B)~~ The CVRs will be issued to Scheme Shareholders and optionholders under the Ladbrokes Coral Share Schemes representing their right to receive contingent consideration in connection with the proposed acquisition by the Company of Ladbrokes Coral, such acquisition to be effected by means of a scheme of arrangement of Ladbrokes Coral under Part 26 of the Companies Act.

(D) ~~(C)~~ The CVRs will, if issued in connection with the Acquisition, be unsecured obligations of the Company which will oblige the Company to issue to CVR Holders one Loan Note for each CVR they respectively hold, the principal value of which Loan Note will be determined in accordance with the terms of this Instrument.

(E) ~~(D)~~ The Company hereby constitutes the CVRs in the manner set out in this Instrument, which is executed as a deed poll.

THIS DEED POLL WITNESSES as follows:

1 INTERPRETATION AND DEFINITIONS

1.1 Definitions

In this Instrument, unless the context otherwise requires:

Acquisition means the acquisition of Ladbrokes Coral by the Company to be effected by means of the Scheme or by means of a Takeover Offer on the terms and subject to the conditions set out in the Announcement

Announcement means the announcement made by the Company and Ladbrokes Coral regarding the Acquisition published on or about the date of this Instrument in accordance with Rule 2.7 of the Code

Appointment Fee has the meaning given to such term in clause 7.4

B2 Standards means the "Machine standards category B2" Revision 2, dated June 2012 as published by the UKGC as at the date of this Instrument

Base Value means the amount agreed or determined in accordance with the Conditions and paragraph 1 of the Review Methodology (including the Maximum Stakes Table), in circumstances where Scenario 1 has arisen

Business Day means any day on which banks are open for ordinary banking business in London (excluding Saturdays, Sundays and public holidays)

Change of Control means a circumstance where any person or group of persons acting in concert gains direct or indirect control of the Company. For the purposes of this definition:

(a) **control of the Company** means:

(i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(A) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the Company; or

(B) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or

(C) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply; or

(ii) the holding beneficially of more than 50 per cent of the issued share capital of the Company (excluding any part of that issued share capital that carries no right to participate, or no right to participate beyond a specified amount, in a distribution of either profits or capital); and

(b) **acting in concert** means, in respect of a group of persons, that such persons pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of the Company, such expression to be construed in accordance with the Code and the rulings of the Panel

Claims has the meaning given to such term in clause 8.1

Code means the City Code on Takeovers and Mergers, administered by the Panel

Companies Act means the UK Companies Act 2006

Condition means any of the conditions of the CVRs set out in Schedule 1 (as modified from time to time in accordance with clause 11)

Consulting Parties has the meaning given to such term in Condition 9.1

Consultation Period has the meaning given to such term in Condition 9.2

Consultation Procedure has the meaning given to such term in Condition 9.1

Corporate Representative has the meaning given to such term in paragraph 11.1 of Schedule 3

Court means the High Court of Justice of England and Wales

CVRs means the contingent value rights constituted by this Instrument corresponding to the total number of Scheme Shares

CVR Certificate means a certificate for the CVRs issued under Condition 5 and subject to the Conditions

CVR Holder Majority means the holder or holders for the time being of at least 50.1 per cent. of the number of CVRs in issue at the relevant time

CVR Holder means a person who is for the time being entered in the Register as a holder of CVRs and **CVR Holders** shall be construed accordingly

CVR Representative means the individual appointed pursuant to clause 6.1, or such other individual as may from time to time be appointed pursuant to clause 6 following the removal, resignation or incapacity of such individual (including, in any such case, any alternate appointed pursuant to clause 6.7)

CVR Representative Adviser has the meaning given to such term in clause 7.7

DCMS means the Department for Digital, Culture, Media & Sport of the UK Government, or any successor to such department

Determination Date has the meaning given to such term in Condition 10.1(a)

Determination Procedure has the meaning given to such term in Condition 10.1

Determining Values has the meaning given to such term in Condition 10.1(e)(i)

directors means the board of directors for the time being of the Company or a duly authorised committee of such board, and **director** shall mean any member of such board

EBITDA means earnings before interest, tax, depreciation and amortisation

EBITDA Impact Projection means the projected impact (if any) on the EBITDA of the Ladbrokes Coral UK Business (taking into account mitigants from the Wider Ladbrokes Coral Business) for the 12 month period commencing on the Effective Date as is agreed or determined in accordance with the Conditions and paragraph 2 of the Review Methodology, in circumstances where Scenario 2 has arisen

Effective means the Scheme becoming effective in accordance with its terms or, if the Acquisition is implemented by way of a Takeover Offer, such Takeover Offer being declared or becoming unconditional in all respects in accordance with the requirements of the Code

Effective Date means the date upon which the Acquisition becomes Effective

Enacted means, in respect of a particular Triennial Measure, either:

- (a) a statutory instrument in respect of such Triennial Measure having been laid before Parliament by the UK Government pursuant to section 172 or section 240 of the Gambling Act, and a period of 40 calendar days having elapsed since the date of such statutory instrument having been laid before Parliament, without a petition having been

presented either by the House of Commons or the House of Lords for the annulment of such statutory instrument; or

- (b) a statutory instrument in respect of such Triennial Measure having been proposed to Parliament by the UK Government pursuant to section 236 of the Gambling Act, and an affirmative vote in respect of such statutory instrument having been obtained from both the House of Commons and the House of Lords; or
- (c) Royal Assent in respect of any primary legislation to give effect to any such Triennial Measure having been given; or
- (d) the making by the UKGC of a specification of a licence condition pursuant to section 76 of the Gambling Act (after any necessary consultation period having occurred) to bring into effect such Triennial Measure, or the following of any equivalent process in respect of any amendment to the B2 Standards

Encumbrance means any claim, interest or equity of any person (including any right to acquire, option or right of pre-emption), any debenture, mortgage, charge, pledge, lien, deposit by way of security, restriction, assignment, hypothecation, security interest, option, right of pre-emption or assignment or factoring or similar agreement (including any created by law), title retention or transfer or other security or preferential agreement or arrangement or any commitment to give or create any of the foregoing

Envisaged Maximum Stake means any of the possible Maximum Stakes set out in the Row 1 of the Maximum Stakes Table

Excluded Shares means:

- (a) any Ladbrokes Coral Shares for the time being beneficially owned by the Company or any subsidiary undertaking of the Company; and
- (b) any Ladbrokes Coral Shares for the time being held in treasury

Expert means the firm appointed pursuant to clause 4

FOBT means a gaming machine falling within regulation 5(5) of the Categories of Gaming Machine Regulations 2007 (SI 2007/2158) as amended, made by the DCMS pursuant to section 236(1) of the Gambling Act

Gambling Act means the UK Gambling Act 2005

GVC BidCo has the meaning given to such term in clause 3.1(e)

GVC Group means the Company, any holding company or subsidiary of the Company for the time being and any subsidiary for the time being of any such holding company

GVC Representative means the individual appointed pursuant to clause 5.1 or such other individual as may from time to time be appointed pursuant to clause 5 following the removal of such individual (including, in any such case, any alternate appointed pursuant to clause 5.5)

Indemnified Person has the meaning given to such term in clause 8.1

Instrument means this deed poll, including the Recitals, Schedules and Appendices hereto

IoM Companies Act means the Isle of Man Companies Act 2006

Ladbrokes Coral means Ladbrokes Coral Group plc, registered in England with company number 00566221, whose registered office is at 5th Floor, The Zig Zag Building, 70 Victoria Street, London, England, SW1E 6SQ

Ladbrokes Coral Court Meeting means the meeting(s) of the Scheme Shareholders to be convened pursuant to an order of the Court under section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purposes of considering and, if thought fit, approving the Scheme, including any adjournment thereof

Ladbrokes Coral General Meeting means the general meeting of the Ladbrokes Coral Shareholders to be convened in connection with the Scheme to consider, and if thought fit pass, *inter alia*, the Ladbrokes Coral Resolutions, including any adjournment thereof

Ladbrokes Coral Resolutions means the resolutions to be proposed at the Ladbrokes Coral General Meeting in connection with, amongst other things, the approval of the Scheme, the amendment of Ladbrokes Coral's articles of association, the re-registration of Ladbrokes Coral as a private limited company, and such other matters as may be necessary to implement the Scheme

Ladbrokes Coral Shareholder means a holder for the time being of Ladbrokes Coral Shares and **Ladbrokes Coral Shareholders** shall be construed accordingly

Ladbrokes Coral Shares means the fully paid up ordinary shares of 28¹/₃ pence nominal value each in the share capital of Ladbrokes Coral in issue for the time being

Ladbrokes Coral Share Schemes means the Ladbrokes Coral 1978 Share Option Scheme, the Ladbrokes Coral Executive Deferred Bonus Plan, the Ladbrokes Coral Performance Share Plan, the Ladbrokes Coral Restricted Share Plan, the Ladbrokes Coral 1983 Savings Related Option Scheme and the Ladbrokes Coral Share Incentive Plan

Ladbrokes Coral UK Business means the Ladbrokes Coral business of operating LBOs in England, Wales and Scotland

LBO means a premises in respect of which a betting premises licence (as defined in section 150(1)(e) of the Gambling Act) has been issued by a licensing authority (as defined in section 2 of the Gambling Act)

linearly interpolating means, in circumstances where the Maximum Stake stipulated in the Maximum Stakes Measures falls between two Envisaged Maximum Stakes which are adjacent to one another in Row 1 of the Maximum Stakes Table, determining the Base Value associated with that stipulated Maximum Stake by assuming that the Base Value figure in Row 2 directly below the lower of those Envisaged Maximum Stakes in Row 1 of the Maximum Stakes Table increases on a straight-line basis up to the Base Value figure in Row 2 directly below the higher of those Envisaged Maximum Stakes in Row 1 of the Maximum Stakes Table, and **linearly interpolated** shall be construed accordingly

Loan Notes means the loan notes of the Company to be constituted, in certain circumstances, by the Loan Note Instrument and to be issued to the CVR Holders in accordance with the terms of this Instrument and the Loan Note Instrument

Loan Note Holder means a person who is for the time being entered in the register of Loan Notes as a holder of Loan Notes, and **Loan Note Holders** shall be construed accordingly

Loan Note Instrument means the deed poll constituting the Loan Notes to be made by the Company in certain circumstances following determination of the Loan Note Principal Value, substantially in the form set out in Appendix 2 to this Instrument (save for (i) inclusion in the Loan Note Instrument of the Loan Note Principal Value as agreed or determined in accordance with the terms of this Instrument (ii) insertion of the long stop date for redemption of the Loan Notes (iii) inclusion in the Loan Note Instrument of the final number of Loan Notes to be issued pursuant to the Loan Note Instrument (iv) any modification, abrogation, variation or compromise of the Loan Note Instrument made in accordance with clause 11.1 and (v) in circumstances where clause 3.1(e) applies, amending the Loan Note Instrument to provide for GVC BidCo to act as issuer of the Loan Notes, and inclusion of a guarantee from the Company of GVC Bidco's obligations under the Loan Note Instrument)

Loan Note Issue Date has the meaning given to such term in Condition 11.5

Loan Note Principal Value has the meaning given to such term in Condition 11.2

Long Stop Date means 00.01 am on the first anniversary of the Effective Date

Losses has the meaning given to such term in clause 8.1

Maximum Machine Number means the legally permitted maximum number of FOBTs in each LBO as currently prescribed by section 172(8) of the Gambling Act

Maximum Machines Measures means:

- (a) any changes to the Maximum Machine Number which have been Enacted as at the Review Commencement Date; or
- (b) if no change to the Maximum Machine Number has been Enacted as at the Review Commencement Date, but such a change has been proposed by the UK Government following the conclusion of the Triennial Review, such change to the Maximum Machine Number as represents the relevant Consulting Party's own view as to the likely change (if any) to the Maximum Machine Number which will ultimately be Enacted

Maximum Stake means the maximum stake which may be wagered by a player on any particular game cycle on a FOBT, disregarding any conditions imposed by law or regulation that may have to be satisfied before such maximum stake may be wagered

Maximum Stakes Measures means any changes to the Maximum Stake which are Enacted on or prior to the Long Stop Date

Maximum Stakes Table means the table set out in paragraph 1.1 of the Review Methodology

Monthly Fee has the meaning given to such term in clause 7.5

Notice has the meaning given to such term in Condition 15

Overseas Person means a person (or nominees of, or custodians or trustees for, such person) not resident in, or nationals or citizens of, the United Kingdom

Panel means the UK Panel on Takeovers and Mergers

Parliament means the Parliament of the United Kingdom, and **House of Lords** and **House of Commons** mean the upper and lower chambers of such Parliament respectively

pounds sterling, pence, £ or p means pounds sterling, the lawful currency of the United Kingdom

Principal Value Calculation Date has the meaning given to such term in Condition 11.4

Register means the register of CVR Holders maintained by or on behalf of the Company pursuant to this Instrument

Registrar means the registrar for the CVRs appointed by the Company from time to time to maintain the Register (the first such Registrar to be appointed with effect from the Effective Date), the name and the contact details of whom shall be publicly announced by the Company and notified in writing to the CVR Holders

Relevant Value means:

- (a) where Scenario 1 arises, the Base Value; and
- (b) where Scenario 2 arises, the EBITDA Impact Projection

Replacement Trigger Date has the meaning given to such term in clause 6.4

Representatives means the CVR Representative and the GVC Representative

Restricted Overseas Person means, ~~in respect of any CVRs,~~ an Overseas Person other than a US Shareholder ~~and, in respect of any Loan Notes, any Overseas Person, in each case~~ who has not, by or prior to the Scheme Record Time, been able to satisfy Ladbrokes Coral and the Company in their absolute discretion, that the receipt of CVRs and/or the Loan Notes by that holder is exempt from or not subject to the registration or other legal or regulatory requirements or restrictions of the relevant jurisdiction

Restricted Period has the meaning given to such term in clause 9.1

Review Commencement Date means the date falling 10 Business Days after the date on which the Maximum Stakes Measures are Enacted

Review Methodology means the methodology for the calculation of the Relevant Value which is set out in Appendix 1

Scenario 1 means the circumstances where, as at the Review Commencement Date:

- (a) the Maximum Stakes Measures are the only Triennial Measures;
- (b) such Maximum Stakes Measures stipulate only one Maximum Stake for all types of games available on a FOBT; and
- (c) such stipulated Maximum Stake is either (i) one of the Envisaged Maximum Stakes, or (ii) a Maximum Stake which can be linearly interpolated between two Envisaged Maximum Stakes

Scenario 2 means the circumstances where, as at the Review Commencement Date, Scenario 1 does not apply

Scheme means the proposed scheme of arrangement under Part 26 of the Companies Act relating to the proposed acquisition by the Company of Ladbrokes Coral, between Ladbrokes Coral and the Scheme Shareholders, with or subject to any modification thereof or in addition thereto or condition approved or imposed by the Court and agreed by Ladbrokes Coral with the approval of the Company

Scheme Document means the document to be sent to Ladbrokes Coral Shareholders and, for information purposes only, to persons with information rights and to holders of options and awards granted under the Ladbrokes Coral Share Schemes, containing, amongst other things, the Scheme and the notices convening the Ladbrokes Coral Court Meeting and the Ladbrokes Coral General Meeting

Scheme Record Time means the time and date specified in the Scheme Document as the record time for the Scheme or such later time and/or date as the Company and Ladbrokes Coral may agree

Scheme Shareholders means the holders of the Scheme Shares

Scheme Shares means:

- (a) the Ladbrokes Coral Shares in issue at the date of the Scheme Document;
- (b) any Ladbrokes Coral Shares issued after the date of the Scheme Document and before the Voting Record Time;
- (c) any Ladbrokes Coral Shares issued at or after the Voting Record Time and before the Scheme Record Time in respect of which the original or any subsequent holder thereof are, or shall have agreed in writing to be, bound by the Scheme; and
- (d) any Ladbrokes Coral Shares issued pursuant to the Ladbrokes Coral Share Schemes at any time up to the Court hearing to sanction the Scheme,

in each case excluding the Excluded Shares

Special Resolution has the meaning set out in paragraph 13.3 of Schedule 3

Spin Speed means the minimum time period for completion of an individual game cycle on a FOBT as currently specified in paragraph 5.7 of the B2 Standards

Spin Speeds Measure means:

- (a) any changes to the Spin Speed which have been Enacted as at the Review Commencement Date; or
- (b) if no change to the Spin Speed has been Enacted as at the Review Commencement Date, but such a change has been proposed by the UK Government following the conclusion of the Triennial Review, such change to the Spin Speed as represents the relevant Consulting Party's own view as to the likely change (if any) to the Spin Speed which will ultimately be Enacted

suitably qualified firm means an accounting firm or investment bank which:

- (a) has not advised either the Company or Ladbrokes Coral in relation to the Acquisition;
- (b) is not engaged on or tendering for any projects (including audit or advisory work) by the Company or Ladbrokes Coral; and
- (c) has relevant experience in the UK gaming sector

or any firm or investment bank which both the CVR Representative and the GVC Representative agree in writing is suitably qualified

suitably qualified individual means an individual who:

- (a) in the case of an individual proposed to be appointed as the CVR Representative, is approved to act as such by the GVC Representative (such consent not to be unreasonably withheld or delayed); or
- (b) in the case of an individual proposed to be appointed as the GVC Representative, is approved to act as such by the CVR Representative (such consent not to be unreasonably withheld or delayed)

Takeover Offer means, should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the recommended offer, upon the terms and subject to the conditions which are referred to in the Announcement, to be made by or on behalf of the Company to acquire the entire issued and to be issued share capital of Ladbrokes Coral (whether or not such offer extends to any or all of the Excluded Shares) and, where the context admits, any subsequent revision, variation, extension or renewal thereof

Tax means all means all current and future forms of tax, duty, rate, levy, charge (including social security charge) or other imposition or withholding of whatever nature and whether separately or jointly due and whenever and by whatever supranational, national, federal, state, provincial, municipal, local, foreign or other authority imposed in the United Kingdom or elsewhere together with any interest, penalty or fine in connection with any taxation, and any liability to make a payment by way of reimbursement, recharge, indemnity, damages or management charge connected in any way with any taxation and regardless of whether any such taxes, duties, rates, levies, charges, imposts, withholdings, interest, penalties or fines are chargeable directly or primarily against or attributable directly or primarily to the Company, the CVR Holder or any other person and regardless of whether any amount in respect of any of them is recoverable from any other person

Triennial Measures means, together, the (i) Maximum Stakes Measures, (ii) Spin Speeds Measures and/or (iii) Maximum Machines Measures

Triennial Review means the UK Government's Review of Gaming Machines and Social Responsibility Measures, as initiated by a Call for Evidence published by the DCMS on 24 October 2016, and including the consultation being undertaken by the DCMS in accordance with the terms set out in the Consultation Paper published by the DCMS on 31 October 2017

UK or United Kingdom means the United Kingdom of Great Britain and Northern Ireland

UKGC means the UK Gambling Commission or any successor thereto

UK Government means Her Majesty's Government of the United Kingdom from time to time and/or (i) any ministerial or non-ministerial department of it, including but not limited to the DCMS, and/or (ii) any executive agency of any such department

US Securities Act means the United States Securities Act of 1933, as amended

US Shareholder means a Ladbrokes Coral Shareholder who is resident or located in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia

VAT means value added tax and/or any similar sales or turnover tax imposed in any jurisdiction

Voting Record Time means the date and time specified in the Scheme Document by reference to which entitlement to vote at the Ladbrokes Coral Court Meeting will be determined, expected to be 6.30 p.m. on the day which is two days before the Ladbrokes Coral Court Meeting or, if the Ladbrokes Coral Court Meeting is adjourned, 6.30 p.m. on the day which is two days before the date of such adjourned Ladbrokes Coral Court Meeting

Wider Ladbrokes Coral Business means the business of Ladbrokes Coral carried on within the UK of which the Ladbrokes Coral UK Business forms part

Winding Up Event has the meaning given to such term in Condition 13.1

1.1 Interpretation – general

In this Instrument, unless the context otherwise requires:

- (a) references to **clauses**, **Schedules** and **Appendices** are to clauses of, and Schedules and Appendices to, this Instrument respectively;
- (b) a reference in a schedule to **paragraphs** are to paragraphs of the Schedule in which the reference appears;
- (c) references to **this Instrument** or **any other document** are to this Instrument or that document as amended from time to time;
- (d) references to **writing** include any method of reproducing words in a legible and non-transitory form, including fax, but exclude any other electronic form (as defined in section 1168 of the Companies Act);
- (e) where a **word or phrase** is defined, its other grammatical forms have a corresponding meaning;
- (f) references to **times** of the day are to the time in London, United Kingdom;
- (g) references to one **gender** include all genders;
- (h) references to the **singular** include the **plural** and *vice versa*;
- (i) references to a **person** include any individual, firm, company, government, state, state agency, partnership, association or other body (with or without separate legal personality);
- (j) references to a **company** include any company, corporation or body corporate, wherever incorporated or established;

- (k) the expressions **holding company, parent undertaking, subsidiary, subsidiary undertaking** and **wholly-owned subsidiary** will have the meanings given to them in the Companies Act (in each case ignoring any security existing over shares in the relevant undertaking);
- (l) the word **will** shall be deemed to impose obligations in the same way as if the word **shall** had been used in its place; and
- (m) the words **other, includes, including, in particular** and words of similar effect will not limit any general words which precede them and any words which follow them will not be limited in scope to the same class as the preceding words.

