

Quotient Ltd
Form S-3
August 13, 2018
Table of Contents

As filed with the Securities and Exchange Commission on August 10, 2018

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT

Under
The Securities Act of 1933

QUOTIENT LIMITED
(Exact name of Registrant as specified in its charter)

Jersey, Channel Islands
(State or other jurisdiction of
incorporation or organization)

Not applicable
(I.R.S. Employer
Identification Number)

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**B1, Business Park Terre Bonne,
Route de Crassier 13,
1262 Eysins, Switzerland
Tel: 011-41-22-716-9800**

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

**Jeremy Stackawitz
Quotient Biodiagnostics, Inc
301 South State Street, Suite S-204
Newtown, Pennsylvania 18940
(215) 497-7006**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

**Per B. Chilstrom, Esq
Clifford Chance LLP
10 Upper Bank Street
London, E14 5JJ
44-(0)-20-7006-1000**

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

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If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the SEC pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company and emerging growth company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of Securities Act.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered⁽¹⁾	Amount To Be Registered⁽¹⁾⁽²⁾	Proposed Maximum Aggregate Offering Price Per Unit⁽²⁾⁽³⁾	Proposed Maximum Offering Price⁽²⁾	Amount of Registration Fee⁽²⁾
-------------------------------------------------------------------------	-------------------------------------------------	----------------------------------------------------------------------------	------------------------------------------------------	-------------------------------------------------

Ordinary Shares(3)				
Preference Shares(4)				
Debt Securities(5)				
Rights to Purchase Ordinary Shares				
Rights to Purchase Preference Shares				
Warrants to Purchase Ordinary Shares				
Warrants to Purchase Preference Shares				
Warrants to Purchase Debt Securities				
Total	\$200,000,000	100%	\$200,000,000	\$13,198.25

- (1) An indeterminate number or amount of ordinary shares, preference shares, debt securities, rights and warrants of Quotient Limited (the Registrant) as may from time to time be issued at indeterminate prices, with an aggregate initial offering price not to exceed \$200,000,000 or the equivalent thereof in foreign currencies or currency units, or if any debt securities are issued with original issue discount, the greater amount as shall result in an aggregate offering price of \$200,000,000. Securities registered, referred to as the offered securities, may be sold separately, together or as units with other offered securities. Pursuant to Rule 416 under the Securities Act of 1933, as amended (the Securities Act), this Registration Statement also covers an indeterminate number of additional ordinary shares that may be issued as a result of adjustments by reason of any share split, share dividend or similar transaction.
- (2) Pursuant to Rule 457(o) under the Securities Act, which permits the registration fee to be calculated on the basis of the maximum offering price of all of the securities listed in the Calculation of Registration Fee table, the table does not specify by each class information as to the amount to be registered, proposed maximum offering price per unit or proposed maximum aggregate offering price. Rather, the Registrant has specified the aggregate offering price for all classes of securities to be registered. Unless otherwise indicated in an amendment to this filing, no separate consideration will be received for ordinary shares, preference shares or debt securities that are issued by the Registrant upon conversion or exchange of debt securities or preference shares registered under this registration statement. Pursuant to Rule 415(a)(6) under the Securities Act, and as described further below, this Registration Statement covers a total of \$93,989,995 of ordinary shares, preference shares, debt securities, rights and warrants of the Registrant that were previously registered pursuant to the Registrant's Registration Statement on Form S-3 filed on July 31, 2015 (File No. 333-206026) (the Prior Registration Statement), which was declared effective on August 17, 2015, but which remain unsold as of the date hereof (the Unsold Securities). The Unsold Securities are being carried forward to and registered on this Registration Statement. In connection with the registration of the Unsold Securities on the Prior Registration Statement, the Registrant previously paid a registration fee of \$10,921.64. Pursuant to Rule 415(a)(6) under the Securities Act, (i) the registration fee is being carried forward to this Registration Statement and will continue to be applied to the Unsold Securities, and (ii) the offering of the Unsold Securities registered on the Prior Registration Statement will be deemed terminated as of the date of effectiveness of this Registration Statement. The Registrant is also registering new securities on this Registration Statement with an aggregate initial offering price of \$106,010,005 (the New Securities), which aggregate offering price is not specified as to each class of security. A filing fee of \$13,198.25 with respect to the New Securities is being paid in connection with the filing of this Registration Statement.
- (3) Also includes the presently indeterminate number of ordinary shares as may be issued by the Registrant (a) upon conversion of or exchange for any debt securities or preference shares that provide for conversion or exchange into ordinary shares, (b) upon exercise of rights to purchase ordinary shares or (c) upon exercise of warrants to

purchase ordinary shares.