1.2 **Statutory references**

In this Instrument, unless the context otherwise requires, a reference to a statute (other than the Gambling Act) or statutory provision (other than a provision of the Gambling Act) includes:

- (a) a reference to any subordinate legislation made under that statute or statutory provision;
- (b) any past statute or statutory provision which that statute or statutory provision has replaced (directly or indirectly and whether with or without modification); and
- (c) that statute or statutory provision as from time to time amended, modified, consolidated or re-enacted (whether before or after the date of this Instrument),

save to the extent that any amendment, modification, consolidation or re-enactment made after the date of this Instrument would increase or alter the liability of the Company under this Instrument.

1.3 **Headings**

The headings and contents table in this Instrument are for convenience only and do not affect its interpretation.

1.4 **Transfer**

A reference in this Instrument to the **Transfer** of any CVR will mean the transfer of either or both of the legal and beneficial ownership in such CVR and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such CVR and the following will be deemed (but without limitation) to be a transfer of a CVR:

- (a) any direction (by way of renunciation or otherwise) by a person entitled to an issue of any CVR that such CVR be issued to some person other than himself;
- (b) any sale or other disposition of any legal or equitable interest in a CVR (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing;
- (c) any grant or creation of an Encumbrance over any CVR; and
- (d) any agreement, whether or not subject to any conditions and whether or not in writing, to do any of the matters set out in clauses paragraphs 1.4(a) to 1.4(c) above,

and **Transferable** and **Transferred** shall be construed accordingly.

2 CONSTITUTION OF THE CVRS AND THE LOAN NOTES

- 2.1 The Company hereby constitutes the CVRs and agrees that it shall, within 14 days of the Effective Date, issue the CVRs to the Scheme Shareholders pursuant to the terms set out in the Announcement and to be set out in the Scheme Document (or, as the case may be, in any offer document published in connection with a Takeover Offer).
- 2.2 The Company shall, following agreement on, or determination of, the Loan Note Principal Value pursuant to the terms of this Instrument but prior to the Loan Note Issue Date, enter into the Loan Note Instrument and constitute the Loan Notes pursuant to the Loan Note Instrument. The Company further agrees that it shall issue those Loan Notes so constituted to the CVR Holders in accordance with the terms of this Instrument and the Loan Note Instrument.
- 2.3 Each CVR shall confer on the relevant CVR Holder a right to have issued to such CVR Holder one Loan Note, subject to and in accordance with the terms of this Instrument.
- 2.4 The CVRs are held subject to the Conditions and the other terms of this Instrument which are binding on the Company, the CVR Holders and any person claiming through or under any of them. The Conditions shall have the same effect as if they were set out in this Instrument

3 TERM

- 3.1 This Instrument shall remain in force from the date hereof until the earliest of:
- (a) 5.00 pm on 04 January 2018 (or such later time as the Company and Ladbrokes Coral may agree), if the Announcement has not been released by such time;
 - (b) 5.30 pm on the date falling 28 days after the publication of the Announcement (or such later time as the Company may agree with the Panel), if the Scheme Document has not before such time been dispatched to the Ladbrokes Coral Shareholders and no press announcement has been issued before such time announcing a change in the structure of the Acquisition from the Scheme to a Takeover Offer;
 - (c) the time at which:
 - (i) the Company announces that it does not intend to proceed with the Acquisition, if no new, revised or replacement scheme of arrangement or takeover offer in relation to the acquisition of Ladbrokes Coral is announced contemporaneously by the Company or another member of the GVC Group in accordance with Rule 2.7 of the Code; or
 - (ii) the Company announces a new, revised or replacement scheme of arrangement or takeover offer in relation to the acquisition of Ladbrokes Coral which does not provide for the issue of CVRs; or
 - (iii) the Acquisition lapses or is withdrawn (for the avoidance of doubt, this shall not apply where the Scheme lapses or is withdrawn in connection with the Company exercising its right to implement the Acquisition by way of a Takeover Offer rather than by way of the Scheme), if no new, revised or replacement scheme of arrangement or takeover offer in

relation to the acquisition of Ladbrokes Coral has previously been, or is contemporaneously, announced by the Company or its another member of the GVC Group in accordance with Rule 2.7 of the Code;

- (d) if the Acquisition is implemented by way of a Takeover Offer, the latest time at which, in accordance with the Code, the offer document may be dispatched to the Ladbrokes Coral Shareholders (or such other time as the Company may agree with the Panel), if prior to such time the offer document has not been dispatched to the Ladbrokes Coral Shareholders;
- (e) the time at which the Company announces that a company in the GVC Group other than the Company (**GVC BidCo**) will be making the Acquisition rather than the Company, PROVIDED THAT, prior to the time of such announcement, the Company shall have procured that GVC BidCo enters into an instrument on the same terms as those set out herein (with the addition of a guarantee from the Company of GVC BidCo's obligations under such instrument);
- (f) midnight on 30 June 2018 (or such later time as the Company may agree with the Panel), if the Scheme (or a Takeover Offer announced in implementation of the Acquisition, as the case may) has not become effective (or become or been declared unconditional in all respects, as the case may be) prior to such time;
- (g) the time at which all the Loan Notes have been issued to the CVR Holders; and
- (h) the time at which there has been a determination, by means of the relevant calculation described in Condition 11.1, that the Loan Note Principal Value is zero (or any negative value), and that therefore, in accordance with Condition 11.3, the Loan Note Instrument is not to be entered into and no Loan Notes are to be issued,

(the **Expiry Date**).

3.2 On the Expiry Date, this Instrument and each of the CVRs shall automatically terminate and shall, subject to clause 3.3, be of no further force and effect.

3.3 Termination of this Instrument pursuant to clause 3.2 shall be without prejudice to any rights and obligations accrued prior to the time of such termination, and the provisions of clauses 8, 12, 14, 16 and 17, which shall continue to apply.

4 THE EXPERT

Appointment of the Expert

4.1 Deloitte LLP is hereby appointed as the Expert for the purposes of this Instrument.

4.2 Without prejudice to the right of the Company to agree the fees and expenses of the Expert pursuant to clause 4.7, the Expert has been appointed jointly by the Company and Ladbrokes Coral (acting by the CVR Representative) on the terms set out in this clause 4, or on such other terms as may be agreed between the Company and the CVR Representative on the one hand, and the Expert on the other hand. For this purpose, none of the Company, Ladbrokes Coral or the CVR Representative will unreasonably refuse to agree the terms of engagement of the Expert (which may include hold harmless or similar provisions).

Responsibilities of the Expert

4.3 The Expert will be responsible for:

- (a) participating in the Consultation Procedure (as defined below), if invited to do so by either of the Representatives;
- (b) to the extent the Consultation Procedure does not result in an agreed Relevant Value, presenting the Expert's own assessment of the Relevant Value pursuant to the Determination Procedure;
- (c) calculating the Loan Note Principal Value following agreement on or determination of the Relevant Value, and notifying such Loan Note Principal Value to the Company;
- (d) making determinations as may be required pursuant to the terms of this Instrument, including but not limited to making determinations under clause 6.6 or Condition 9.2; and
- (e) carrying out the other responsibilities and obligations of the Expert as provided for in this Instrument,

and shall act as an expert and not as an arbitrator in respect of all such responsibilities.

Determinations of the Expert

4.4 Any determinations made by the Expert pursuant to the terms of this Instrument shall:

- (a) (save in the case of manifest error) be conclusive and binding on each of the Company and the CVR Holders;
- (b) in the absence of a period of time specified in this Instrument for such determination to be made, be required to be made as soon as reasonably practicable;
- (c) be made in writing and a copy of such determination delivered to each of the Representatives.

Resignation and replacement of the Expert

4.5 If the Expert resigns, the Representatives shall, as soon as is reasonably practicable following the date of such resignation and in any event within 10 Business Days of the date of such resignation, jointly appoint another suitably qualified firm to act as Expert for the purposes of this Instrument.

4.6 If the Representatives are unable to reach agreement as to the identity of the replacement Expert with 10 Business Days of the resignation of the Expert under clause 4.5, the Expert shall be appointed by: (i) an appropriate industry body agreed between the Representatives, or, in the absence of such agreement within a further period of 10 Business Days, (ii) the President for the time being of the Institute for Chartered Accountants of England and Wales (or such person as the President specifies for the purpose of making such appointment) upon the application of either of the Representatives.

Fees and expenses of the Expert

4.7 The fees and expenses of the Expert will be agreed between the Expert and the Company and will be borne by the Company. The Company will disclose the Expert's fees to the CVR Representative if requested.

5 GVC REPRESENTATIVE

5.1 GVC will, prior to the Effective Date, appoint one individual to act as the GVC Representative, to act on the Company's behalf for the purposes of this Instrument. As soon as is reasonably practicable following such appointment, the Company shall inform the CVR Representative (or Ladbrokes Coral, in the event that the CVR Representative has not been appointed at that time) and the Expert of the identity of such individual.

5.2 The Company shall be entitled to remove and replace the GVC Representative at its sole discretion with a suitably qualified individual who is an employee of the Company or a member of the GVC Group. In the event of any such replacement the Company shall inform the CVR Representative and the Expert of such replacement as soon as is reasonably practicable.

5.3 The GVC Representative will be responsible for:

- (a) acting as the primary point of contact between the CVR Representative and the Expert on the one hand, and the Company on the other hand;
- (b) participating on behalf of the Company in the Consultation Procedure;
- (c) to the extent the Consultation Procedure does not result in an agreed Relevant Value, presenting, on behalf of the Company, the Company's own assessment of the Relevant Value pursuant to the Determination Procedure; and
- (d) carrying out the other responsibilities and obligations of the GVC Representative as provided for in this Instrument.

5.4 The Company:

- (a) will procure that the GVC Representative will fulfil the responsibilities of the GVC Representative under this Instrument; and
- (b) hereby undertakes to the CVR Representative that it will ensure that the GVC Representative is made available and adequately resourced to carry out their responsibilities under this Instrument as expeditiously as reasonably practicable.

5.5 If the GVC Representative is for whatever reason unavailable and the GVC Representative has any responsibilities under this Instrument which are required to be fulfilled during such period of unavailability, the Company will grant an alternate suitably qualified individual (who will be an employee of the Company or a member of the GVC Group) the authority to fulfil the responsibilities of the GVC Representative under this Instrument. To the extent that no such alternate is available at such time, the Chairman of the board of directors of the Company at that time shall act as the GVC Representative for the purposes of this Instrument.

5.6 Without prejudice to clause 8, the Company has sole discretion to provide the GVC Representative with compensation and indemnification in connection with the performance of the GVC Representative's role.

6 APPOINTMENT OF CVR REPRESENTATIVE

- 6.1 Ladbroke's Coral will, prior to the Effective Date, appoint one individual to act as the CVR Representative, to act on behalf of the CVR Holders for the purposes of this Instrument. As soon as is reasonably practicable following such appointment, Ladbroke's Coral shall inform the GVC Representative (or the Company, in the event that the GVC Representative has not been appointed at that time) and the Expert of the identity of such individual.
- 6.2 Prior to the Effective Date, Ladbroke's Coral shall be entitled to remove and replace the CVR Representative at its sole discretion with a suitably qualified individual. In the event of any such replacement Ladbroke's Coral shall inform the GVC Representative and the Expert of such replacement as soon as is reasonably practicable.
- 6.3 On or after the Effective Date, the CVR Holders shall be entitled to remove and replace the CVR Representative with a suitably qualified individual by way of a resolution of the CVR Holders (which resolution relates to both the removal of the CVR Representative and their replacement) passed by the holders of at least 90 per cent in number of the CVRs voting in person or by proxy at the relevant meeting of CVR Holders, and who represent a majority by number of the CVR Holders voting at such meeting in person or by proxy.
- 6.4 If the CVR Representative resigns, or is incapacitated and is likely to remain so for a period of more than 15 days (the date of such resignation, or the date upon which it is clear that the CVR Representative will remain incapacitated for 15 days or the expiry of the 15th day from the beginning of such incapacity being the **Replacement Trigger Date**), and if the Replacement Trigger Date occurs on or after the Effective Date, the CVR Holders may appoint a replacement CVR Representative, who must be a suitably qualified individual, and who shall be appointed by way of a resolution of the CVR Holders passed by a CVR Holder Majority voting in person or by proxy at the relevant meeting of CVR Holders.
- 6.5 If the CVR Holders are unable to pass a resolution to appoint a replacement CVR Representative pursuant to clause 6.4 within 30 days of the Replacement Trigger Date the Expert shall make a determination to appoint in their sole discretion a suitably qualified individual as CVR Representative provided that such individual must be independent of the GVC Group .
- 6.6 In the event of any dispute (whether between the Company and the CVR Holders, or amongst the CVR Holders) as to whether or not a particular individual proposed to be appointed as a CVR Representative (whether as a replacement CVR Representative under clause 6.4, or as an alternate CVR Representative under clause 6.7) is a suitably qualified individual for the purposes of this Instrument, either (1) the Company or (2) CVR Holders holding at least 10 per cent in number of the CVRs, may by notice to the Expert request a determination in relation to such matter of the Expert, who shall determine, in the Expert's sole discretion, whether or not such individual is a suitably qualified individual and who is also independent of the GVC Group.
- 6.7 If the CVR Representative is for whatever reason unavailable or incapacitated (for a period which is, or is reasonably anticipated to be, 15 days or less) and the CVR Representative has any responsibilities under this Instrument which are required to be fulfilled during such period of unavailability or incapacity, the CVR Representative may appoint an alternate suitably qualified individual, giving them the authority to fulfil the responsibilities of the CVR Representative under this Instrument in respect of such period of unavailability or incapacity.

7 RIGHTS AND OBLIGATIONS OF CVR REPRESENTATIVE

Obligations of the CVR Representative

- 7.1 The CVR Representative will be responsible for:
- (a) acting as the primary point of contact for the CVR Holders with the Company, the Expert, the GVC Representative and any third parties engaged by the CVR Representative to act on behalf of the CVR Holders pursuant to the terms of this Instrument;
 - (b) participating in the Consultation Procedure;
 - (c) to the extent the Consultation Procedure does not result in an agreed Relevant Value, presenting the CVR Representative's own assessment of the Relevant Value pursuant to the Determination Procedure; and
 - (d) carrying out the other responsibilities and obligations of the CVR Representative as provided for in this Instrument.
- 7.2 The obligations of the CVR Representative will be owed to the CVR Holders and not to the Company.

Rights of the CVR Representative

- 7.3 The CVR Representative shall be entitled (but not obliged) at the CVR Representative's sole discretion to consult with individual CVR Holders or seek the direction of the CVR Holders by means of a CVR Holder Majority.

Fees and expenses

- 7.4 In consideration for the performance of the CVR Representative's obligations under this Instrument, the Company shall, as soon as is reasonably practicable following the Effective Date, pay to the CVR Representative referred to in clause 6.1 an appointment fee of £10,000 (the **Appointment Fee**). The amount of the Appointment Fee shall be inclusive of any VAT or other taxes payable in respect of such Appointment Fee.
- 7.5 Unless otherwise agreed between the CVR Representative and the Company, in respect of the period from the Review Commencement Date to the Loan Note Issue Date (or, if earlier, the Expiry Date) and in consideration for the performance of the CVR Representative's obligations under this Instrument, the Company shall pay to the CVR Representative for the time being (but not, for the avoidance of doubt, any alternate CVR Representative appointed pursuant to clause 6.7), a monthly fee of £10,000, pro-rated for any part thereof (the **Monthly Fee**), the amount of which shall be inclusive of any VAT or other taxes payable in respect of such Monthly Fee.
- 7.6 The Company will reimburse the CVR Representative, as well as any alternate CVR Representative appointed pursuant to clause 6.7, within 30 days of receipt by the Company of appropriate invoices or receipts from the CVR Representative, the properly incurred costs and expenses of the CVR Representative incurred by the CVR Representative acting in their capacity as such, provided that the CVR Representative shall obtain the prior written consent of the Company to incur any individual expenses in excess of £2,000, such consent of the Company not to be unreasonably withheld or delayed.

Appointment of advisers

- 7.7 The CVR Representative may appoint such legal, financial, accounting or other third party adviser (each a **CVR Representative Adviser**) as the CVR Representative may reasonably require to advise the CVR Representative in their capacity as such under this Instrument, or support the CVR Representative in relation to the performance of their responsibilities under this Instrument.
- 7.8 The CVR Representative will consult with the Company prior to the appointment of any CVR Representative Adviser (including in relation to the proposed fees and expenses of such CVR Representative Adviser) and will obtain the consent of the Company to such appointment (such consent not to be unreasonably withheld or delayed) prior to such appointment becoming effective.
- 7.9 The Company will pay the properly incurred costs and expenses of any CVR Representative Adviser appointed by the CVR Representative pursuant to clause 7.7, to whose appointment the Company has consented pursuant to clause 7.8. The Company shall however be entitled to review any invoice of any CVR Representative Adviser so appointed and to request such other information as the Company may reasonably require in order to monitor the fees and expenses of any such CVR Representative Adviser.

8 INDEMNITY, LIMITATIONS ON LIABILITY

Indemnity

- 8.1 Subject to clause 8.2, and save as provided for in clause 8.3, the Company hereby unconditionally and irrevocably agrees, as a continuing obligation, to indemnify and keep indemnified each of the Representatives (including any alternate CVR Representative appointed pursuant to clause 6.7) (the **Indemnified Persons**) from and against any and all claims, demands, actions, investigations, judgements, awards or proceedings (**Claims**) which may be instituted, made, threatened, brought or alleged against or otherwise involve such Indemnified Person, and against any and all losses, damages, costs, expenses or liabilities (**Losses**) which such Indemnified Person may suffer or incur or which may be brought against such Indemnified Person, in connection with, or arising out of, the services rendered or duties performed by such Indemnified Person under this Instrument including but not limited to agreement on, or determination of, the Loan Note Principal Value.
- 8.2 The indemnity contained in clause 8.1, to the extent that it constitutes a "class 1" transaction of the Company pursuant to LR 10.2.4R of the Listing Rules, shall be conditional on receipt by the Company of the approval of its shareholders to the entry into such indemnity by the Company. The Company undertakes to the CVR Holders that if such consent is required the Company will take all reasonable steps to convene a meeting of its shareholders for the soonest reasonably practicable date at which a consent resolution will be proposed and put to the Company's shareholders for approval.
- 8.3 The indemnity contained in clause 8.1 shall not apply to the extent that:
- (a) in the case of the CVR Representative, the relevant Claims or Losses are covered by run-off cover under any Ladbrokes Coral directors' and officers' liability insurance policy;
 - (b) in the case of the GVC Representative, the relevant Claims or Losses are covered under any GVC Group directors' and officers' liability insurance policy; or

- (c) in the case of the Representatives, the relevant Claims or Losses are finally and judicially determined to have resulted from the fraud, wilful default or gross negligence of such Representative.

Limitations on liability

- 8.4 In their respective capacities as a Representative, but not, for the avoidance of doubt, in any other capacity, no Indemnified Person will have any liability for any actions taken (or not taken) in connection with their appointment under the terms of this Instrument, or the performance (or non-performance) of their responsibilities, obligations, functions or role as a Representative or otherwise in connection with any matter as provided for under this Instrument, save in respect of such Indemnified Person's fraud, wilful default or gross negligence in their capacity as Representative.

9 COMPANY OBLIGATIONS, UNDERTAKINGS AND WARRANTIES

- 9.1 For the period of time which starts on the Effective Date and ends on the Loan Note Issue Date (or, if earlier, on the Expiry Date) (the **Restricted Period**), the Company undertakes that it will not, without the prior written consent of the CVR Representative, undertake any corporate reorganisation of the GVC Group which would:

- (a) have the result of the Company becoming a subsidiary of another company in the GVC Group during the Restricted Period; or
- (b) materially adversely affect the financial strength of the Company during the Restricted Period, such that if the Loan Notes were issued with a principal value of 42.8 pence, the ability of the Company to pay in accordance with the Loan Note Instrument amounts due to Loan Note Holders in respect of such Loan Notes would be materially reduced.

- 9.2 The Company undertakes to each CVR Holder to comply with the Company's obligations under this Instrument.

- 9.3 The Company hereby warrants to each CVR Holder, as at the date of this Instrument, as follows:

- (a) the Company is a public company limited by shares which is duly incorporated and validly existing under the laws of the Isle of Man;
- (b) the Company has obtained all necessary power and authority to enter into and comply with its obligations under this Instrument and issue the CVRs as provided for in this Instrument;
- (c) this Instrument has been duly authorised, executed and delivered by the Company, and constitutes binding obligations of the Company in accordance with its terms, and the Company has obtained all necessary board approvals in respect of its entry into this Instrument;
- (d) in respect of the Company's solvency:
 - (i) no order has been made and no resolution has been passed for the winding up of the Company or for liquidator to be appointed in respect of it and no petition has been presented and no meeting has been convened for the purposes of winding up the Company;

- (ii) no administration order has been made and no petition has been presented and no other action for such an order has been taken in respect of the Company;
 - (iii) no receiver (which expression shall include an administrative receiver) has been appointed in respect of the Company;
 - (iv) the Company is not insolvent or unable to pay its debts (within the meaning of section 163 of the Companies Act 1931 (as applied by the IoM Companies Act) or any other applicable insolvency legislation) and has not stopped paying its debts as they fall due;
 - (v) no voluntary arrangement has been proposed in respect of the Company; and
 - (vi) no event analogous to any of the foregoing has occurred in any jurisdiction with respect to the Company; and
- (e) the execution and delivery of, and the performance by the Company of its obligations under, this Instrument will not:
- (i) be or result in a breach of any provision of the memorandum or articles of association of the Company;
 - (ii) be or result in a breach of, or constitute a default under, any other instrument to which the Company is a party or by which the Company is bound and which is material in the context of the transactions contemplated by this Instrument; or
 - (iii) be or result in a breach of any order, judgment or decree of any court or governmental agency to which the Company is a party or by which the Company is bound and which is material in the context of the transactions contemplated by this Instrument.

10 TAXATION

The Company shall not be liable for any Tax or other charge which arises from the issue, ownership or Transfer of any CVRs or any Loan Notes, save in respect of any Tax which the Company is required to deduct or withhold in respect of any payments under the Loan Notes (**Withholding Taxes**). The relevant CVR Holder must pay all Tax and other charges, if any, payable in connection with their ownership or Transfer of any CVRs and/or the issue to them of any CVRs pursuant to this Instrument, the issue to them of any Loan Notes pursuant to the Loan Note Instrument, or otherwise in connection with any CVRs or Loan Notes held by them, save in respect of Withholding Taxes.

11 MODIFICATION OF RIGHTS

11.1 The Company may (by deed expressed to be supplemental to this Instrument) from time to time modify, abrogate, vary or compromise the provisions of this Instrument (including, for the avoidance of doubt, the Conditions and/or the Loan Note Instrument):

- (a) with the prior sanction of a Special Resolution at any time following the issue of the CVRs; or

- (b) with the prior approval of the CVR Representative:
 - (i) at any time prior to the issue of the CVRs; or
 - (ii) at any time following the issue of the CVRs, if the CVR Representative determines that such modification, abrogation, variation or compromise is of a minor or technical nature or is made to correct a manifest error in its terms and provided such change is not prejudicial to the interests of the CVR Holders; or
- (c) with the prior approval of the CVR Representative (such approval not to be unreasonably withheld or delayed) at any time prior to the issue of the CVRs, if such modification, abrogation, variation or compromise is necessary in order to reflect:
 - (i) the terms of any increased offer made by the Company to the Ladbrokes Coral Shareholders in the context of the Acquisition; or
 - (ii) any listing of the CVRs on any stock exchange; or
 - (iii) any appointment of a trustee for the Loan Notes to the extent required by the US Trust Indenture Act of 1939, as amended.

12 THIRD PARTY RIGHTS

- 12.1 Save as provided in clause 12.2, a person who is not a party to this Instrument has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of, or enjoy any benefit under, this Instrument.
- 12.2 This Instrument and the CVRs are enforceable under the Contracts (Rights of Third Parties) Act 1999 by each CVR Holder, the Representatives and the Expert.
- 12.3 Notwithstanding any term of this Instrument, no consent of any third party (other than (i) the CVR Holders or the CVR Representative if so required under clause 11.1, or (ii) the Indemnified Parties, if such amendment is an amendment to clause 8) shall be required for any amendment (including any release or compromise of any liability) or termination of this Instrument.

13 NO SET-OFF

Any issue of Loan Notes in accordance with the Conditions shall be made by the Company to the CVR Holders without any deduction or withholding (whether in respect of any set off, counterclaim or otherwise whatsoever) unless the deduction or withholding is required by law.

14 SEVERABILITY

If any provision of this Instrument is held to be illegal, void, invalid or unenforceable under the laws of any jurisdiction, the legality, validity and enforceability of the remainder of this Instrument in that jurisdiction shall not be affected, and the legality, validity and enforceability of the whole of this Instrument in any other jurisdiction shall not be affected.

15 CVR HOLDERS BOUND

Each CVR Holder and any person claiming through a CVR Holder to assert an interest in a CVR under this Instrument shall be deemed to have notice of, and shall be bound by, the terms of this Instrument.

16 GOVERNING LAW

16.1 This Instrument, the CVRs and any contractual or non-contractual obligations arising from or connected with it or them will be governed by English law. This Instrument shall be construed in accordance with English law.

16.2 All claims and disputes (including non-contractual claims and disputes) arising out of or in connection with this Instrument or the CVRs, their subject matter, negotiation or formation will be determined in accordance with English law.

17 JURISDICTION

The English courts will have exclusive jurisdiction in relation to all matters (including non-contractual matters) arising out of or in connection with this Instrument or the CVRs. The Company hereby waives any objection which it may now or later have to proceedings being brought in the English courts (on the grounds of venue, or that the English courts are not a convenient forum or otherwise).

Executed as a deed by the Company on the date of this Instrument.

Schedule 1

The Conditions

1 STATUS OF THE CVRS

- 1.1 The CVRs will be unsecured, and will have no nominal or principal value.
- 1.2 The CVRs will be issued in integral units of one CVR and held subject to and with the benefit of the terms of this Instrument. This Instrument and all the obligations and covenants contained in it applicable to the Company and the CVR Holders will be binding on the Company and the CVR Holders respectively and all persons claiming through them respectively.
- 1.3 Subject to these Conditions, the CVRs will, when issued, represent unsecured obligations of the Company and rank *pari passu* without discrimination or preference among themselves and with all other unsecured obligations of the Company, except to the extent provided by law.
- 1.4 The CVRs will, when issued, constitute a transferable entitlement, under which the CVR Holders will have the right, in certain circumstances as provided for in this Instrument, to have Loan Notes issued to them.
- 1.5 The CVRs shall not represent any equity or ownership interest in the Company, and accordingly will not confer on the CVR Holders any:
 - (a) right to attend, speak at or vote at any meeting of the shareholders of the Company; or
 - (b) right to any dividends in respect of the Company; or
 - (c) right to any return of capital by the Company.
- 1.6 The Company will be entitled to make an application to any UK stock exchange for permission to deal in or for listing or quotation in respect of the CVRs.

2 ENTITLEMENT TO LOAN NOTES

- 2.1 When the Loan Notes are to be issued in accordance with these Conditions, the Company will issue to each CVR Holder one Loan Note for each CVR held by such CVR Holder. The principal value of each such Loan Note will be determined in accordance with the terms of this Instrument.
- 2.2 The Loan Notes to be issued pursuant to the Loan Note Instrument will be issued in accordance with the terms of this Instrument to the CVR Holders appearing on the Register as at the Loan Note Issue Date.

3 INTEREST

- 3.1 The CVRs shall not accrue interest.

4 ENFORCEMENT

- 4.1 At any time after the Loan Notes or any of them have become issuable in accordance with the terms of this Instrument, the CVR Holders or any of them may (subject to them having

delivered a demand to the Company) without further notice, institute such proceedings as they think fit to enforce the issue of the Loan Notes.

5 CERTIFICATES

- 5.1 Each CVR Holder will be entitled without charge to one CVR Certificate for the number of CVRs registered in such CVR Holder's name.
- 5.2 Joint holders of CVRs will only be entitled to one CVR Certificate in respect of the number of CVRs held in certificated form by them jointly, which will be delivered to the first-named of such joint holders unless all such joint holders otherwise notify the Registrar in writing at least 5 Business Days prior to the Effective Date.
- 5.3 Any CVR Certificate will refer to this Instrument, will be issued by the Registrar on behalf of the Company and will bear a distinguishing number.
- 5.4 If any CVR Certificate is defaced, worn-out, lost or destroyed it may, at the discretion of the directors, be renewed on such terms (if any) as to indemnity or otherwise as the directors may reasonably determine but otherwise free of charge and (in the case of defacement or wearing-out) on delivery up of the old CVR Certificate.

6 DEALINGS

United States

- 6.1 The CVRs have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration or pursuant to an exemption from registration under the US Securities Act.
- 6.2 The CVRs are expected to be offered in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. For the purpose of qualifying for this exemption, Ladbrokes Coral will advise the Court that its sanction of the Scheme will be relied upon by Ladbrokes Coral and the Company as an approval of the Scheme following a hearing on its fairness to Ladbrokes Coral Shareholders at which hearing all such shareholders are entitled to appear in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Ladbrokes Coral Shareholders.
- 6.3 The CVRs to be issued to Ladbrokes Coral Shareholders pursuant to the Scheme generally should not be treated as "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities in the Scheme (other than "affiliates" as described in the paragraph below) may resell them without restriction under the US Securities Act.
- 6.4 Under US federal securities laws, a Ladbrokes Coral Shareholder who is an "affiliate" of either Ladbrokes Coral or the Company within 90 days prior to, or of the Company at any time following, the Effective Date will be subject to certain US transfer restrictions relating to the CVRs received in connection with the Scheme. The CVRs held by such affiliates may not be sold without registration under the US Securities Act, except pursuant to the applicable resale provisions of Rule 144 under the US Securities Act or another exemption from the registration requirements of the US Securities Act, including transactions conducted pursuant to Regulation S under the US Securities Act. Whether a person is an "affiliate" of a company for such purposes depends upon the circumstances, but affiliates of a company can include

certain officers, directors and significant shareholders. A person who believes that he or she may be an affiliate of Ladbrokes Coral or the Company should consult his or her own legal advisers prior to any sale of any CVRs.

Restricted Overseas Person

- 6.5 The CVRs will not be offered or sold to, or for the account or benefit of, any Restricted Overseas Person.
- 6.6 No clearances in respect of the CVRs or the Loan Notes have been or will be, obtained from the securities commission or other similar authority of any province or territory of Canada and no prospectus in respect of the CVRs or the Loan Notes has been, or will be, filed, or registration made, under any securities laws of any province or territory of Canada, nor has a prospectus in relation to the CVRs or the Loan Notes been, nor will it be, lodged with, or registered by, the Australian Securities and Investment Commission and no steps have been taken, nor will any be taken, to enable the CVRs or the Loan Notes to be offered in compliance with applicable securities laws of Japan and no regulatory clearances in respect of the CVRs or the Loan Notes have been, or will be, applied for in any other jurisdiction.
- 6.7 Accordingly, if the issue of CVRs to any Restricted Overseas Person, or to any person who is reasonably believed to be an Restricted Overseas Person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, the Company may, at its discretion, determine that such Restricted Overseas Person shall not have issued to him CVRs and that the CVRs which would otherwise have been attributable to such Restricted Overseas Person under the terms of the Acquisition shall be held by a nominee on behalf of such Restricted Overseas Person, and that the cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of such CVRs shall be forwarded to such Restricted Overseas Person following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

~~6.8 Notwithstanding any other provision of this Instrument, no Transfer of CVRs in breach of the above restrictions will be registered by the Company.~~

7 REQUIREMENTS RELATING TO THE DETERMINATION OF THE RELEVANT VALUE

- 7.1 For the purposes of this Instrument, the Relevant Value shall, in all cases:
- (a) be calculated on the basis of the Review Methodology; and
 - (b) in the case of:
 - (i) the Base Value, be a single fixed number expressed in pence (to one decimal place); and
 - (ii) the EBITDA Impact Projection, be a single fixed number expressed in a whole number of pounds sterling.
- 7.2 Any periods of time during which an agreement must be obtained, or a determination made, pursuant to Conditions 9 and/or 10 below shall be suspended in the event of:
- (a) the resignation of the Expert as referred to in clause 4.5; and/or

- (b) the resignation or incapacity of the CVR Representative as referred to in clause 6.4 (but not, for the avoidance of doubt, in the event the CVR Representative has appointed an alternate pursuant to clause 6.7),

and in each case, the relevant time periods referred to in Conditions 9 and/or 10 shall only recommence at the time of the appointment of a replacement Expert or CVR Representative (as applicable) pursuant to clause 4 or 6 (as applicable).

7.3 Until such time as the Relevant Value is agreed pursuant to Condition 9 (or determined under the Determination Procedure pursuant to Condition 10), the Company will (at its own cost) maintain in its possession or under its control, and not destroy, all books and records held by it (including in respect of Ladbrokes Coral following the Effective Date) which are relevant to the agreement on, or determination of, the Relevant Value.

7.4 The Representatives and the Expert shall be required to keep confidential from any third party (excluding, for the avoidance of doubt, one another and the Company) any assessments of any Relevant Values (or any calculations underpinning such Relevant Values) which they have made, or of which they become aware, under these Conditions.

8 METHODOLOGY FOR THE AGREEMENT OR DETERMINATION OF RELEVANT VALUE

8.1 Agreement or determination of Base Value in Scenario 1

If Scenario 1 arises, the Base Value shall be either (i) agreed by the Representatives by means of the Consultation Procedure or (ii) determined by the Consulting Parties (as defined below) by means of the Determination Procedure, in each case by reference to the Maximum Stakes Table and the other provisions of paragraph 1 of the Review Methodology and if there is any disagreement between the Representatives as to whether or not Scenario 1 has arisen, they shall jointly instruct the Expert to determine whether Scenario 1 has arisen, who shall make such determination within 10 Business Days of such instruction.

8.2 Agreement or determination of EBITDA Impact Projection in Scenario 2

If Scenario 2 arises, the EBITDA Impact Projection shall be either (i) agreed by the Representatives by means of the Consultation Procedure or (ii) determined by the Consulting Parties by means of the Determination Procedure, in each case by reference to the methodology set out in paragraph 2 of the Review Methodology.

9 THE CONSULTATION PROCEDURE

9.1 Immediately following the Review Commencement Date, both of the Representatives, and the Expert, if either Representative requests the involvement of the Expert (the **Consulting Parties**) will commence a consultation process (the **Consultation Procedure**), the objective of which will be obtaining agreement between the Representatives of the Relevant Value.

9.2 In following the Consultation Procedure, the Representatives shall first seek to agree a timetable and process for the Consultation Procedure, as well as a target date for reaching agreement. If the Representatives fail to reach agreement on such timetable, process and target date within 14 days of the Review Commencement Date, such matters shall be determined by the Expert in the Expert's sole discretion (following a request to do so by either or both of the Representatives). The period for the Consultation Procedure so agreed or determined shall be the **Consultation Period**, provided that the Consultation Period shall not exceed a period of 30 days following the start of the Consultation Period.