- (4) Also includes the presently indeterminate number of preference shares as may be issued by the Registrant (a) upon conversion of or exchange for any debt securities that provide for conversion or exchange into preference shares, (b) upon exercise of rights to purchase preference shares or (c) upon exercise of warrants to purchase preference shares.
- (5) Subject to note (1), an indeterminate principal amount of debt securities.

Pursuant to Rule 415(a)(6) under the Securities Act, the securities registered pursuant to this Registration Statement include the Unsold Securities that had been previously registered on the Prior Registration Statement. The registration fees with respect to such securities, totalling \$10,921.64, were previously paid in connection with the filing of the Prior Registration Statement and will continue to be applied to the Unsold Securities. Pursuant to Rule 415(a)(6), the offerings of the Unsold Securities registered under the Prior Registration Statement will be deemed terminated as of the date of effectiveness of this Registration Statement. If the Registrant sells any of Unsold Securities pursuant to the Prior Registration Statement after the date of this filing, and prior to the date of effectiveness of this Registration Statement, the Registrant will file a pre-effective amendment to this Registration Statement, which will reduce the number of Unsold Securities included on this Registration Statement and increase the additional securities registered hereon so that the total amount of securities registered hereon will equal \$200,000,000, as reflected in footnote 1 to the table above, and will pay the additional registration fee resulting therefrom.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission acting pursuant to said Section 8(a) may determine.

Table of Contents

The information in this prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold until the registration statement becomes effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION

Preliminary Prospectus Dated August 10, 2018

\$200,000,000

QUOTIENT LIMITED

Ordinary Shares, Preference Shares, Debt Securities, Rights to Purchase Ordinary Shares, Rights to Purchase Preference Shares, Warrants to Purchase Ordinary Shares, Warrants to Purchase Preference Shares and Warrants to Purchase Debt Securities

We may offer and sell, from time to time, the securities covered by this prospectus. This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. We will provide the specific terms of these securities and such offerings in supplements to this prospectus. The prospectus supplements may also add, update or change information contained in this prospectus. The prospectus supplements will also contain information, where applicable, about certain federal income tax considerations relating to, and any listing on a securities exchange of, the securities covered by such prospectus supplement. You should read this prospectus and any supplements carefully before you make an investment decision.

We may sell these securities in one or more offerings, on a continuous or delayed basis, to or through underwriters, dealers, or agents, or directly to purchasers. The names of any underwriters, dealers or agents and the specific terms of a plan of distribution will be stated in an accompanying prospectus supplement. More information about how these securities may be offered and sold is included in the section entitled *Plan of Distribution* contained in this prospectus. No securities may be sold without delivery of a prospectus supplement describing the method and terms of the offering of those securities.

Our ordinary shares and the warrants sold in our initial public offering are listed on The NASDAQ Global Market under the symbol *QTNT*. The last reported sale price of our ordinary shares on The NASDAQ Global Market on August 9, 2018 was \$7.68 per share.

We are an *emerging growth company* under applicable Securities and Exchange Commission rules and, as such, have elected to comply with certain reduced public company reporting requirements for this prospectus and future filings.

Investing in our securities involves a high degree of risk. Before buying any of our securities, you should carefully read the discussion of material risks of investing in our securities described in our Securities and Exchange Commission filings, including our most recent Annual Report on Form 10-K for the fiscal year ended March 31, 2018, which is incorporated herein by reference, in addition to the other information contained or incorporated by reference in this prospectus, in an applicable prospectus supplement or in other offering material. Please see the section entitled Risk Factors beginning on page 2 of this prospectus, as well as the sections entitled Risk Factors beginning on page 15 of our Annual Report on Form 10-K for the year ended March 31, 2018.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

No Jersey, Channel Islands regulatory consent is required in respect of this prospectus and, consequently, no consent has been sought from the Jersey Financial Services Commission in connection with this prospectus.