9.3 During the Consultation Period:

- (a) the Consulting Parties shall be required to meet at least twice per week in person or by telephone. During such meetings, each Representative shall be required to present to the other Consulting Parties:
 - (i) their latest assessment of the Relevant Value, having applied the Review Methodology; and
 - (ii) the basis upon which they have arrived at their view as to the Relevant Value;
- (b) the Expert will consider the assessments of the Representatives presented during such meetings, but the Expert will keep confidential, and not provide to either Representative, or any third party, any opinion on those assessments, or reveal the Expert's own assessment as to the Relevant Value;
- (c) in Scenario 2 , if no change to the Maximum Machine Number and/or Spin Speed has been Enacted as at the Review Commencement Date, but such a change has been proposed by the UK Government following the conclusion of the Triennial Review, the Representatives shall also seek to agree their view as to the likely change (if any) to the Maximum Machine Number and/or Spin Speed (as applicable) which will ultimately be Enacted (and the resulting impact which such changes may have on the EBITDA Impact Projection);
- (d) the CVR Representative shall be entitled (but not obliged) to make representations to either or both of the other Consulting Parties as to adjustments which the CVR Representative considers should be made to any assessments of the Relevant Value made by the GVC Representative on behalf of the Company;
- (e) the GVC Representative shall be entitled (but not obliged) to make representations to either or both of the other Consulting Parties as to adjustments which the GVC Representative considers should be made to any assessments of the Relevant Value made by the CVR Representative; and
- (f) the CVR Representative and the Expert may request information from the Company which is pertinent to the determination of the Relevant Value, and the Company shall, subject to Condition 9.4 and so far as it is reasonable so to do (judged by the standard of a party acting in good faith to reach agreement as expeditiously as possible under the terms of this Instrument), make available, as soon as is reasonably practicable, such requested information and the services of relevant employees of the GVC Group (including but not limited to Robert Wood) to assist the Expert and the CVR Representative for such purposes.

9.4 Nothing in Condition 9.3(f) will give the CVR Representative or the Expert access to any information or document protected by the Company's litigation privilege and/or legal professional privilege. Where the Company claims such privilege, it may only refuse to supply such information or such part of any document which contains the facts or matters on which that claim is based.

9.5 A Relevant Value which is agreed in writing between the Representatives on or before the end of the Consultation Period shall be the finally determined Relevant Value for the purposes of calculation of the Loan Note Principal Value in accordance with Condition 11.1.

10 DETERMINATION PROCEDURE

10.1 If, at the end of the Consultation Period, the Representatives have been unable to reach agreement on the Relevant Value by means of the Consultation Procedure, the following procedure (the **Determination Procedure**) shall be used to determine the Relevant Value:

- (a) the CVR Representative and the GVC Representative shall, on or before the third Business Day falling after the date on which the Consultation Period ends, jointly send to the Expert their individual written assessments of the Relevant Value such that the Expert receives the two assessments at the same time (the date of such notice being received by the Expert being the **Determination Date**). The assessment so provided by the GVC Representative shall be provided by the GVC Representative on behalf of the Company;
- (b) promptly following, and in any event no later than 20 calendar days after, receipt of the assessments served pursuant to Condition 10.1(a), the Expert shall give notice in writing to each Representative of the Expert's assessment of the Relevant Value. The Expert shall not be obliged to give reasons or provide workings or calculations demonstrating how the Relevant Value was derived;
- (c) any assessment notified in writing by the CVR Representative or the GVC Representative pursuant to Condition 10.1(a), or by the Expert pursuant to Condition 10.1(b) shall, once made, be irrevocable;
- (d) in Scenario 2, if no change to the Maximum Machine Number and/or Spin Speed has been Enacted by the end of the Consultation Period, but such a change (as applicable) has been proposed by the UK Government following the conclusion of the Triennial Review, each Consulting Party shall be entitled to take into account their own view as to the likely change (if any) to the Maximum Machine Number and/or Spin Speed which will ultimately be Enacted (and the resulting impact which such changes may have on such Consulting Party's own assessment of the EBITDA Impact Projection);
- (e) save in the circumstances set out in Condition 10.1(f), of the three Relevant Values notified by the Representatives and the Expert pursuant to paragraphs 10.1(a) and 10.1(b):
 - (i) the two Relevant Values which are numerically closest to one another shall be the **Determining Values** for the purposes of the Determination Procedure;
 - (ii) the third Relevant Value, not being a Determining Value, shall be disregarded; and
 - (iii) the figure which is the arithmetic mean of the Determining Values shall be the finally determined Relevant Value for the purposes of calculating the Loan Note Principal Value; and
- (f) if, when the three Relevant Values are ranked in size order, the numerical difference between the first and the second Relevant Values is equal to the numerical difference between the second and third ranked Relevant Values, then the second ranked Relevant Value shall be the finally determined Relevant Value for the purposes of calculation of the Loan Note Principal Value in accordance with Condition 11.1.

11 CALCULATION OF LOAN NOTE PRINCIPAL VALUE

11.1 The principal value of each Loan Note to be issued pursuant to the Loan Note Instrument will be calculated in accordance with one of the following formulæ:

(a) Where Scenario 1 is agreed or determined to have arisen:

$$P = B * 1.07^{\left(\frac{N}{365}\right)}$$

Where:

P is the Loan Note Principal Value

B is the Base Value agreed or determined in accordance with the Conditions and paragraph 1 of the Review Methodology

N is the number of calendar days between (and including) the Effective Date and (and including) the Principal Value Calculation Date

(b) Where Scenario 2 is agreed or determined to have arisen:

$$P = (6 * (\text{£}140 \text{ million} - E) / C + Z) * (1.07^{(N/365)})$$

Where:

P is the Loan Note Principal Value

E is the EBITDA Impact Projection agreed or determined in accordance with the Conditions and paragraph 2 of the Review Methodology (but inserted into the formula as a positive number)

N is the number of calendar days between (and including) the Effective Date and (and including) the Principal Value Calculation Date

C is the total number of CVRs

Z is the sum of 2.8 pence, which is only added if a Consulting Party has not made use of the Maximum Stakes Table as the basis for calculation of that part of the EBITDA Impact Projection which arises as a result of the Maximum Stakes Measures, in circumstances where the Maximum Stake stipulated by the Maximum Stakes Measures is in the range from (and including) £20.00 to (and including) £30.00

11.2 The principal value of each Loan Note so determined in accordance with the relevant formula in paragraph 11.1 shall be the **Loan Note Principal Value** for the purposes of this Instrument and the Loan Note Instrument.

11.3 Where the results of the relevant formula in paragraph 11.1 are such that the Loan Note Principal Value is zero (or any negative number), the Loan Note Instrument shall not be entered into by the Company and no Loan Notes will be issued.

11.4 Calculation of the Loan Note Principal Value shall be carried out, using the relevant formula in Condition 11.1:

- (a) jointly by the Representatives, or by the Expert in the event that the involvement of the Expert in the Consultation Procedure has been requested pursuant to Condition 9.1, on the date upon which the Relevant Value is agreed in accordance with the Consultation Procedure under Condition 9; or
- (b) by the Expert, to the extent the Consultation Procedure does not result in an agreed Relevant Value in accordance with its terms, on the date upon which the Relevant Value is determined in accordance with the Determination Procedure under Condition 10,

and on such date (the **Principal Value Calculation Date**):

- (a) the Representatives, to the extent the Representatives have carried out the calculation referred to above, shall notify the Company in writing of the Loan Note Principal Value; or
- (b) the Expert, to the extent the Expert has carried out the calculation referred to above, shall notify the GVC Representative, the CVR Representative and the Company in writing of the Loan Note Principal Value.

11.5 Subject to Condition 11.3, within 14 days of receipt by the Company of the notification referred to in Condition 11.4, the Company shall issue the Loan Notes, each Loan Note being in a principal amount equal to the Loan Note Principal Value, and the date of such issuance shall be the **Loan Note Issue Date** for the purposes of this Instrument and the Loan Note Instrument.

11.6 Any determination of the Loan Note Principal Value pursuant to the terms of this Instrument (whether by reference to a Relevant Value which has been agreed pursuant to Condition 9, or by reference to a Relevant Value which has been determined pursuant to Condition 10) will be final and binding on all of the CVR Holders.

12 ISSUE OF LOAN NOTES ON A CHANGE OF CONTROL

12.1 In the event of an offer being made for the entire issued share capital of the Company which would, if it were to become or be declared wholly unconditional or were otherwise to become effective, would result in a Change of Control of the Company, and such offer occurs prior to the Loan Note Issue Date (and notwithstanding the fact that the Review Commencement Date may have occurred prior to such offer having been made), the Company shall issue the Loan Notes to the CVR Holders in accordance with this Condition 12. Such Loan Notes shall be issued:

- (a) immediately prior to the Change of Control of the Company becoming or being declared wholly unconditional, if such Change of Control of the Company is effected by means of a takeover offer;
- (b) immediately prior to the Change of Control of the Company becoming effective, if such Change of Control of the Company is effected by means of a court-sanctioned scheme of arrangement;
- (c) with a principal value of 42.8 pence each; and
- (d) on the basis that they shall become redeemable immediately upon the occurrence of the Change of Control, at which time the principal value of the Loan Notes plus accrued interest shall be repaid to the holders of the Loan Notes so issued.

13 WINDING UP EVENTS

13.1 For the purposes of this Condition 13, the following shall be **Winding Up Events**, to the extent that any such event occurs prior to the Loan Note Issue Date and notwithstanding the fact that the Review Commencement Date may have occurred prior to such Winding Up Event:

- (a) an effective resolution is passed or an order is made for the winding up, dissolution or reorganisation of the Company (other than: (i) a voluntary winding up for the purposes of amalgamation or reconstruction or liquidation under which a successor or successors undertake(s) the obligations of the Company under the CVRs or (ii) a members' voluntary winding up); or
- (b) the Company takes any corporate action or other steps are taken or legal or other proceedings are started for the appointment of a liquidator in respect of the Company's assets; or
- (c) anything analogous to or having a substantially similar effect to any of the events specified in Condition 13.1(a) or 13.1(b) occurs under the law of any applicable jurisdiction,

provided that any petition or action by a third party which is discharged, stayed or dismissed by a court of competent jurisdiction within 15 Business Days of commencement shall not constitute a Winding Up Event.

13.2 Immediately prior to the occurrence of a Winding Up Event, the Company will issue Loan Notes to the CVR Holders in accordance with this Condition 13.

13.3 The Loan Notes to be issued by the Company in the event of a Winding Up Event will be issued:

- (a) with a principal value of 42.8 pence each; and
- (b) on the basis that they shall become redeemable immediately upon the occurrence of the Winding Up Event, at which time the principal value of the Loan Notes plus accrued interest shall be repaid to the holders of the Loan Notes so issued.

14 LONG STOP DATE

14.1 If no Maximum Stakes Measures have been Enacted by the Long Stop Date, the Company will issue Loan Notes to the CVR Holders in accordance with this Condition 14.

14.2 The Loan Notes to be issued by the Company in such circumstances will be issued within 10 Business Days of the Long Stop Date. The Loan Notes to be issued in such circumstances will be issued:

- (a) with a principal value of 35 pence each; and
- (b) with a term of six months and one day from the date of their issue, following the expiry of which the principal value of the Loan Notes so issued shall be repaid to the holders of the Loan Notes.

15 NOTICES

- 15.1 Any notice, consent, request, approval, settlement, election, proposal, claim form (including particulars of claim) for the purposes of serving proceedings or other communication under or in connection with this Instrument (each a **Notice**) will be:
- (a) in English;
 - (b) in writing; and
 - (c) delivered by hand, internationally recognised courier service, pre-paid first class post or another next working day delivery service.
- 15.2 Notices may not be delivered by fax or e-mail.
- 15.3 Any Notice to the Company will be sent to the address set out at the beginning of this Instrument, or such other address as the Company notifies to the CVR Holders from time to time.
- 15.4 Any Notice to the GVC Representative, the CVR Representative or the Expert will be sent to the address notified by such person to the Company from time to time.
- 15.5 Any Notice to a CVR Holder will be sent to the address for that CVR Holder on the Register (or in the case of joint CVR Holders to the CVR Holder whose name is first on the Register).
- 15.6 A Notice will be effective on receipt and, in the absence of evidence of earlier receipt, will be deemed to have been received:
- (a) at the time of delivery if delivered by hand or courier service; or
 - (b) 2 Business Days after posting if sent by first class post,
- save that if this means that any Notice would otherwise be deemed to be received after 5:00 p.m. on a Business Day, or at any time on a day which is not a Business Day (in each case at the place of receipt of the Notice), such Notice will be deemed to be received at 9:00 a.m. on the next following Business Day in that place of receipt.
- 15.7 A person who becomes entitled to a CVR by transmission, Transfer or otherwise is bound by a Notice in respect of the CVR which, before their name is entered in the Register, has been properly served on a person from whom they derive title.
- 15.8 Where a person is entitled to a CVR by transmission, the Company may give a Notice or other document to that person as if he were the holder of the CVR by addressing such notice or document to such person by name or by the title of representative of the deceased or trustee of the bankrupt holder (or by a similar designation as applicable) at an address in the United Kingdom supplied for that purpose by the person who claims to be entitled by transmission. Until such an address has been supplied, a notice or other document may be given in any manner in which it might have been given if the death or bankruptcy (or other event giving rise to such transmission) had not occurred. The giving of a Notice in accordance with this Condition 15.8 shall be sufficient notice to all other persons interested in the relevant CVR.
- 15.9 The Civil Procedure Rules will not apply to the service of any Notice under this Instrument.

16 CANCELLATION OF CVRS

16.1 On the Expiry Date, to the extent that the CVRs have been issued pursuant to the terms of this Instrument:

- (a) the CVRs will be cancelled and will not be available for re-issue;
- (b) the Register will be updated to reflect such cancellation; and
- (c) all CVR Certificates will cease to have effect as documents of title or for any other purpose.

Schedule 2

Provisions relating to the registration and Transfer of CVRs

1 REGISTER

- 1.1 The Company will appoint the Registrar to keep the Register. The fees and expenses of the Registrar will be payable by the Company.
- 1.2 The Register will record:
- (a) the number of CVRs held by each CVR Holder;
 - (b) the date of issue of each CVR and all subsequent Transfers and changes of ownership of them;
 - (c) the name and address of each CVR Holder;
 - (d) the date on which each CVR Holder was entered on the Register;
 - (e) the date on which a person ceased to be a CVR Holder; and
 - (f) any change to any of the foregoing information.
- 1.3 Any change of name or address of any CVR Holder that is notified by that CVR Holder to the Registrar will (upon that CVR Holder producing evidence of such new name or address as the Registrar may reasonably require) be entered in the Register.
- 1.4 The CVR Representative may inspect the Register from 9:00 a.m. to 5:00 p.m. on any Business Day and may require a copy of the Register or any part of it from the Registrar at the cost of the Company.
- 1.5 The Company will instruct the Registrar and procure that the Registrar complies with the reasonable requests of the CVR Representative as regards the convening of meetings of the CVR Holders.

2 RECOGNITION OF CVR HOLDER AS ABSOLUTE OWNER

- 2.1 The Company will recognise each CVR Holder as the absolute owner of their CVRs and will not be bound to take notice of, or to see to the execution of, any trust whether express, implied or constructive to which any CVR may be subject, except as ordered by a court of competent jurisdiction or as required by law. The Company is not bound to enter any notice of any express, implied or constructive trust on the Register in respect of any CVRs.
- 2.2 The Company shall recognise a CVR Holder as entitled to the CVRs registered in its name free from any equity, set-off or counterclaim on the part of the Company against the original or any intermediate holder of the CVRs.
- 2.3 The issue to a CVR Holder (or where CVRs are jointly held, to all such holders), of the Loan Notes to be issued pursuant to the terms of this Instrument will be a good discharge by the Company of its obligations under this Instrument, notwithstanding any notice it may have, whether express or otherwise, of the right, title, interest or claim of any person (other than the CVR Holder) to or in such CVR.

- 2.4 In the case of the death of a CVR Holder:
- (a) the personal representatives of the deceased CVR Holder; or
 - (b) where such CVR Holder is one of the joint holders of any CVR, the surviving CVR Holder(s),

will be the only person(s) recognised by the Company as having any title to or interest in that CVR.

- 2.5 Any person becoming entitled to a CVR in consequence of the death or bankruptcy of a CVR Holder or otherwise by operation of law may, upon producing such evidence that they are so entitled as the directors may reasonably require, be registered themselves as the CVR Holder or, subject to ~~Condition 6 and~~ paragraph 3 below, may Transfer that CVR to another person.

- 2.6 The Company shall not be obliged to register more than four persons as the joint holders of any CVR.

3 TRANSFER OF CVRS

- 3.1 Subject to ~~Condition 6 and~~ the subsequent provisions of this paragraph 3, the CVRs are freely Transferable.

- 3.2 The CVRs may be Transferred in integral units or multiples of one CVR.

- 3.3 Every instrument of Transfer in respect of the CVRs must be in writing in any usual form or in another form approved by the directors, and executed by the transferor. Such instrument of transfer must be left with the Registrar accompanied by:

- (a) the relevant CVR Certificate; or
- (b) confirmation that the CVR Certificate is in the hands of the Registrar; or
- (c) if the Registrar so agrees, an indemnity in respect of a lost CVR Certificate,

in the case of paragraphs 3.3(b) and 3.3(c) in a form reasonably satisfactory to the Company; and

- (d) such other evidence as the Registrar may reasonably require to prove the title of the transferor or their right to Transfer the CVRs; and
- (e) if the instrument of Transfer is executed by someone other than the transferor on the transferor's behalf, the authority of that person to do so.

- 3.4 All instruments of Transfer which are registered will be retained by the Registrar and the transferor will be deemed to remain the owner of the CVRs to be Transferred until the transferee's name is registered in the Register.

~~3.5 The directors may, in their absolute discretion, refuse to register the Transfer of a CVR to a purported transferee if the directors reasonably suspect that such transferee is a Restricted Overseas Person. If the directors refuse to register the Transfer of a CVR they shall, within 10 Business Days of the date on which the instrument of Transfer was lodged with the Registrar, send notice of the refusal together with their reasons for the refusal to the transferee. Any instrument of transfer which the directors refuse to register will (except in the case of suspected fraud) be returned to the person depositing it.~~

3.5 ~~3.6~~ No fee will be payable in respect of the registration of any Transfer.

3.6 ~~3.7~~ The transferee shall be liable for any stamp duty, stamp duty reserve tax, notarial fee or other transfer tax or duty arising in connection with any transfer or agreement to transfer any CVR (or any rights thereunder).

Schedule 3

Provisions for meetings of the CVR Holders

1 CONVENING A MEETING

- 1.1 The directors may at any time and will, upon a request in writing signed by:
- (a) save in circumstances when paragraph 1.1(b) applies, a CVR Holder or CVR Holders holding in aggregate not less than 10 per cent. of the CVRs at the relevant time outstanding; or
 - (b) a CVR Holder or CVR Holders holding in aggregate not less than 5 per cent. of the CVRs at the relevant time outstanding, if such meeting is being convened to appoint the CVR Representative pursuant to clause 6.4; or
 - (c) the CVR Representative,
- convene a meeting of the CVR Holders.

2 NOTICE

- 2.1 A CVR Holders' meeting will be called by at least 14 clear days' notice. The notice will specify:
- (a) the place, the day and the time of the meeting;
 - (b) the general nature of the business to be transacted but, except in the case of a resolution to be proposed as a Special Resolution, it will not be necessary to specify the terms of any resolutions to be proposed; and
 - (c) that a CVR Holder entitled to attend and vote may appoint one or more proxies to attend and vote instead of the CVR Holder and that the proxy does not need to be a CVR Holder.
- 2.2 Subject to the provisions of this Instrument, notices will be given to all CVR Holders (including in the case of a bankrupt or deceased CVR Holder, to all persons entitled to CVRs in consequence of the death or bankruptcy of that CVR Holder), to the directors and to the auditors of the Company.
- 2.3 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive it will not invalidate the proceedings at the relevant meeting.
- 2.4 The meeting shall be held in such place as the directors may decide.