The date of this prospectus is , 2018.

Table of Contents

TABLE OF CONTENTS

	Page
<u>ABOUT THIS PROSPECTUS</u>	1
<u>PROSPECTUS SUMMARY</u>	2
<u>RISK FACTORS</u>	3
<u>FORWARD-LOOKING STATEMENTS</u>	4
<u>USE OF PROCEEDS</u>	6
<u>RATIO OF EARNINGS TO FIXED CHARGES AND PREFERENCE SHARE DIVIDENDS OF QUOTIENT LIMITED</u>	7
<u>GENERAL DESCRIPTION OF THE OFFERED SECURITIES</u>	8
<u>DESCRIPTION OF SHARE CAPITAL</u>	9
<u>DESCRIPTION OF THE DEBT SECURITIES</u>	15
<u>DESCRIPTION OF THE RIGHTS TO PURCHASE ORDINARY SHARES OR PREFERENCE SHARES</u>	23
<u>DESCRIPTION OF THE WARRANTS TO PURCHASE ORDINARY SHARES OR PREFERENCE SHARES</u>	24
<u>DESCRIPTION OF THE WARRANTS TO PURCHASE DEBT SECURITIES</u>	26
<u>PLAN OF DISTRIBUTION</u>	28
<u>LEGAL MATTERS</u>	32
<u>EXPERTS</u>	33
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	34
<u>INFORMATION INCORPORATED BY REFERENCE</u>	35

Table of Contents

We have not authorized anyone to provide any information or to make any representations other than that contained in or incorporated by reference in this prospectus, any prospectus supplement or any other offering material prepared by or on behalf of us or to which we have referred you. Do not rely upon any information or representations made outside of such sources. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not making an offer to sell, or soliciting an offer to buy, these securities in any jurisdiction where the offer, sale or solicitation is not permitted. You should assume that the information appearing in or incorporated by reference in this prospectus, any prospectus supplement or any other offering material prepared by us is accurate only as of its respective date. Our business, financial condition, results of operations and prospects may have changed since such date.

We further note that the representations, warranties and covenants made by us in any agreement that is filed as an exhibit either to the registration statement of which this prospectus is a part or any document incorporated by reference herein or in any prospectus supplement were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreement, and should not be deemed to be a representation, warranty or covenant made to you or for your benefit. Moreover, such representations, warranties or covenants were accurate only as of the date they were made. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

Our trademark portfolio includes both United States and foreign trademark registrations and pending United States and foreign trademark applications. Other trademarks or trade names referred to in this prospectus or the documents incorporated by reference herein are the property of their respective owners. Solely for convenience, the trademarks and trade names in this prospectus and the documents incorporated by reference herein are generally referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto.

Certain market and industry data and forecasts included in or incorporated by reference in this prospectus, any prospectus supplement or any other offering material were obtained from independent market research, industry publications and surveys, governmental agencies and publicly available information. We did not fund and are not otherwise affiliated with the third party sources that we cite. Industry surveys, publications and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. While we are not aware of any misstatements regarding the market or industry data presented or incorporated by reference herein or in any prospectus supplement or other offering material, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the heading **Risk Factors** in this prospectus.

Our fiscal year ends on March 31. Unless otherwise noted, any reference to a year preceded by the word **fiscal** refers to the twelve months ended March 31 of that year. For example, references to **fiscal 2018** refer to the twelve months ended March 31, 2018. Any reference to a year not preceded by **fiscal** refers to a calendar year.

For investors outside of the United States: We have not done anything that would permit possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than the United States. Persons outside of the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the securities and the distribution of this prospectus outside of the United States.

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus provides you with a general description of the ordinary shares, preference shares, debt securities, rights to purchase ordinary shares or preference shares and warrants to purchase ordinary shares, preference shares or debt securities we may offer. Each time we sell securities, we will provide you with this prospectus and a prospectus supplement or other offering material, if applicable, that will contain specific information about the terms of that offering. The prospectus supplement or other offering material may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement or other offering material together with additional information described under the heading **Where You Can Find More Information** and **Incorporation of Certain Information by Reference**. Information incorporated by reference after the date of this prospectus may add, update or change information contained in this prospectus. Any information in such subsequent filings that is inconsistent with this prospectus will supersede the information in this prospectus or any earlier prospectus supplement.

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or SEC, under the Securities Act of 1933, as amended, or the Securities Act, using a shelf registration process. Under a shelf registration process, we may, from time to time, sell the securities covered by this prospectus in one or more offerings. This prospectus and any accompanying prospectus supplement do not contain all of the information included in the registration statement. For further information, we refer you to the registration statement, including its exhibits, which can be read at the SEC's web site (www.sec.gov) or at the SEC's offices referred to under the heading **Where You Can Find More Information**.

This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of some of the documents referred to herein have been filed or will be filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described under the heading **Where You Can Find More Information** and **Incorporation of Certain Information by Reference**. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date of each document.

Table of Contents

PROSPECTUS SUMMARY

This summary highlights some of the information in this prospectus. It does not contain all of the information that you should consider before investing in our securities. You should read carefully the more detailed information set forth under Risk Factors and the other information included in this prospectus. Unless the context requires otherwise, references in this prospectus to Quotient, the Company, we, us and our refer to Quotient Limited and its consolidated subsidiaries.

Overview

We are a commercial-stage diagnostics company committed to reducing healthcare costs and improving patient care through the provision of innovative tests within established markets. Our initial focus is on blood grouping and donor disease screening, which is commonly referred to as transfusion diagnostics. Blood grouping involves specific procedures performed at donor or patient testing laboratories to characterize blood, which includes antigen typing and antibody identification. Disease screening involves the screening of donor blood for unwanted pathogens using two different methods, a serological approach (testing for specific antigens or antibodies) and a molecular approach (testing for DNA or RNA).

We have over 30 years of experience developing, manufacturing and commercializing conventional reagent products used for blood grouping within the global transfusion diagnostics market. We are developing MosaiQ, our proprietary technology platform, to better address the comprehensive needs of this large and established market. MosaiQ will initially comprise two separate microarrays, one for immunohematology (blood grouping), or IH, and one for serological disease screening, or SDS, and a high-throughput instrument. We are also developing a third microarray for molecular disease screening. We believe MosaiQ has the potential to transform transfusion diagnostics, significantly reducing the cost of blood grouping in the donor and patient testing environments, while improving patient outcomes.

We have a proven track record and significant expertise in product development, manufacturing and quality assurance, tailored to the highly regulated transfusion diagnostics market. We currently derive revenue from a portfolio of products used for blood grouping, as well as whole blood controls used daily for quality assurance testing of third-party blood grouping instruments. We have introduced a range of U.S. Food and Drug Administration, or FDA, licensed products in the United States under the Quotient brand, which we sell directly to donor testing laboratories, hospitals and independent patient testing laboratories. We also develop, manufacture and sell conventional reagent products to original equipment manufacturers, or OEMs, such as Ortho-Clinical Diagnostics, Inc., Bio-Rad Laboratories, Inc., and Grifols S.A.

We are developing additional conventional reagent products for our OEM customers and for sale directly in the United States under the Quotient brand.

Corporate History and Information

Quotient Limited is a limited liability no par value company incorporated under the laws of Jersey, Channel Islands. Our registered address is 28 Esplanade, St. Helier, JE2 3QA, Jersey, Channel Islands. Our agent for service of process is our wholly owned U.S. subsidiary, Quotient Biodiagnostics, Inc., 301 South State Street, Suite S-204, Newton, Pennsylvania 18940.

We were incorporated in Jersey, Channel Islands in 2012. Our principal executive offices are located at B1, Business Park Terre Bonne, Route de Crassier 13, 1262 Eysins, Switzerland, and our telephone number is 011-44-22-716-9800.

Our website address is www.quotientbd.com. Information contained on our website is not incorporated by reference into this prospectus and should not be considered to be part of this prospectus, and you should not rely on any such information in making the decision whether to purchase our securities.

Table of Contents

RISK FACTORS

Investing in our securities involves a high degree of risk. Before buying any of our securities, you should carefully consider the discussion of material risks of investing in our securities described in our SEC filings, including our most recent Annual Report on Form 10-K for the fiscal year ended March 31, 2018, which is incorporated herein by reference, in addition to the other information contained or incorporated by reference in this prospectus, in an applicable prospectus supplement or in other offering material, before purchasing any of our securities. Any of these risks could materially adversely affect our business, financial condition and results of operations. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business operations.