3 QUORUM

- 3.1 At any meeting convened for:
- (a) any purpose other than the passing of a Special Resolution, persons (being at least two in number) holding or representing by proxy 30 per cent. in number of the CVRs at the relevant time outstanding will form a quorum.

- (b) for the purpose of a Special Resolution persons (being at least two in number) holding or representing by proxy at least 50 per cent. of the number of CVRs then in issue will form a quorum.

No business (other than the choosing of a chairman) will be transacted at any meeting unless the requisite quorum is present.

- 3.2 If a quorum is not present within 15 minutes (or such longer time as the chairman may decide to wait, not exceeding 1 hour) after the time appointed for holding the meeting, or if during a meeting a quorum ceases to be present, the meeting will stand adjourned to the same day in the next week at the same time and place, or to such other day, time and place as the directors may determine. Notice of such adjourned meeting will be sent to all persons entitled to receive notice of meetings pursuant to paragraph 2 above.

4 CHAIRMAN

The chairman of the meeting will be the CVR Representative.

5 PERSONS ENTITLED TO ATTEND AND SPEAK

The CVR Representative, the directors, the secretary of the Company, the Company's legal advisers and any other person authorised for that purpose by the directors will, notwithstanding that they are not a CVR Holder or proxy of a CVR Holder, be entitled to attend and speak at any meeting of CVR Holders.

6 ADJOURNMENT

- 6.1 The chairman may with the consent of a meeting at which a quorum is present, and will if directed by such a meeting, adjourn the meeting from time to time and from place to place but no business will be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice will be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it will not be necessary to give notice of an adjourned meeting.

- 6.2 Without prejudice to any other power which they may have, the chairman may, without the consent of the meeting referred to above, interrupt or adjourn a meeting from time to time and from place to place if they decide that it has become necessary to do so in order to:

- (a) secure the proper and orderly conduct of the meeting;
- (b) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or
- (c) ensure that the business of the meeting is properly disposed of.

7 PASSING OF RESOLUTIONS

- 7.1 A resolution put to the vote of a meeting will be decided by a show of hands (unless a poll is demanded) and in case of an equality of votes, the chairman will, in respect of both a show of hands and on a poll, not have a casting vote.

- 7.2 At any meeting of CVR Holders (unless a poll is demanded) a declaration by the chairman that a resolution has been passed, whether or not passed, such declaration states that such

resolution has been passed unanimously or by a particular majority, and an entry to that effect in the minutes of the meeting will be conclusive evidence of the fact.

8 POLLS

- 8.1 A poll may be demanded at a meeting by the chairman or by one or more CVR Holders present in person or by proxy, entitled to vote and holding or representing in aggregate not less than 10 per cent. in number of the CVRs then outstanding.
- 8.2 If at any meeting a poll is demanded it will, unless the demand is withdrawn, be taken in such manner and either at once or after such adjournment as the chairman may direct (not being more than 30 days after the poll is demanded) and the result of such poll will be deemed to be the relevant resolution of the meeting at which the poll was demanded. Any poll demanded at any meeting on the election of a chairman or on any question of adjournment will be taken at the meeting without adjournment. The demand for a poll will not prevent the continuance of a meeting for the transaction of any business other than in relation to the resolution on which the poll was demanded. In the case of any poll not taken immediately at least 7 days' notice will be given specifying the time, date and place at which the poll is to be taken.
- 8.3 The demand for a poll may, before the poll is taken, be withdrawn with the consent of the chairman and a demand so withdrawn will be taken not to have invalidated the result of any show of hands declared before the demand was made and, if the demand is made before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting will continue as if the demand had not been made.

9 VOTES

- 9.1 On a show of hands every CVR Holder present in person or by proxy will have one vote. On a poll every CVR Holder present in person or by proxy will have one vote for every CVR of which they are the holder.
- 9.2 In the case of joint holders the vote of the senior who tenders a vote will be accepted to the exclusion of the votes of the other joint holders and seniority will be determined by the order in which the names of the holders stand in the Register.
- 9.3 No objection will be raised to the qualification of any voter or to the counting of, or failure to count, any vote except at the meeting or adjourned meeting at which the vote objected to is tendered. Subject to any objection made in due time, every vote counted and not disallowed at the meeting will be valid and every vote disallowed or not counted will be invalid. Any objection made in due time will be referred to the chairman whose decision will be final and conclusive. A CVR Holder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way.

10 PROXIES

- 10.1 A proxy need not be a CVR Holder. A deed appointing a proxy will be in writing in any usual form or in any other form which the directors approve and will be executed by or on behalf of the appointor. A corporation may execute a form of proxy under the hand of a duly authorised officer. Deposit of a deed of proxy will not preclude a CVR Holder from attending and voting at the meeting or at any adjournment of it.
- 10.2 A CVR Holder may appoint more than one proxy to attend on the same occasion provided they are appointed to exercise the votes attaching to different CVRs. When two or more valid but differing instruments of proxy are delivered for the same CVR for use at the same meeting, the

one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that CVR.

10.3 The form of proxy and any authority under which it is executed or a copy of the authority certified notarially or in some other way approved by the directors will:

- (a) be deposited at the Company's registered office or at such other place as is specified in the notice convening the meeting or in any form of proxy sent out by the Company in relation to the meeting, not less than 2 Business Days before the time for holding the meeting or adjourned meeting at which the person named in the form of proxy proposes to vote; or
- (b) in the case of a poll taken more than 24 hours after it was demanded, be deposited as aforesaid after the poll has been demanded and not less than 1 Business Day before the time appointed for taking the poll,

and a form of proxy which is not deposited or delivered in a manner so permitted will be invalid.

10.4 A vote given or poll demanded by a proxy will be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll, unless notice of the termination was received by the Company at its registered office, or at such other place at which the form of proxy was duly deposited, at least one hour before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

10.5 The form of proxy in relation to a meeting will be deemed also to confer authority to demand or join in demanding a poll (and for the purposes of this Schedule 3 a demand for a poll made by a person as proxy for a CVR Holder will be the same as a demand made by the CVR Holder) and such form of proxy will also be valid for use at any adjournment of the meeting.

10.6 The directors may at the Company's expense send forms of proxy to the CVR Holders by post or otherwise (with or without provision for their return prepaid) for use at any meeting either in blank or nominating in the alternative any one or more of the directors or any other person. If for the purpose of any meeting, forms of proxy are issued at the Company's expense, they will be issued to all (and not to some only) of the CVR Holders entitled to be sent a notice of the meeting and to vote at it. The accidental omission to send such a form of proxy or give such an invitation to, or the non-receipt of it by, any CVR Holder entitled to attend and vote at a meeting will not invalidate the proceedings at that meeting.

11 CORPORATE REPRESENTATIVE

11.1 A company which is a CVR Holder may, by resolution of its directors or other governing body, authorise a person to act as its representative at a meeting of the CVR Holders (a **Corporate Representative**). The Corporate Representative may exercise on behalf of the company (in respect of that part of the company's holding of CVRs to which the authorisation relates) those powers that the company could exercise if it were an individual CVR Holder. The company is for the purposes of this Schedule deemed to be present in person at a meeting of the CVR Holders if the Corporate Representative is present in person. Each reference to attending and voting in person is to be construed accordingly. A director or the Secretary of the Company or other person authorised by such director or Secretary may require the Corporate Representative to produce a certified copy of the resolution of authorisation before permitting such CVR Holder to exercise its powers through its Corporate Representative.

12 AMENDMENTS TO RESOLUTIONS

- 12.1 If an amendment proposed to a resolution under consideration is ruled out of order by the chairman the proceedings on the substantive resolution are not invalidated by any error in such ruling.

13 SPECIAL RESOLUTIONS

- 13.1 A meeting of the CVR Holders may by Special Resolution and with the consent of the Company sanction any modification, abrogation, compromise or release previously approved in writing by the Company in any respect of any provisions of this Instrument or all or any of the rights of the CVR Holders against the Company whether such rights arise under the Instrument or otherwise and in particular (but without limitation) will have power to sanction any agreement for postponing or advancing the time for the issue of the Loan Notes or, without prejudice to the provisions contained in this Instrument, for the exchange of CVRs for, or conversion of CVRs into, other securities of the Company or any other company or may assent to any modification of the provisions contained in this Instrument which will be proposed by the Company.
- 13.2 A Special Resolution will be binding upon all the CVR Holders whether present or not present at the meeting at which it is passed and each of the CVR Holders will be bound to give effect to it accordingly and the passing of any such resolution will be conclusive evidence without appeal that the circumstances justify the passing of it.
- 13.3 The expression **Special Resolution** means a resolution passed at a meeting of the CVR Holders duly convened and held in accordance with this Schedule 3 by a majority consisting of not less than 75 per cent. of the persons voting at such meeting upon a show of hands or if a poll is demanded on the resolution then by a majority consisting of not less than 75 per cent. of the votes given on such poll.
- 13.4 A resolution in writing signed by the holders of 75 per cent. in number of the CVRs at the relevant time outstanding who are at the relevant time entitled to receive notice of meetings in accordance with this Schedule 3 will for all purposes be as valid and effective as a Special Resolution. In the case of two or more joint holders the signature of any one of those joint holders will be sufficient for this purpose. Such a resolution in writing may be contained in one document or in several documents in like form each signed by one or more CVR Holders.

14 WRITTEN RESOLUTIONS

- 14.1 A resolution in writing executed by or on behalf of CVR Holders holding the requisite majority of the CVRs required to pass such resolution if it had been proposed at a meeting of the CVR Holders is as effective as if it had been passed at a meeting of the CVR Holders duly convened and held. The resolution in writing may consist of several instruments in the same form each duly executed by or on behalf of one or more CVR Holders.

15 MINUTES

- 15.1 Minutes of all resolutions and proceedings at every meeting of the CVR Holders will be made and duly entered in books to be from time to time provided for that purpose by the Company.
- 15.2 A minute, if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next meeting, is conclusive evidence of the proceedings.

Executed as a deed by
GVC HOLDINGS PLC
acting by a director

)
)
) Director

Appendix 1

Review Methodology

This Appendix is the Review Methodology referred to in the Instrument to which this Appendix is appended, which sets out a procedural method for calculation of the Relevant Value.

1 SCENARIO 1

1.1 If Scenario 1 has arisen, the Base Value will be agreed by the GVC Representative and the CVR Representative in accordance with the Consultation Procedure, or determined in accordance with the Determination Procedure, by means of the table below (the **Maximum Stakes Table**):

Row 1	Envisaged Maximum Stake	£2	£5	£10	£20	£30	£40	£50
Row 2	Base Value	0.0 pence	13.4 pence	13.4 pence	30.3 pence	40.4 pence	40.5 pence	42.8 pence

1.2 Where Scenario 1 has arisen:

- (a) to the extent that the Maximum Stake stipulated in the Maximum Stakes Measures is equal to one of the Envisaged Maximum Stakes set out in Row 1 of the Maximum Stakes Table, the Base Value shall be equal to the figure in Row 2 of the Maximum Stakes Table set out directly below such Envisaged Maximum Stake; and
- (b) to the extent that the Maximum Stake stipulated in the Maximum Stakes Measures falls between two Envisaged Maximum Stakes which are adjacent to one another in Row 1 of the Maximum Stakes Table, the Base Value in respect of that Maximum Stake shall be determined by linearly interpolating the Base Values directly below those two adjacent Envisaged Maximum Stakes. For example, if the Maximum Stakes Measures provide for a Maximum Stake of £25.00, the Base Value shall be 35.35 pence, being the figure which is linearly interpolated between the Base Value directly below the Envisaged Maximum Stake of £20.00 (being 30.3 pence) and the Base Value directly below the Envisaged Maximum Stake of £30.00 (being 40.4 pence).

2 SCENARIO 2

2.1 For the purposes of this paragraph 2:

Models means the financial data, models and projections used by the Company and Ladbrokes Coral as the basis for the calculation of the Base Values set out in the Maximum Stakes Table;

Non-Slots Game means a game on a FOBT which is not a Slots Game (for example, a virtual game of the type played in casinos such as roulette, or other virtual sporting events such as horse and dog tracks); and

Slots Game means a game on a FOBT which is mechanical or virtual in nature and which uses spinning reels, discs or other representations of moving or changing symbols.

2.2 Where Scenario 2 has arisen, the CVR Representative, the GVC Representative and the Expert, in agreeing or determining the EBITDA Impact Projection, will:

(a) where the Maximum Stake stipulated in the Maximum Stakes Measures for Non-Slots Games is within the range of the Envisaged Maximum Stakes, but is different to that stipulated for Slots Games:

(i) take the Base Value relating to such Envisaged Maximum Stake from the Maximum Stakes Table; then

(ii) calculate the EBITDA impact (the **Basic Impact**) relating to such Envisaged Maximum Stake by using the following formula:

$$I = \text{£140 million} - \frac{((B - Z) * C)}{6}$$

Where:

I is the Basic Impact (expressed as a positive number);

B is the Base Value determined in accordance with paragraph (i) above;

Z is the sum of 2.8 pence, which is only deducted in circumstances where the Maximum Stake stipulated by the Maximum Stakes Measures for Non-Slots Games is in the range from (and including) £20.00 to (and including) £30.00; and

C is the total number of CVRs; then

(iii) calculate, in accordance with paragraph (b) below, the additional incremental EBITDA impact on the Basic Impact which results from the Maximum Stake introduced for Slots Games (expressed as a positive number) (the **Incremental Impact**); then

(iv) add the Incremental Impact to the Basic Impact to arrive at a figure which, when expressed as a negative number, represents the impact on EBITDA from the different Maximum Stakes stipulated in the Maximum Stakes Measures in respect of both Slots Games and Non-Slots Games;

(b) forecast the gross estimated reduction in EBITDA caused by the Triennial Measures (other than Maximum Stakes Measures, to the extent that paragraph (a) above applies), on the Ladbrokes Coral UK Business taking into account, amongst other things, estimated customer lapse rates and staking down behaviour, and then reduce that gross estimated reduction in EBITDA by the estimated effect of any mitigating factors and circumstances on the Wider Ladbrokes Coral Business;

(c) in respect of Triennial Measures which are Enacted as at the Review Commencement Date or the Determination Date (as applicable), determine the EBITDA Impact Projection by reference to such Triennial Measures in the form in which they are Enacted;

(d) if no change to the Maximum Machine Number and/or Spin Speed has been Enacted as at the Review Commencement Date or the Determination Date (as applicable), but

such a change has been proposed by the UK Government following the conclusion of the Triennial Review, determine the EBITDA Impact Projection by reference to the relevant Consulting Party's own view, as provided for in the Consultation Procedure or the Determination Procedure (as applicable), as to the likely change (if any) to the Maximum Machine Number and/or Spin Speed which will ultimately be Enacted in the period following the Review Commencement Date or the Determination Date (as applicable);

- (e) to the extent that any Triennial Measures are Enacted between the Review Commencement Date and the Determination Date, for the purposes of the Determination Procedure, determine the EBITDA Impact Projection by reference to such Triennial Measures in the form in which they are Enacted;
- (f) determine the EBITDA Impact Projection by reference to a 12 month notional period for the Ladbrokes Coral UK Business as represented in the Models, on the assumption that all factors which may have an impact on the EBITDA of the Ladbrokes Coral UK Business as represented in the Models (other than the Triennial Measures) remain constant, including but not limited to:
 - (i) number, location and overheads of each LBO;
 - (ii) management and personnel;
 - (iii) management and operational policies;
 - (iv) marketing spend;
 - (v) accounting policies;
 - (vi) taxation treatment (other than any reduction in taxation that is introduced for gaming companies as a result of the Triennial Measures);
 - (vii) the legal and regulatory environment applicable to the Ladbrokes Coral UK Business (but ignoring, for these purposes, any Triennial Measures which may have been Enacted prior to the Effective Date); and
 - (viii) macroeconomic conditions;
- (g) not take into account any changes made to the Ladbrokes Coral UK Business by the Company on or after the Effective Date; and
- (h) assume that the Triennial Measures in England and any associated mitigating factors or circumstances are of application throughout Great Britain notwithstanding that different legislation or regulation may in fact be enacted at different times in Scotland and Wales.

Appendix 2
Loan Note Instrument

Dated

GVC HOLDINGS PLC

**DEED POLL CONSTITUTING
LOAN NOTES**

**Issued in connection with the
acquisition of Ladbrokes Coral
Group plc by GVC Holdings PLC**

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THIS DEED POLL is made on

BY:

- (1) **GVC HOLDINGS PLC** (registered in the Isle of Man with company number 4685V), whose registered office is at 32 Athol Street, Douglas, Isle of Man, IM1 1JB (**Company**)

WHEREAS:

- (A) The Company has constituted the CVRs under the CVR Instrument. The CVRs have been issued as contingent consideration in connection with the Acquisition.
- (B) The CVRs are unsecured obligations of the Company which oblige the Company to issue to CVR Holders one Loan Note for each CVR they respectively hold, the principal value of which Loan Note has been determined in accordance with the terms of the CVR Instrument.
- (C) The Company hereby constitutes the Loan Notes to be issued in the manner set out in the CVR Instrument.

THIS DEED POLL WITNESSES as follows:

1 Interpretation and definitions

1.1 Definitions

In this Instrument, unless the context otherwise requires:

Acquisition means the acquisition of Ladbrokes Coral Group plc by the Company

Affiliate means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

Agent means any Registrar, Paying Agent, transfer agent, authenticating agent or co-registrar

Business Day means any day on which banks are open for ordinary banking business in London (excluding Saturdays, Sundays and public holidays)

Change of Control means a circumstance where any person or group of persons acting in concert gains direct or indirect control of the Company. For the purposes of this definition:

- (a) **control of the Company** means:
- (i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
- (A) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the Company; or

- (B) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or
 - (C) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply; or
- (ii) the holding beneficially of more than 50 per cent of the issued share capital of the Company (excluding any part of that issued share capital that carries no right to participate, or no right to participate beyond a specified amount, in a distribution of either profits or capital); and
- (b) **acting in concert** means, in respect of a group of persons, that such persons pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of the Company, such expression to be construed in accordance with the Code and the rulings of the Panel

Companies Act means the UK Companies Act 2006

Condition means any of the conditions set out in Schedule 1 (as modified from time to time in accordance with clause ~~44~~6)

Code means the City Code on Takeovers and Offers in the United Kingdom

Corporate Representative has the meaning given to such term in paragraph 11.1 of Schedule 3

CVR Holder means a person who is for the time being entered in the register of CVRs as a holder of CVRs and **CVR Holders** shall be construed accordingly

CVR Instrument means the instrument made by the Company on 22 December 2017 and constituting the CVRs, as may be amended

CVRs means the contingent value rights constituted by the CVR Instrument corresponding to the total number of Scheme Shares

directors means the board of directors for the time being of the Company or a duly authorised committee of such board, and **director** shall mean any member of such board

Early Redemption Date has the meaning given to such term in Condition 6.1

Encumbrance means any claim, interest or equity of any person (including any right to acquire, option or right of pre-emption), any debenture, mortgage, charge, pledge, lien, deposit by way of security, restriction, assignment, hypothecation, security interest, option, right of pre-emption or assignment or factoring or similar agreement (including any created by law), title retention or transfer or other security or preferential agreement or arrangement or any commitment to give or create any of the foregoing

[Event of Default has the meaning set forth in Section VI of Schedule 4](#)

Expiry Date has the meaning given to such term in clause 3.1

IoM Companies Act means the Isle of Man Companies Act 2006

Instrument means this deed poll, including the Schedules hereto

Loan Notes means the ♦ loan notes of the Company constituted by this Instrument and to be issued to the Loan Note Holders in accordance with the terms of this Instrument

Loan Note Certificate means a certificate for the Loan Notes issued under Condition [511](#) and subject to the Conditions

Loan Note Holder Majority means the holder or holders for the time being of at least 50.1 per cent. of the number of [CVRs](#) [Loan Notes](#) in issue at the relevant time

Loan Note Holder means a person who is for the time being entered in the Register as a holder of Loan Notes and **Loan Note Holders** shall be construed accordingly

Loan Note Issue Date has the meaning given to such term in Condition 2.1

Notice has the meaning given in Condition [4513](#)

[Officer's Certificate means a certificate signed by two senior officers of the Company or any one senior officer and the Secretary of the Company. Each Officer's Certificate \(other than certificates provided pursuant to TIA Section 314\(a\)\(4\) shall include the statements provided for in TIA Section 314\(e\), if applicable](#)

[Opinion of Counsel means a written opinion from legal counsel that is reasonably acceptable to the Trustee. Each such Opinion of Counsel shall include the statements provided for in TIA Section 314\(e\), if applicable](#)

Overseas Person means a person (or nominees of, or custodians or trustees for, such person) not resident in, or nationals or citizens of, the United Kingdom

[Paying Agent has the meaning set forth in Section XIV of Schedule 4](#)

[Person means any individual, corporation, partnership, joint venture, trust, unincorporated organization or government of any agency or political subdivision thereof](#)

pounds sterling, pence, £ or p means pounds sterling, the lawful currency of the United Kingdom

Redemption Date has the meaning given to such term in Condition 6.1

Register means the register of Loan Note Holders maintained by or on behalf of the Company pursuant to this Instrument

Registrar means the registrar for the Loan Notes appointed by the Company from time to time to maintain the Register (the first such Registrar to be appointed with effect from the Effective Date), the name and the contact details of whom shall be publicly announced by the Company and notified in writing to the Loan Note Holders

[Responsible Officer means, when used with respect to the Trustee, the chairman or vice chairman of the board of directors, the chairman or any vice chairman of the executive committee of the board of directors, the chairman of the trust committee, the president, any assistant vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, the cashier, any assistant cashier, any trust officer or assistant trust officer, the controller or any assistant controller or any other officer of the Trustee customarily performing](#)

functions similar to those performed by any of the above-designated officers, and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject

Restricted Overseas Person means an Overseas Person who has not, by or prior to the ~~Scheme Record Time~~ Loan Note Issue Date, been able to satisfy ~~Ladbrokes Coral and~~ the Company in their absolute discretion, that the receipt of Loan Notes is exempt from or not subject to the registration or other legal or regulatory requirements or restrictions of the relevant jurisdiction

Scheme Record Time means the record time for the scheme of arrangement under which the Acquisition was effected

SEC means the U.S. Securities and Exchange Commission

Special Resolution has the meaning set out in paragraph 13.3 of Schedule 3

Tax means all means all current and future forms of tax, duty, rate, levy, charge (including social security charge) or other imposition or withholding of whatever nature and whether separately or jointly due and whenever and by whatever supranational, national, federal, state, provincial, municipal, local, foreign or other authority imposed in the United Kingdom or elsewhere together with any interest, penalty or fine in connection with any taxation, and any liability to make a payment by way of reimbursement, recharge, indemnity, damages or management charge connected in any way with any taxation and regardless of whether any such taxes, duties, rates, levies, charges, imposts, withholdings, interest, penalties or fines are chargeable directly or primarily against or attributable directly or primarily to the Company, the Loan Note Holder or any other person and regardless of whether any amount in respect of any of them is recoverable from any other person

TIA or Trust Indenture Act means the U.S. Trust Indenture Act of 1939, as amended

Trustee means the *[insert name of trustee]* until a successor replaces it in accordance with the provision of this Instrument and thereafter remains such successor, and it also includes any co-trustees that may be appointed from time to time

UK or United Kingdom means the United Kingdom of Great Britain and Northern Ireland

United States Dollars or **USD** means the lawful currency of the United States of America

US Securities Act means the United States Securities Act of 1933, as amended

US Shareholder means a Ladbrokes Coral Shareholder who is resident or located in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia

Winding Up Event has the meaning given to such term in the CVR Instrument

1.1 Interpretation – general

In this Instrument, unless the context otherwise requires:

- (a) references to **clauses** and **Schedules** are to clauses of, and Schedules and Appendices to, this Instrument respectively;

- (b) a reference in a schedule to **paragraphs** are to paragraphs of the Schedule in which the reference appears;
- (c) references to **this Instrument** or **any other document** are to this Instrument or that document as amended from time to time;
- (d) references to **this Instrument** include the Recitals and Schedules to this Instrument;
- (e) references to **writing** include any method of reproducing words in a legible and non-transitory form, including fax, but exclude any other electronic form (as defined in section 1168 of the Companies Act);
- (f) where a **word or phrase** is defined, its other grammatical forms have a corresponding meaning;
- (g) references to **times** of the day are to the time in London, United Kingdom;
- (h) references to one **gender** include all genders;
- (i) references to the **singular** include the **plural** and *vice versa*;
- (j) references to a **person** include any individual, firm, company, government, state, state agency, partnership, association or other body (with or without separate legal personality);
- (k) references to a **company** include any company, corporation or body corporate, wherever incorporated or established;
- (l) the expressions **holding company**, **parent undertaking**, **subsidiary**, **subsidiary undertaking** and **wholly-owned subsidiary** will have the meanings given to them in the Companies Act (in each case ignoring any security existing over shares in the relevant undertaking);
- (m) the word **will** shall be deemed to impose obligations in the same way as if the word **shall** had been used in its place; and
- (n) the words **other**, **includes**, **including**, **in particular** and words of similar effect will not limit any general words which precede them and any words which follow them will not be limited in scope to the same class as the preceding words.

1.2 **Statutory references**

In this Instrument, unless the context otherwise requires, a reference to a statute or statutory provision includes:

- (a) a reference to any subordinate legislation made under that statute or statutory provision;
- (b) any past statute or statutory provision which that statute or statutory provision has replaced (directly or indirectly and whether with or without modification); and
- (c) that statute or statutory provision as from time to time amended, modified, consolidated or re-enacted (whether before or after the date of this Instrument),

save to the extent that any amendment, modification, consolidation or re-enactment made after the date of this Instrument would increase or alter the liability of the Company under this Instrument.

1.3 **Headings**

The headings and contents table in this Instrument are for convenience only and do not affect its interpretation.

1.4 **Transfer**

A reference in this Instrument to the **Transfer** of any Loan Note will mean the transfer of either or both of the legal and beneficial ownership in such Loan Note and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such Loan Note and the following will be deemed (but without limitation) to be a transfer of a Loan Note:

- (a) any direction (by way of renunciation or otherwise) by a person entitled to an issue of any Loan Note that such Loan Note be issued to some person other than himself;
- (b) any sale or other disposition of any legal or equitable interest in a Loan Note (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing;
- (c) any grant or creation of an Encumbrance over any Loan Note; and
- (d) any agreement, whether or not subject to any conditions and whether or not in writing, to do any of the matters set out in clauses paragraphs 1.4(a) to 1.4(c) above,

and **Transferable** and **Transferred** shall be construed accordingly.

2 **Constitution of the Loan Notes**

2.1 The Company hereby constitutes the Loan Notes and agrees that it shall, within 14 days of this date of this Instrument, issue the Loan Notes to the CVR Holders in accordance with the terms of this Instrument.

2.2 The Loan Notes are held subject to the Conditions and the other terms of this Instrument which are binding on the Company, the Loan Note Holders and any person claiming through or under any of them. The Conditions shall have the same effect as if they were set out in this Instrument.

3 **Term**

3.1 This Instrument shall remain in force from the date hereof until the date on which all the Loan Notes have been redeemed by the Company pursuant to Condition 7.1 (the **Expiry Date**).

3.2 On the Expiry Date, this Instrument and each of the Loan Notes shall automatically terminate and shall, subject to clause 3.3, be of no further force and effect.

3.3 Termination of this Instrument pursuant to clause 3.2 shall be without prejudice to any rights and obligations accrued prior to the time of such termination, and the provisions of clauses ~~127, 14, 169, 11, 12~~ and ~~17 and Condition 7.3, 13~~ which shall continue to apply.

4 Company warranties

4.1 The Company hereby warrants to each Loan Note Holder, as at the date of this Instrument, as follows:

- (a) the Company is a public company limited by shares which is duly incorporated and validly existing under the laws of the Isle of Man;
- (b) the Company has obtained all necessary power and authority to enter into and comply with its obligations under this Instrument and issue the Loan Notes as provided for in this Instrument;
- (c) this Instrument has been duly authorised, executed and delivered by the Company, and constitutes binding obligations of the Company in accordance with its terms, and the Company has obtained all necessary board approvals in respect of its entry into this Instrument;
- (d) in respect of the Company's solvency:
 - (i) no order has been made and no resolution has been passed for the winding up of the Company or for liquidator to be appointed in respect of it and no petition has been presented and no meeting has been convened for the purposes of winding up the Company;
 - (ii) no administration order has been made and no petition has been presented and no other action for such an order has been taken in respect of the Company;
 - (iii) no receiver (which expression shall include an administrative receiver) has been appointed in respect of the Company;
 - (iv) the Company is not insolvent or unable to pay its debts (within the meaning of section 163 of the Companies Act 1931 (as applied by the IoM Companies Act) or any other applicable insolvency legislation) and has not stopped paying its debts as they fall due;
 - (v) no voluntary arrangement has been proposed in respect of the Company; and
 - (vi) no event analogous to any of the foregoing has occurred in any jurisdiction with respect to the Company; and
- (e) the execution and delivery of, and the performance by the Company of its obligations under, this Instrument will not:
 - (i) be or result in a breach of any provision of the memorandum or articles of association of the Company;
 - (ii) be or result in a breach of, or constitute a default under, any other instrument to which the Company is a party or by which the Company is bound and which is material in the context of the transactions contemplated by this Instrument; or
 - (iii) be or result in a breach of any order, judgment or decree of any court or governmental agency to which the Company is a party or by which the

Company is bound and which is material in the context of the transactions contemplated by this Instrument.

5 Taxation

The Company shall not be liable for any Tax or other charge which arises from the issue, ownership or Transfer of any Loan Notes, save in respect of any Tax which the Company is required to deduct or withhold under the Loan Notes (**Withholding Taxes**). The relevant Loan Note Holder must pay all Tax and other charges, if any, payable in connection with their ownership or Transfer of any Loan Notes pursuant to this Instrument, or otherwise in connection with any Loan Notes held by them, save in respect of Withholding Taxes.

6 Modification of rights

The Company may (by deed expressed to be supplemental to this Instrument from time to time) modify, abrogate, vary or compromise the provisions of this Instrument (including the Conditions) with the prior sanction of a Special Resolution.

7 Third party rights

7.1 Save as provided in clause ~~42.27.2~~, a person who is not a party to this Instrument has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of, or enjoy any benefit under, this Instrument.

7.2 This Instrument and the Loan Notes are enforceable under the Contracts (Rights of Third Parties) Act 1999 by each Loan Note Holder.

7.3 Notwithstanding any term of this Instrument, no consent of any third party (other than the Loan Note Holders if so required under clause ~~44.46~~) shall be required for any amendment (including any release or compromise of any liability) or termination of this Instrument.

8 No set-off

Any issue of Loan Notes in accordance with the Conditions shall be made by the Company to the Loan Note Holders without any deduction or withholding (whether in respect of any set off, counterclaim or otherwise whatsoever) unless the deduction or withholding is required by law.

9 Severability

If any provision of this Instrument is held to be illegal, void, invalid or unenforceable under the laws of any jurisdiction, the legality, validity and enforceability of the remainder of this Instrument in that jurisdiction shall not be affected, and the legality, validity and enforceability of the whole of this Instrument in any other jurisdiction shall not be affected.

10 Loan Note Holders bound

Each Loan Note Holder and any person claiming through a Loan Note Holder to assert an interest in a Loan Note under this Instrument shall be deemed to have notice of, and shall be bound by, the terms of this Instrument.

11 Governing law

11.1 This Instrument, the Loan Notes and any contractual or non-contractual obligations arising from or connected with it or them will be governed by English law. This Instrument shall be construed in accordance with English law.

- 11.2 All claims and disputes (including non-contractual claims and disputes) arising out of or in connection with this Instrument or the Loan Notes, their subject matter, negotiation or formation will be determined in accordance with English law.

12 **Trust Indenture Act**

This Instrument shall incorporate and be governed by the provisions of the TIA that are required to be part of and to govern indentures qualified under the TIA. If any provision of this Instrument modifies any TIA provision that may be so modified under the TIA, such TIA provision shall be deemed to apply to this Instrument as so modified. If any provision of this Instrument limits, qualifies or conflicts with another provision which is required to be included in this Instrument by the TIA, the provision required by the TIA shall control.

13 **~~42~~ Jurisdiction**

The English courts will have exclusive jurisdiction in relation to all matters (including non-contractual matters) arising out of or in connection with this Instrument or the Loan Notes. The Company hereby waives any objection which it may now or later have to proceedings being brought in the English courts (on the grounds of venue, or that the English courts are not a convenient forum or otherwise).

Executed as a deed by the Company on the date of this Instrument.

Schedule 1

The Conditions

1 STATUS OF THE LOAN NOTES

- 1.1 The Loan Notes will be unsecured.
- 1.2 The Loan Notes will be issued in integral units of one Loan Note and held subject to and with the benefit of the terms of this Instrument. This Instrument and all the obligations and covenants contained in it applicable to the Company and the Loan Note Holders will be binding on the Company and the Loan Note Holders respectively and all persons claiming through them respectively.
- 1.3 Subject to these Conditions, the Loan Notes will represent unsecured obligations of the Company and rank *pari passu* without discrimination or preference among themselves and with all other unsecured obligations of the Company, except to the extent provided by law.
- 1.4 The Loan Notes shall not represent any equity or ownership interest in the Company, and accordingly will not confer on the Loan Note Holders any:
- (a) right to attend, speak at or vote at any meeting of the shareholders of the Company; or
 - (b) right to any dividends in respect of the Company; or
 - (c) right to any return of capital by the Company.
- 1.5 The Company will be entitled to make an application to any UK stock exchange for permission to deal in or for listing or quotation in respect of the Loan Notes.

2 ISSUE OF LOAN NOTES

- 2.1 The Company will issue to each CVR Holder one Loan Note for each CVR held by such CVR Holder. The date of such issuance shall be the **Loan Note Issue Date** for the purposes of this Instrument.
- 2.2 Any Loan Notes to be issued pursuant to this Instrument will be issued to the CVR Holders appearing on the register of CVR Holders as at the Loan Note Issue Date.

3 PRINCIPAL VALUE

- 3.1 The principal value of each Loan Note shall be ♦ pence (♦ point ♦ sterling pence).

4 INTEREST

- 4.1 Interest on the principal value of the Loan Notes shall accrue from day to day and will be calculated on the basis of the actual number of days elapsed and a year of 365 days at the rate set out below:
- (a) for the period from (and including) the Loan Note Issue Date until (but excluding) the date falling 6 months and 1 day after the Loan Note Issue Date, at a rate of 7 per cent. per annum; and

- (b) for the period from (and including) the date falling 6 months and 1 day after the Loan Note Issue Date until (but excluding) the Redemption Date, at a rate of 9 per cent. per annum.

and will be capitalised, and be payable, on the Redemption Date only.

- 4.2 The Company shall be entitled to deduct or withhold from any interest payments any present or future Tax required by law to be deducted or withheld from them.
- 4.3 Any interest payable pursuant to Condition 4.1 shall cease to accrue on any Loan Notes becoming due for redemption, purchase by the Company or repayment as from the day prior to the relevant due date for payment, unless payment of the money due to the Note Holder shall not be made by the Company in which event interest shall continue to accrue until the date of actual payment of the money due to the Loan Note Holder.
- 4.4 At the time any interest is paid, the Company shall deliver to each Loan Note Holder (or procure the delivery of) a certificate as to the relevant Interest Rate, the gross amount of the relevant interest payment and the amount of Tax, if any, deducted.

5 TERM

- 5.1 Subject to Condition 5.2, the Loan Notes issued pursuant to this Instrument shall, subject to Condition 6, have a term which shall end on the later to occur of:

- (a) the date falling 6 months and 1 day after the Loan Note Issue Date; and
- (b) *[insert the date that falls 18 months after the Effective Date]*

such date being the **Final Redemption Date**.

- 5.2 Notwithstanding Condition 5.1, if:

- (a) the Loan Notes are to be issued immediately prior to a Change of Control of the Company pursuant to Condition 12 (*Issue of Loan Notes on a Change of Control*) of the CVR Instrument, such Loan Notes shall become redeemable immediately upon the occurrence of the Change of Control; or
- (b) the Loan Notes are to be issued immediately prior to the occurrence a Winding Up Event of the Company pursuant to Condition 13 (*Winding Up Events*) of the CVR Instrument such Loan Notes shall become redeemable immediately upon issue ; or
- (c) the Loan Notes are issued pursuant to Condition 14 (*Long Stop Date*) of the CVR Instrument such Loan Notes shall have a term ending 6 months and one day from the Loan Note Issue Date.

6 EARLY REDEMPTION

- 6.1 Redemption of the Loan Notes prior to the Final Redemption Date:

- (a) may occur at the option of the Company, provided that, other than as set out in Condition 6.1(b), no Loan Notes shall be redeemed prior to the date falling 6 months and one day from the Loan Note Issue Date;

- (b) must occur:
 - (i) immediately upon the occurrence of the Change of Control, if the Loan Notes are to be issued immediately prior to a Change of Control of the Company pursuant to Condition 12 (*Issue of Loan Notes on a Change of Control*) of the CVR Instrument;
 - (ii) immediately upon issue if the Loan Notes are to be issued immediately prior to the occurrence a Winding Up Event of the Company pursuant to Condition 13 (*Winding Up Events*) of the CVR Instrument;
 - (iii) 6 months and one day from the Loan Note Issue Date, if the Loan Notes are issued pursuant to Condition 14 (*Long Stop Date*) of the CVR Instrument,

(any such date being an **Early Redemption Date**, and the first to occur of the Final Redemption Date and the Early Redemption Date being the **Redemption Date**).