Table of Contents

FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference herein contain forward-looking statements.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, and other future conditions, and include estimates and projections. Forward-looking statements can be identified by words such as strategy, objective, anticipate, believe, estimate, expect, intend, may, plan, predict, potential, will, would, could, should, continue, contemplate, might, design and other similar expressions. All forward-looking statements contain these identifying words. Although we believe that we have a reasonable basis for each forward-looking statement contained in or incorporated by reference in this prospectus, we caution you that these statements are based on a combination of facts and factors currently known by us and our expectations of the future, about which we cannot be certain, and are subject to numerous known and unknown risks and uncertainties.

Forward-looking statements include statements about:

the development, regulatory approval and commercialization of MosaiQ;

the design of blood grouping and disease screening capabilities of MosaiQ and the benefits of MosaiQ for both customers and patients;

future demand for and customer adoption of MosaiQ, the factors that we believe will drive such demand and our ability to address such demand;

our expected profit margins for MosaiQ;

the size of the market for MosaiQ;

the regulation of MosaiQ by the FDA or other regulatory bodies, or any unanticipated regulatory changes or scrutiny by such regulators;

future plans for our conventional reagent products;

the status of our future relationships with customers, suppliers, and regulators relating to our conventional reagent products;

future demand for our conventional reagent products and our ability to meet such demand;

our ability to manage the risks associated with international operations;

anticipated changes, trends and challenges in our business and the transfusion diagnostics market;

the effects of competition;

the expected outcome or impact of litigation;

our ability to protect our intellectual property and operate our business without infringing upon the intellectual property rights of others;

our anticipated cash needs and our expected sources of funding, including proceeds from exercises of our outstanding warrants, and our estimates regarding our capital requirements and capital expenditures; and

our plans for executive and director compensation for the future.

Table of Contents

We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place significant reliance on our forward-looking statements. The inclusion of forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations that we contemplate will be achieved. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make.

Important factors that could cause actual results and events to differ materially from those indicated in the forward-looking statements include those identified under the heading **Risk Factors** in this prospectus, any applicable prospectus supplement or any other offering material and the factors referenced in our Annual Report on Form 10-K for the fiscal year ended March 31, 2018, which is incorporated by reference herein, including those set forth under **Risk Factors**, **Management's Discussion and Analysis of Financial Condition and Results of Operations** and **Quantitative and Qualitative Disclosures About Market Risk** therein. These factors should not be construed as exhaustive, and should be read in conjunction with the other cautionary statements included in and incorporated by reference in this prospectus, any applicable prospectus supplement or any other offering material.

Many important factors, in addition to the factors described in this prospectus and the documents incorporated by reference herein, may adversely and materially affect our results as indicated in forward-looking statements. You should read this prospectus, the documents that we have incorporated by reference herein and the documents that we have filed as exhibits to either the registration statement of which this prospectus is a part or any document incorporated by reference herein, as well as any prospectus supplement or other offering material, completely and with the understanding that our actual future results may be materially different and worse from what we expect.

The forward-looking statements in this prospectus and the documents incorporated by reference herein represent our views as of the date of this prospectus or such document, as applicable. We undertake no obligation to publicly update any forward-looking statements whether as a result of new information, future developments or otherwise.

Table of Contents

USE OF PROCEEDS

Unless otherwise disclosed in the applicable prospectus supplement, we expect to use the net proceeds from the sale of the offered securities under this prospectus to continue the development and commercialization of MosaiQ, as described elsewhere in this prospectus and the documents incorporated by reference herein, as well as for working capital, operating expenses and other general corporate purposes.

- 6 -

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES AND PREFERENCE SHARE DIVIDENDS**

The ratios of earnings to fixed charges for each of the periods indicated are set forth in the following table. Our earnings were insufficient to cover fixed charges for each of those periods. For the periods indicated, we had no outstanding preference shares with required dividend payments. Therefore, earnings were insufficient to cover combined fixed charges and preference share dividends by the same amounts referenced in footnote 1 below.