7 REDEMPTION

- 7.1 The Loan Notes will be redeemed in full at par on the Redemption Date together with interest accrued thereon (if any) pursuant to Condition 4.1 (subject to any deduction or withholding required by law in respect of any Tax).
- 7.2 Every Loan Note Holder, any of whose Loan Notes are due to be redeemed under any of the provisions of this Instrument, shall not later than the due date for such redemption deliver up the Loan Note Certificate(s) representing such Loan Notes to the Registrar or as the Company shall direct. Unless and until a Loan Note Certificate (or, if the directors so agree at their discretion, an indemnity in respect of a lost Loan Note Certificate in a form reasonably satisfactory to the Company) is so delivered, the Company shall not be under any obligation to repay the principal payable on it.
- 7.3 Any monies left unclaimed following redemption by the Company in terms of Condition 6 shall be placed following the Expiry Date by the Company on an interest bearing account for the benefit of the relevant Note Holder(s) and shall be held by the Company as trustee for the relevant Loan Note Holder(s) for a period of 10 years following the Redemption Date. All monies that remain unclaimed for a period of 10 years after the Redemption Date shall cease to be held on trust as at the end of such period and (if the board of directors of the Company so resolves) be forfeited and shall cease to remain owing by the Company.
- 7.4 Any Loan Note Holder may elect, by notice given to the Company at least 20 Business Days before the due date for redemption of their Loan Notes, that the redemption of the Loan Notes in accordance with Condition 7.1 above shall be dealt with in accordance with this Condition 7.4, in which case the Company shall pay to that Loan Note Holder on the due date for redemption the greater of:
 - (a) the amount in USD obtained by converting 100.2 per cent. of the pounds sterling principal amount of its Loan Notes into United States Dollars, if the amount referred to in Condition 7.4(b) below is greater than that amount;
 - (b) the amount in USD obtained by converting the pounds sterling principal amount of its Loan Notes into United States Dollars; and

- (c) the amount in USD obtained by converting 99.5 per cent. of the pounds sterling principal amount of its Loan Notes into United States Dollars, if the amount referred to in Condition 7.4(b) above is lower than that amount.

8 PAYMENT

- 8.1 The principal value and interest payable upon the Loan Notes shall be paid by the Company:
- (a) by cheque or warrant sent through the post to the registered address of the Loan Note Holder or, in the case of joint Loan Note Holders to the registered address of that one of the joint Loan Note Holders who is first named on the Register or to such person and to such address as the Loan Note Holder or joint Loan Note Holders may in writing direct; or
 - (b) by telegraphic transfer or bank transfer or by means of Bankers Automated Clearing System to such person and to such UK bank account as the Loan Note Holder or joint Loan Note Holders may in writing direct, subject to any charges, costs and expenses which may properly be incurred in connection with such transfer by the Company being paid by the relevant Loan Note Holder(s).
- 8.2 Every cheque or warrant referred to in this Condition 8 shall be made payable to the order of the Loan Note Holder to whom it is sent. All payments of principal and/or interest to be made by the Company will be made after any deduction or withholding for or on account of any present or future tax required by law to be deducted or withheld.

9 FATCA AND TAX INFORMATION

- 9.1 For the purposes of this paragraph:

FATCA means:

- (a) sections 1471 to 1474 of the US Internal Revenue Code of 1986 or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

FATCA Exempt Party means a Loan Note Holder that is entitled to receive payments free from any deduction or withholding from a payment on a Loan Note required by FATCA.

- 9.2 Subject to paragraph 9.4 below, each Loan Note Holder shall, within ten Business Days of a reasonable request by the Company:
- (a) confirm to the Company whether it is:
 - (i) a FATCA Exempt Party; or
 - (ii) not a FATCA Exempt Party;

- (b) supply to the Company such forms, documentation and other information relating to its status under FATCA as the Company reasonably requests for the purposes of the Company's compliance with FATCA; and
 - (c) supply to the Company such forms, documentation and other information relating to its status as the Company reasonably requests for the purposes of that the Company's compliance with any other law, regulation, or exchange of information regime (including for the avoidance of doubt under the common reporting standard).
- 9.3 If a Loan Note Holder confirms to the Company pursuant to paragraph 9.2(a) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Loan Note Holder shall notify the Company reasonably promptly.
- 9.4 Paragraph 9.2(c) shall not require any Loan Note Holder to do anything which would or might in its reasonable opinion constitute a breach of:
- (a) any law or regulation;
 - (b) any fiduciary duty; or
 - (c) any duty of confidentiality.
- 9.5 If a Loan Note Holder fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph 9.2 above (including, for the avoidance of doubt, where paragraph 9.4 above applies), then such Loan Note Holder shall be treated for the purposes of this Instrument (and payments under it) as if it is not a FATCA Exempt Party until such time as it provides the requested confirmation, forms, documentation or other information.

10 ENFORCEMENT

- 10.1 At any time after the Loan Notes or any of them have become issuable in accordance with the terms of this Instrument, the Loan Note Holders or any of them may (subject to them having delivered a demand to the Company) without further notice, institute such proceedings as they think fit to enforce the issue of the Loan Notes.

11 CERTIFICATES

- 11.1 Each Loan Note Holder will be entitled without charge to one Loan Note Certificate for the number of Loan Notes registered in such Loan Note Holder's name.
- 11.2 Joint holders of Loan Notes will only be entitled to one Loan Note Certificate in respect of the number of Loan Notes held in certificated form by them jointly, which will be delivered to the first-named of such joint holders unless all such joint holders otherwise notify the Registrar in writing at least 5 Business Days prior to the Effective Date.
- 11.3 Any Loan Note Certificate will refer to this Instrument, will be issued by the Registrar on behalf of the Company and will bear a distinguishing number.
- 11.4 If any Loan Note Certificate is defaced, worn-out, lost or destroyed it may, at the discretion of the directors, be renewed on such terms (if any) as to indemnity or otherwise as the directors may reasonably determine but otherwise free of charge and (in the case of defacement or wearing-out) on delivery up of the old Loan Note Certificate.

12 DEALINGS

United States

- 12.1 The Loan Notes have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States.
- 12.2 The Loan Notes are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(9) thereof.
- 12.3 The Loan Notes generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities in the Scheme (other than “affiliates” as described in the paragraph below) may resell them without restriction under the US Securities Act.
- 12.4 Under US federal securities laws, a Ladbrokes Coral Shareholder who is an “affiliate” of either Ladbrokes Coral or the Company within 90 days prior to, or of the Company or at any time following, the Effective Date may be subject to certain US transfer restrictions relating to the Loan Notes received in exchange for the CVRs issued in the Scheme. The Loan Notes held by such affiliates may not be sold without registration under the US Securities Act, except pursuant to the applicable resale provisions of Rule 144 under the US Securities Act or in a transaction not subject to such requirements, including transactions conducted pursuant to Regulation S under the US Securities Act. Whether a person is an “affiliate” of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers, directors and significant shareholders. A person who believes that he or she may be an affiliate of Ladbrokes Coral or the Company should consult his or her own legal advisers prior to any sale of any Loan Notes.

Restricted Overseas Persons

- 12.5 The Loan Notes will not be offered or sold to, or for the account or benefit of, any Restricted Overseas Person.
- 12.6 No clearances in respect of the Loan Notes have been or will be, obtained from the securities commission or other similar authority of any province or territory of Canada and no prospectus in respect of the Loan Notes has been, or will be, filed, or registration made, under any securities laws of any province or territory of Canada, nor has a prospectus in relation to the Loan Notes been, or will be, lodged with, or registered by, the Australian Securities and Investment Commission and no steps have been taken, nor will any be taken, to enable the Loan Notes to be offered in compliance with applicable securities laws of Japan and no regulatory clearances in respect of the Loan Notes have been, or will be, applied for in any other jurisdiction.
- 12.7 Accordingly, if the issue of Loan Notes to any Restricted Overseas Person, or to any person who is reasonably believed to be an Restricted Overseas Person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, the Company may, at its discretion, determine that such Restricted Overseas Person shall not have issued to him Loan Notes and that the Loan Notes which would otherwise have been attributable to such Restricted Overseas Person under the terms of the Acquisition shall be held by a nominee on behalf of such Restricted Overseas Person, and the cash proceeds (if any) following the redemption of any such Loan Notes be forwarded to such Restricted Overseas Person following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

~~12.8 Notwithstanding any other provision of this Instrument, no Transfer of Loan Notes in breach of the above restrictions will be registered by the Company.~~

13 NOTICES

13.1 Any notice, consent, request, approval, settlement, election, proposal, claim form (including particulars of claim) for the purposes of serving proceedings or other communication under or in connection with this Instrument (each a **Notice**) will be:

- (a) in English;
- (b) in writing; and
- (c) delivered by hand, internationally recognised courier service, pre-paid first class post or another next working day delivery service.

13.2 Notices may not be delivered by fax or e-mail.

13.3 Any Notice to the Company will be sent to the address set out at the beginning of this Instrument, or such other address as the Company notifies to the Loan Note Holders from time to time.

13.4 Any Notice to a Loan Note Holder will be sent to the address for that Loan Note Holder on the Register (or in the case of joint Loan Note Holders to the Loan Note Holder whose name is first on the Register).

13.5 ~~Any Notice to the Trustee shall be sent to [complete].~~

13.6 ~~Any Notice to the Paying Agent shall be sent to [complete].~~

13.7 ~~13.5~~ A Notice will be effective on receipt and, in the absence of evidence of earlier receipt, will be deemed to have been received:

- (a) at the time of delivery if delivered by hand or courier service; or
- (b) 2 Business Days after posting if sent by first class post,

save that if this means that any Notice would otherwise be deemed to be received outside after 5:00 p.m. on a Business Day, or at any time on a day which is not a Business Day (in each case at the place of receipt of the Notice), such Notice will be deemed to be received at 9:00 a.m. on the next following Business Day in that place of receipt.

13.8 ~~13.6~~ A person who becomes entitled to a Loan Note by transmission, Transfer or otherwise is bound by a Notice in respect of the Loan Note which, before their name is entered in the Register, has been properly served on a person from whom they derive title.

13.9 ~~13.7~~ Where a person is entitled to a Loan Note by transmission, the Company may give a Notice or other document to that person as if he were the holder of the Loan Note by addressing such notice or document to such person by name or by the title of representative of the deceased or trustee of the bankrupt holder (or by a similar designation as applicable) at an address in the United Kingdom supplied for that purpose by the person who claims to be entitled by transmission. Until such an address has been supplied, a notice or other document may be given in any manner in which it might have been given if the death or bankruptcy (or other event giving rise to such transmission) had not occurred. The giving of a Notice in

accordance with this Condition ~~15.8~~13.9 shall be sufficient notice to all other persons interested in the relevant Loan Note.

13.10 To the extent required by the TIA, any notice or communication shall also be mailed to any Person described in TIA Section 313(c).

13.11 ~~13.8~~—The Civil Procedure Rules will not apply to the service of any Notice under this Instrument.

14 CANCELLATION OF LOAN NOTES

14.1 Immediately following the redemption of the Loan Notes on the Expiry Date:

- (a) the Loan Notes will be cancelled and will not be available for re-issue;
- (b) the Register will be updated to reflect such cancellation; and
- (c) all Loan Note Certificates will cease to have effect as documents of title or for any other purpose.

Schedule 2

Provisions relating to the registration and Transfer of Loan Notes

1 REGISTER

- 1.1 The Company will appoint the Registrar to keep the Register. The fees and expenses of the Registrar will be payable by the Company.
- 1.2 The Register will record:
- (a) the number of Loan Notes held by each Loan Note Holder;
 - (b) the date of issue of each Loan Note and all subsequent Transfers and changes of ownership of them;
 - (c) the name and address of each Loan Note Holder;
 - (d) the date on which each Loan Note Holder was entered on the Register;
 - (e) the date on which a person ceased to be a Loan Note Holder; and
 - (f) any change to any of the foregoing information.
- 1.3 Any change of name or address of any Loan Note Holder that is notified by that Loan Note Holder to the Registrar will (upon that Loan Note Holder producing evidence of such new name or address as the Registrar may reasonably require) be entered in the Register.
- 1.4 The Company will instruct the Registrar and procure that the Registrar complies with the reasonable requests of the Loan Note Holders as regards the convening of meetings of the Loan Note Holders, as well as with any requests to communicate as provided in TIA Section 312(b). Loan Note Holders may communicate pursuant to TIA Section 312(b) with other Loan Note Holders with respect to their rights under this Instrument or under the Loan Notes. The Company, the Trustee, the Registrar and any other Person shall have the protection of TIA Section 312(c).
- 1.5 The Company and Registrar will comply with TIA Section 312(a), including that the Company furnish or cause to be furnished to the Trustee, on intervals of not less frequent than every six months, and upon the Trustee's written request, all information in the possession or control of the Company, or of any of its paying agents, as to the names and addresses of the Loan Note Holders, and require the Trustee to preserve, in as current a form as is reasonably practicable, all such information so furnished to it or received by it in the capacity of paying agent.

2 RECOGNITION OF LOAN NOTE HOLDER AS ABSOLUTE OWNER

- 2.1 The Company will recognise each Loan Note Holder as the absolute owner of their Loan Notes and will not be bound to take notice of, or to see to the execution of, any trust whether express, implied or constructive to which any Loan Note may be subject, except as ordered by a court of competent jurisdiction or as required by law. The Company is not bound to enter any notice of any express, implied or constructive trust on the Register in respect of any Loan Notes.
- 2.2 The Company shall recognise a Loan Note Holder as entitled to the Loan Notes registered in its name free from any equity, set-off or counterclaim on the part of the Company against the original or any intermediate holder of the Loan Notes.

2.3 The issue to a Loan Note Holder (or where Loan Notes are jointly held, to all such holders), of the Loan Notes to be issued pursuant to the terms of this Instrument will be a good discharge by the Company of its obligations under this Instrument, notwithstanding any notice it may have, whether express or otherwise, of the right, title, interest or claim of any person (other than the Loan Note Holder) to or in such Loan Note.

2.4 In the case of the death of a Loan Note Holder:

- (a) the personal representatives of the deceased Loan Note Holder; or
- (b) where such Loan Note Holder is one of the joint holders of any Loan Note, the surviving Loan Note Holder(s),

will be the only person(s) recognised by the Company as having any title to or interest in that Loan Note.

2.5 Any person becoming entitled to a Loan Note in consequence of the death or bankruptcy of a Loan Note Holder or otherwise by operation of law may, upon producing such evidence that they are so entitled as the directors may reasonably require, be registered themselves as the Loan Note Holder or, subject to ~~Condition 6 and~~ paragraph 3 below, may Transfer that Loan Note to another person.

2.6 The Company shall not be obliged to register more than four persons as the joint holders of any Loan Note.

3 TRANSFER OF LOAN NOTES

3.1 Subject to ~~Condition 6 and~~ the subsequent provisions of this paragraph 3, the Loan Notes are freely Transferable.

3.2 The Loan Notes may be Transferred in integral units or multiples of one Loan Note.

3.3 Every instrument of Transfer in respect of the Loan Notes must be in writing in any usual form or in another form approved by the directors, and executed by the transferor. Such instrument of transfer must be left with the Registrar accompanied by:

- (a) the relevant Loan Note Certificate; or
- (b) confirmation that the Loan Note Certificate is in the hands of the Registrar; or
- (c) if the Registrar so agrees, an indemnity in respect of a lost Loan Note Certificate,

in the case of paragraphs 3.3(b) and 3.3(c) in a form reasonably satisfactory to the Company; and

- (d) such other evidence as the Registrar may reasonably require to prove the title of the transferor or their right to Transfer the Loan Notes; and
- (e) if the instrument of Transfer is executed by someone other than the transferor on the transferor's behalf, the authority of that person to do so.

3.4 All instruments of Transfer which are registered will be retained by the Registrar and the transferor will be deemed to remain the owner of the Loan Notes to be Transferred until the transferee's name is registered in the Register.

~~3.5 The directors may, in their absolute discretion, refuse to register the Transfer of a Loan Note to a purported transferee if the directors reasonably suspect that such transferee is a Restricted Overseas Person. If the directors refuse to register the Transfer of a Loan Note they shall, within 10 Business Days of the date on which the instrument of Transfer was lodged with the Registrar, send notice of the refusal together with their reasons for the refusal to the transferee. Any instrument of transfer which the directors refuse to register will (except in the case of suspected fraud) be returned to the person depositing it.~~

3.5 ~~3.6~~ No fee will be payable in respect of the registration of any Transfer.

3.6 ~~3.7~~ The transferee shall be liable for any stamp duty, stamp duty reserve tax, notarial fee or other transfer tax or duty arising in connection with any transfer or agreement to transfer any Loan Note (or any rights thereunder).

Schedule 3

Provisions for meetings of the Loan Note Holders

1 CONVENING A MEETING

The directors may at any time and will, upon a request in writing signed by a Loan Note Holder or Loan Note Holders holding in aggregate not less than 10 per cent. of the Loan Notes at the relevant time outstanding, convene a meeting of the Loan Note Holders.

2 NOTICE

2.1 A Loan Note Holders' meeting will be called by at least 14 clear days' notice. The notice will specify:

- (a) the place, the day and the time of the meeting;
- (b) the general nature of the business to be transacted but, except in the case of a resolution to be proposed as a Special Resolution, it will not be necessary to specify the terms of any resolutions to be proposed; and
- (c) that a Loan Note Holder entitled to attend and vote may appoint one or more proxies to attend and vote instead of the Loan Note Holder and that the proxy does not need to be a Loan Note Holder.

2.2 Subject to the provisions of this Instrument, notices will be given to all Loan Note Holders (including in the case of a bankrupt or deceased Loan Note Holder, to all persons entitled to Loan Notes in consequence of the death or bankruptcy of that Loan Note Holder), to the directors and to the auditors of the Company.

2.3 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive it will not invalidate the proceedings at the relevant meeting.

2.4 The meeting shall be held in such place as the directors may decide.

3 QUORUM

3.1 At any meeting convened for:

- (a) any purpose other than the passing of a Special Resolution, persons (being at least two in number) holding or representing by proxy 30 per cent. in number of the Loan Notes at the relevant time outstanding will form a quorum.
- (b) for the purpose of a Special Resolution persons (being at least two in number) holding or representing by proxy at least 50 per cent. of the number of Loan Notes then in issue will form a quorum.

No business (other than the choosing of a chairman) will be transacted at any meeting unless the requisite quorum is present.

3.2 If a quorum is not present within 15 minutes (or such longer time as the chairman may decide to wait, not exceeding 1 hour) after the time appointed for holding the meeting, or if during a meeting a quorum ceases to be present, the meeting will stand adjourned to the same day in

the next week at the same time and place, or to such other day, time and place as the directors may determine. Notice of such adjourned meeting will be sent to all persons entitled to receive notice of meetings pursuant to paragraph 2 above.

4 CHAIRMAN

The chairman of the meeting will be the chairman of the board of directors of the Company.

5 PERSONS ENTITLED TO ATTEND AND SPEAK

The directors, the secretary of the Company, the Company's legal advisers and any other person authorised for that purpose by the directors will, notwithstanding that they are not a Loan Note Holder or proxy of a Loan Note Holder, be entitled to attend and speak at any meeting of Loan Note Holders.

6 ADJOURNMENT

6.1 The chairman may with the consent of a meeting at which a quorum is present, and will if directed by such a meeting, adjourn the meeting from time to time and from place to place but no business will be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice will be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it will not be necessary to give notice of an adjourned meeting.

6.2 Without prejudice to any other power which they may have, the chairman may, without the consent of the meeting referred to above, interrupt or adjourn a meeting from time to time and from place to place if they decide that it has become necessary to do so in order to:

- (a) secure the proper and orderly conduct of the meeting;
- (b) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or
- (c) ensure that the business of the meeting is properly disposed of.

7 PASSING OF RESOLUTIONS

7.1 A resolution put to the vote of a meeting will be decided by a show of hands (unless a poll is demanded) and in case of an equality of votes, the chairman will, in respect of both a show of hands and on a poll, not have a casting vote.

7.2 At any meeting of Loan Note Holders (unless a poll is demanded) a declaration by the chairman that a resolution has been passed, whether or not passed, such declaration states that such resolution has been passed unanimously or by a particular majority, and an entry to that effect in the minutes of the meeting will be conclusive evidence of the fact.

8 POLLS

8.1 A poll may be demanded at a meeting by the chairman or by one or more Loan Note Holders present in person or by proxy, entitled to vote and holding or representing in aggregate not less than 10 per cent. in number of the Loan Notes then outstanding.

8.2 If at any meeting a poll is demanded it will, unless the demand is withdrawn, be taken in such manner and either at once or after such adjournment as the chairman may direct (not being

more than 30 days after the poll is demanded) and the result of such poll will be deemed to be the relevant resolution of the meeting at which the poll was demanded. Any poll demanded at any meeting on the election of a chairman or on any question of adjournment will be taken at the meeting without adjournment. The demand for a poll will not prevent the continuance of a meeting for the transaction of any business other than in relation to the resolution on which the poll was demanded. In the case of any poll not taken immediately at least 7 days' notice will be given specifying the time, date and place at which the poll is to be taken.

- 8.3 The demand for a poll may, before the poll is taken, be withdrawn with the consent of the chairman and a demand so withdrawn will be taken not to have invalidated the result of any show of hands declared before the demand was made and, if the demand is made before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting will continue as if the demand had not been made.

9 VOTES

- 9.1 On a show of hands every Loan Note Holder present in person or by proxy will have one vote. On a poll every Loan Note Holder present in person or by proxy will have one vote for every Loan Note of which they are the holder.
- 9.2 In the case of joint holders the vote of the senior who tenders a vote will be accepted to the exclusion of the votes of the other joint holders and seniority will be determined by the order in which the names of the holders stand in the Register.
- 9.3 No objection will be raised to the qualification of any voter or to the counting of, or failure to count, any vote except at the meeting or adjourned meeting at which the vote objected to is tendered. Subject to any objection made in due time, every vote counted and not disallowed at the meeting will be valid and every vote disallowed or not counted will be invalid. Any objection made in due time will be referred to the chairman whose decision will be final and conclusive. A Loan Note Holder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way.

10 PROXIES

- 10.1 A proxy need not be a Loan Note Holder. A deed appointing a proxy will be in writing in any usual form or in any other form which the directors approve and will be executed by or on behalf of the appointor. A corporation may execute a form of proxy under the hand of a duly authorised officer. Deposit of a deed of proxy will not preclude a Loan Note Holder from attending and voting at the meeting or at any adjournment of it.
- 10.2 A Loan Note Holder may appoint more than one proxy to attend on the same occasion provided they are appointed to exercise the votes attaching to different Loan Notes. When two or more valid but differing instruments of proxy are delivered for the same Loan Note for use at the same meeting, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that Loan Note.
- 10.3 The form of proxy and any authority under which it is executed or a copy of the authority certified notarially or in some other way approved by the directors will:
- (a) be deposited at the Company's registered office or at such other place as is specified in the notice convening the meeting or in any form of proxy sent out by the Company in relation to the meeting, not less than 2 Business Days before the time for holding the

meeting or adjourned meeting at which the person named in the form of proxy proposes to vote; or

- (b) in the case of a poll taken more than 24 hours after it was demanded, be deposited as aforesaid after the poll has been demanded and not less than 1 Business Day before the time appointed for taking the poll,

and a form of proxy which is not deposited or delivered in a manner so permitted will be invalid.

- 10.4 A vote given or poll demanded by a proxy will be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll, unless notice of the termination was received by the Company at its registered office, or at such other place at which the form of proxy was duly deposited, at least one hour before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
- 10.5 The form of proxy in relation to a meeting will be deemed also to confer authority to demand or join in demanding a poll (and for the purposes of this Schedule 3 a demand for a poll made by a person as proxy for a Loan Note Holder will be the same as a demand made by the Loan Note Holder) and such form of proxy will also be valid for use at any adjournment of the meeting.
- 10.6 The directors may at the Company's expense send forms of proxy to the Loan Note Holders by post or otherwise (with or without provision for their return prepaid) for use at any meeting either in blank or nominating in the alternative any one or more of the directors or any other person. If for the purpose of any meeting, forms of proxy are issued at the Company's expense, they will be issued to all (and not to some only) of the Loan Note Holders entitled to be sent a notice of the meeting and to vote at it. The accidental omission to send such a form of proxy or give such an invitation to, or the non-receipt of it by, any Loan Note Holder entitled to attend and vote at a meeting will not invalidate the proceedings at that meeting.

11 CORPORATE REPRESENTATIVE

- 11.1 A company which is a Loan Note Holder may, by resolution of its directors or other governing body, authorise a person to act as its representative at a meeting of the Loan Note Holders (a **Corporate Representative**). The Corporate Representative may exercise on behalf of the company (in respect of that part of the company's holding of Loan Notes to which the authorisation relates) those powers that the company could exercise if it were an individual Loan Note Holder. The company is for the purposes of this Schedule deemed to be present in person at a meeting of the Loan Note Holders if the Corporate Representative is present in person. Each reference to attending and voting in person is to be construed accordingly. A director or the Secretary of the Company or other person authorised by such director or Secretary may require the Corporate Representative to produce a certified copy of the resolution of authorisation before permitting such Loan Note Holder to exercise its powers through its Corporate Representative.

12 AMENDMENTS TO RESOLUTIONS

- 12.1 If an amendment proposed to a resolution under consideration is ruled out of order by the chairman the proceedings on the substantive resolution are not invalidated by any error in such ruling.

13 SPECIAL RESOLUTIONS

- 13.1 A meeting of the Loan Note Holders may by Special Resolution and with the consent of the Company sanction any modification, abrogation, compromise or release previously approved in writing by the Company in any respect of any provisions of this Instrument or all or any of the rights of the Loan Note Holders against the Company whether such rights arise under the Instrument or otherwise and in particular (but without limitation) will have power to sanction any agreement for postponing or advancing the time for the redemption of the Loan Notes or may assent to any modification of the provisions contained in this Instrument which will be proposed by the Company.
- 13.2 A Special Resolution will be binding upon all the Loan Note Holders whether present or not present at the meeting at which it is passed and each of the Loan Note Holders will be bound to give effect to it accordingly and the passing of any such resolution will be conclusive evidence without appeal that the circumstances justify the passing of it.
- 13.3 The expression **Special Resolution** means a resolution passed at a meeting of the Loan Note Holders duly convened and held in accordance with this Schedule 3 by a majority consisting of not less than 75 per cent. of the persons voting at such meeting upon a show of hands or if a poll is demanded on the resolution then by a majority consisting of not less than 75 per cent. of the votes given on such poll.
- 13.4 A resolution in writing signed by the holders of 75 per cent. in number of the Loan Notes at the relevant time outstanding who are at the relevant time entitled to receive notice of meetings in accordance with this Schedule 3 will for all purposes be as valid and effective as a Special Resolution. In the case of two or more joint holders the signature of any one of those joint holders will be sufficient for this purpose. Such a resolution in writing may be contained in one document or in several documents in like form each signed by one or more Loan Note Holders.

14 WRITTEN RESOLUTIONS

- 14.1 A resolution in writing executed by or on behalf of Loan Note Holders holding the requisite majority of the Loan Notes required to pass such resolution if it had been proposed at a meeting of the Loan Note Holders is as effective as if it had been passed at a meeting of the Loan Note Holders duly convened and held. The resolution in writing may consist of several instruments in the same form each duly executed by or on behalf of one or more Loan Note Holders.

15 MINUTES

- 15.1 Minutes of all resolutions and proceedings at every meeting of the Loan Note Holders will be made and duly entered in books to be from time to time provided for that purpose by the Company.
- 15.2 A minute, if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next meeting, is conclusive evidence of the proceedings.

Schedule 4

Provisions relating to the US Trust Indenture Act of 1939, as amended

Section I: TRUSTEE ELIGIBILITY AND DISQUALIFICATION

This Instrument shall always have an institutional Trustee that satisfies the requirements of TIA Sections 310 (a)(1), (a)(2) and (a)(4). The Trustee may not be an obligor upon the Loan Notes, nor an Affiliate of such obligor. There may be one or more co-Trustees pursuant to TIA Section 310(a)(3). Any Trustee is subject to, and shall comply with, TIA Sections 310(b) and 311 pursuant to which the Trustee shall resign if it acquires and does not eliminate a conflicting interest as defined therein. A Trustee who has resigned or been removed shall be subject to TIA Section 311(a) to the extent indicted therein.

Section II: REPLACEMENT OF TRUSTEE

(a) A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section II. The Trustee may resign at any time by so notifying the Company in writing. The holders of a majority in principal amount of the Loan Notes may remove the Trustee by so notifying the Trustee in writing, and may appoint a successor Trustee with the Company's consent. The Company may remove the Trustee if: (1) The Trustee fails to comply with Section II (Eligibility Disqualification); (2) the Trustee is adjudged bankrupt or insolvent; (3) a receiver or other public officer takes charge of the Trustee or its property; or (4) the Trustee becomes incapable of acting as Trustee under this Instrument. If the Trustee fails to comply with Section II (Eligibility Disqualification), the holders of a majority in principal amount of the Loan Notes, or CVRs if the Loan Notes have not yet been issued, may petition a court of competent jurisdiction for the appointment of a successor Trustee.

(b) A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. As promptly as reasonably practicable after such delivery, the retiring Trustee shall transfer (after payment of all sums owing to it hereunder), all property held by it as Trustee to the successor Trustee (subject to any lien provided for herein), the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all rights and powers as Trustee. The successor Trustee shall mail a notice of its succession to each Loan Note Holder. If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company, or the holders of a majority in principal amount of the Loan Notes, or of the CVRs if the Loan Notes have not yet been issued, may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section III: REPORTS BY TRUSTEE TO LOAN NOTE HOLDERS.

At least once every 12 months following the issue of the Loan Notes, to the extent required by TIA Section 313(a), and for so long as there are Loan Notes outstanding, the Trustee shall mail to each Loan Note Holder the Trustee's report dated as of such date that complies with TIA Section 313(a). The Trustee shall also comply with TIA Sections 313(b), (c), and (d). A copy of such report at the time of this mailing to the Loan Note Holders shall be filed with the SEC, if required, and each stock exchange, if any, on which the Loan Notes are listed.

Section IV: REPORTS BY COMPANY TO TRUSTEE

(a) The Company shall deliver to the Trustee within 90 days after the end of each fiscal year an Officer's Certificate of the Company (one of the signatories to which shall be either the principal executive officer, principal financial officer, or principal accounting officer of the Company) stating that

a review has been conducted of the activities of the Company under the supervision of the signing officers with a view to determining whether the Company has fulfilled its obligations under this Instrument, and that, to the best knowledge of each officer signing such certificate, the Company has fulfilled each and every covenant and condition contained in this Instrument, and is not in default in the performance of any of the terms, provisions, conditions, or covenants thereof (or if an Event of Default shall have occurred, specifying each such Event of Default and describing its status and what action the Company is taking or proposes to take in response).

(b) The Company shall deliver to the Trustee and file with the SEC a copy of the reports to be provided pursuant to TIA Section 314(a)(1) and (2).

(c) The Company shall deliver to the Trustee, promptly after any officer of the Company becomes aware of any Event of Default, an Officer's Certificate specifying such Event of Default and what action the Company is taking or proposes to take with respect thereto.

(d) Upon request of the Company to the Trustee to take any action under this Instrument, the Company shall, if requested by the Trustee, furnish to the Trustee: (i) an Officers' Certificate stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Instrument relating to the proposed action have been complied with, (ii) an Opinion of Counsel stating that, in the opinion of counsel, all such conditions have been complied with and (c) where applicable, a certificate or opinion by an accountant that complies with TIA Section 314(c).

Section V: DUTIES PRIOR TO DEFAULT

(a) The Trustee shall exercise in case of any Event of Default such of the rights and powers vested in it by this Instrument, and to use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) Subject to this Section V paragraph (a) above, (i) the Trustee undertakes to perform such duties as are specifically set forth in this Instrument, and no implied covenants or obligations shall be read into this Instrument against the Trustee; and (ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Instrument, provided that in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall examine such certificates and opinions to determine whether or not they conform to the requirement of this Instrument.

(c) No provision of this Instrument shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that: (i) This paragraph does not limit the effect of paragraph (a) of this Section V above, (ii) The Trustee undertakes to perform such duties as are specifically set forth in this Instrument, and no implied covenants or obligations shall be read into this Instrument against the Trustee, and (iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith to the extent permitted by TIA Section 315 (1), (2) & (3).

Section VI: EVENT OF DEFAULT.

Each of the following events is an "Event of Default": (i) a default in the payment of principal of any Loan Note when the same become due and payable at maturity, upon acceleration, redemption, or otherwise; (ii) a default in the payment of interest on any Loan Note when the same becomes due and payable, and such default continues for a period of 30 days

Section VII: NOTICES OF DEFAULT

If any Event of Default with respect to the Loan Notes occurs and is continuing, and is known to the Trustee, the Trustee shall give notice of the Event of Default within 90 days after the occurrence thereof to the Loan Note Holders. Except in the case of an Event of Default in the payment of principal, premium, if any, or interest on any Loan Note, the Trustee may withhold the notice to the Loan Note Holders if a committee of its Responsible Officers in good faith determines that withholding the notice is in the interest of the Loan Note Holders.

Section VIII: UNDERTAKING FOR COSTS

In any suit for the enforcement of any right or remedy under this Instrument or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section VIII does not apply to exceptions set forth in TIA Section 316(e).

Section IX: TREASURY NOTES

In determining whether the Loan Note Holders of the required principal amount at maturity of the Loan Notes have concurred in the making or the rescission and cancellation of any declaration of acceleration or notice of default or request, direction, authorization, demand, notice, waiver or consent hereunder or any amendment, modification, or other change to this Instrument, Loan Notes owned by the Company or an Affiliate of the Company shall be disregarded as though they were not outstanding, except that for the purpose of determining whether the Trustee shall be protected in relying on such request, direction, authorization, demand, notice, waiver or consent, or any amendment, modification or other change to this Instrument, only Loan Notes in respect of which the Trustee knows that such Loan Notes are so owned shall be so disregarded.

Section X: CONTROL BY MAJORITY

(a) The Loan Note Holders of at least a majority in aggregate principal amount of Loan Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on it; provided that the Trustee may refuse to follow any direction that: (i) conflicts with applicable law or this Instrument, (ii) may involve the Trustee in personal liability, or (iii) the Trustee determines in good faith may be unduly prejudicial to the rights of the Loan Note Holders not joining in the giving of such direction; provided further that the Trustee may take any other action it deems proper that is not inconsistent with any such direction received by the Loan Note Holders.

(b) The Loan Note Holders of at least a majority in aggregate principal amount of Loan Notes may on behalf of all Loan Note Holders consent to the waiver of any past Event of Default and its consequences, except for a default in the payment of principal or interest on any Loan Notes, or in respect of a covenant or provision of this Instrument which cannot be modified or amended without the consent of the holder of each outstanding Loan Note affected.

Section XI: RIGHTS OF HOLDERS TO RECEIVE PAYMENT

Notwithstanding any other provision of this Instrument, the right of any Loan Note Holder to receive payment of principal or interest on a Loan Note, or to bring suit for the enforcement of any such payment, on or after the due date for any such payment expressed in the Loan Notes, is absolute and unconditional, and shall not be impaired or affected without the consent of such Loan Note Holder.

Section XII: RECORD DATES

The Company may, but shall not be obligated to, fix a record date for the purpose of determining the holders of Loan Notes entitled to consent to any amendment, supplement or waiver. If a record date is fixed, then those persons who were holders of Loan Notes at such record date (or their duly designated proxies), and only those persons, shall be entitled to consent to such amendment, supplement, or waiver or to revoke any consent previously given, whether or not such persons continue to be holders of Loan Notes after such record date. Such consent shall be effective only for actions taken within 90 days after such record date.

Section XIII: COLLECTION SUIT BY TRUSTEE

If an Event of Default specified in Section VI occurs, and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Company or any other obligor on the Loan Notes for the whole amount of principal and accrued interest remaining unpaid, together with interest on overdue principal, and to the extent that payment of such interest is lawful, interest on overdue instalments of interest, in each case at X%, which interest shall be compounded semi-annually each May 1 and November 1, and such further amount as shall be sufficient to cover the costs and expenses of collection, including the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel properly incurred.

Section XIV: REGISTRAR AND PAYING AGENT

(a) The Company shall enter into an appropriate agency agreement with any Agent not a party to this Instrument, which shall incorporate the required provisions of the TIA if and to the extent necessary to give effect to such provisions as they relate to such Agent. The Company shall notify the Trustee of the name and address of any such Agent. If the Company fails to maintain a Registrar or Paying Agent, the Trustee shall act as such and shall be entitled to appropriate compensation.

(b) The Company shall maintain an office where the Loan Notes may be presented for payment (together with any co-paying agents, the "Paying Agent"), and where notices and demands to or upon the Company in respect of the Loan Notes or this Instrument may be served.

Section XV: PAYING AGENT TO HOLD MONEY IN TRUST

Each Paying Agent shall hold in trust for the benefit of the Loan Note Holders and the Trustee all money held by the Paying Agent for the payment of principal of or interest on the Loan Notes (whether such money has been paid to it by the Company or any other obligor on the Loan Notes), and the Company and the Paying Agent shall notify the Trustee of any default by the Company (or any other obligor on the Loan Notes) in making any such payment. Money held in trust by the Paying Agent need not be segregated except as required by law and in no event shall the Paying Agent be liable for any interest on any money received by it hereunder. The Company at any time may require the Paying Agent to pay all money held by it to the Trustee and account for any funds disbursed and the Trustee may at any time during the continuance of any Event of Default specified in Section VI, upon written request to the Paying Agent, require such Paying Agent to pay forthwith all money so held by it to the Trustee and to account for any funds disbursed. Upon making such payment, the Paying Agent shall have no further liability for the money delivered to the Trustee.

Executed as a deed by
GVC HOLDINGS PLC
acting by a director

)
)
) Director

Document comparison by Workshare 9 on 28 March 2018 12:01:13

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Deleted cell	
Moved cell	
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Padding cell	

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