	Three Months Ended June 30, 2018	2018	2017	2016	2015	2014
Ratio of Earnings to Fixed Charges	(1)	(1)	(1)	(1)	(1)	(1)

- (1) The ratio of earnings to fixed charges is computed by dividing loss before taxes plus fixed charges by fixed charges. Fixed charges consist of interest expense (including interest expense from capital leases), debt financing expense and the estimated portion of rental expense deemed by us to be representative of the interest factor of rental payments under operating leases. Earnings were insufficient to cover fixed charges by \$3.987 million for the three months ended June 30, 2018, and \$1.761 million, \$3.544 million, \$6.059 million, \$11.854 million and \$17.622 million for the years ended March 31, 2014, 2015, 2016, 2017 and 2018, respectively.

Table of Contents

GENERAL DESCRIPTION OF THE OFFERED SECURITIES

We may, from time to time, offer under this prospectus, separately or together:

ordinary shares,

preference shares,

debt securities,

rights to purchase ordinary shares,

rights to purchase preference shares,

warrants to purchase ordinary shares,

warrants to purchase preference shares, and

warrants to purchase debt securities.

The aggregate initial offering price of the securities offered by us will not exceed \$200,000,000.

Table of Contents

DESCRIPTION OF SHARE CAPITAL

General

Quotient Limited was originally formed as a private limited liability, no par value company named QBDG (Newco) Limited, on January 18, 2012 under the Companies (Jersey, Channel Islands) Law 1991 (referred to below, as amended, as the Jersey Companies Law) with the registered number 109886. The company changed its name to Quotient Biodiagnostics Holdings Limited on January 27, 2012, and changed its name to Quotient Limited on May 10, 2013. On April 3, 2014, the company's status was changed to a public limited liability no par value company.

The registered office of Quotient Limited is at 28 Esplanade, St Helier, JE2 3QA, Jersey, Channel Islands and its principal executive office is at B1, Business Park Terre Bonne, Route de Crassier 13, 1262 Eysins, Switzerland.

Authorized and Issued Share Capital

We are a no par value company, meaning that our shares do not have any nominal or par value. Our constitutional documents permit us to issue an unlimited number of shares.

The issued share capital of our company as of August 3, 2018 was 54,187,042 fully paid ordinary shares of nil par value and 666,665 fully paid 7% cumulative redeemable preference shares of nil par value.

Ordinary Shares

Ordinary shares we may issue from time to time will have no preemptive rights or other rights to subscribe for additional ordinary shares, no rights of redemption, conversion or exchange and no sinking fund rights. In the event of liquidation, dissolution or winding-up, the holders of our ordinary shares are entitled to share equally and ratably in our assets, if any, remaining after the payment of all our debts and liabilities and the liquidation preference of any issued and outstanding preference shares, if applicable. All of the ordinary shares offered will be fully paid and non-assessable. Holders of our ordinary shares are entitled to receive such dividends as may be lawfully declared from time to time by our board of directors.

Preference Shares

Subject to limitations contained in our Memorandum and Articles of Association and in any Statement of Rights filed at the Companies Registry in Jersey in respect of the Company and any limitations prescribed by applicable law, our Board of Directors is authorized to issue preference shares in one or more series and to fix the designation, powers, preferences and rights and the qualifications, limitations or restrictions of such shares, including but not limited to dividend rates, conversion rights, voting rights, terms of redemption/repurchase (including sinking fund provisions), redemption/repurchase prices and liquidation preferences, and the number of shares constituting and the designation of any such series, without further vote or action by our shareholders. Each prospectus supplement will describe, as to the preference shares to which it relates, the title of the series, the designation, powers, preferences and rights the series, the qualifications, limitations and restrictions of the series and any other material terms of the series. All of the preference shares offered will be fully paid and non-assessable.

Existing Preference Shares

7% Cumulative Redeemable Preference Shares

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On January 30, 2015, we issued in a private placement 666,665 7% cumulative redeemable preference shares, which we refer to below as the preference shares, at a price of \$22.50 per share, for an aggregate subscription price of approximately \$15 million. The material terms and provisions of the preference shares, as set forth in the Statement of Rights in relation to Preference Shares in the capital of the Company, or the Statement of Rights, are summarized below. The following description is subject to, and qualified in its entirety by, the Statement of Rights, which is filed as an exhibit to our Current Report on Form 8-K filed with the SEC on January 30, 2015 and incorporated by reference into this prospectus. You should review a copy of the Statement of Rights for a complete description of the terms and conditions applicable to the preference shares.

Table of Contents

Each preference share has a right to a cumulative preferential dividend of 7% per annum of the subscription price paid for that preference share on and from the date of issue of such preference share to (but excluding) the date of redemption of such preference share, or the Preferential Dividend. The Preferential Dividend accrues quarterly and is payable in connection with the redemption of the preference shares. We have the right (but are under no obligation) to make payments from time to time of some or all of the then accrued but unpaid Preferential Dividend balance, and will not declare or pay dividends or make any other distributions of income or profits to the holders of our ordinary shares for so long as any accrued Preferential Dividend remains accrued but unpaid.

The holders of the preference shares have the right to require us to redeem the preference shares after four years, or the Holder Redemption Trigger Date, subject to our right to extend the Holder Redemption Trigger Date in one year increments up to a maximum of ten (10) years from the issue date. We have the right to redeem all or some of the preference shares at any time. The preference shares are subject to automatic redemption upon a Change of Control of our company as defined in the Statement of Rights. On the redemption of the preference shares, we will first pay the amount of the accrued Preferential Dividend and then the redemption price per preference share, which is equal to the subscription price paid therefor.

On a winding-up or liquidation of our company, the preference shares will rank *pari passu* with our ordinary shares with respect to the repayment of amounts paid up thereon. Immediately prior to a winding-up or liquidation of our company, all accrued and unpaid Preferential Dividends in respect of the preference shares will be capitalized into new preference shares on the basis of one (1) new preference share for each whole \$22.50 of Preferential Dividend accrued.

The holders of the preference shares are subject to certain transfer restrictions and also have certain other rights described in the Statement of Rights.

Memorandum and Articles of Association

Public limited companies formed under the laws of Jersey, Channel Islands are governed in general by two organizational documents, a Memorandum of Association and Articles of Association. The Memorandum of Association sets forth the basic constitutional details of the company and its authorized share capital. The Articles of Association set forth other general corporate matters, including the rights of shareholders and provisions concerning shareholder and director meetings and directors' terms and fees. The full text of both our Memorandum of Association and Articles of Association we have previously filed and are incorporated by reference as exhibits to the registration statement of which this prospectus forms a part.

Quotient Memorandum of Association

Under the Jersey Companies Law, the capacity of a Jersey company is not limited by anything contained in its Memorandum or Articles of Association. Accordingly, we are able to operate in any markets and to provide any services which are legally permissible and that the directors deem appropriate. Our Memorandum of Association permits us to issue an unlimited number of shares and warrants.

Quotient Articles of Association

Voting rights

Each shareholder (other than holders of the preference shares) is entitled to one vote on a show of hands and to one vote per share held by such shareholder on a poll. There is no cumulative voting of shares.

Shareholders are ineligible to vote (unless our board determines otherwise) if any call or other sum presently payable by the shareholder to us in connection with such shares remains unpaid.

No holder of a preference share is entitled to vote (either in person or by proxy and whether by ballot or on a show of hands) at any general meeting of the Company or be counted in determining the total number of votes which may be cast at any such meeting, or required for the purposes of an ordinary resolution or special resolution of any members or any class of members, or for the purposes of any other consent required under our Articles of Association, except that the holders of the preference shares are entitled to receive notice of, attend and vote at any meeting of the holders of the preference shares as a class, where each holder of a preference share is entitled to vote one vote per share on a poll.

Table of Contents

Transfer of Shares

Shareholders may transfer certificated shares through a customary share transfer form and the presentation of the applicable physical share certificate. Any of our shares purchased on NASDAQ represent only beneficial interests in the underlying aggregate certificated share position held by DTC. Transfers in street name through the DTC system are legally considered a transfer of the beneficial interest and are to be conducted in accordance with NASDAQ and DTC procedures.

Beneficial holders in street name may request at any time that actual ordinary shares in certificated form be registered in their name, which would therefore accord them full rights as legal shareholders under Jersey law. A beneficial holder's broker may obtain on such holder's behalf shares in certificated form through Continental Stock Transfer & Trust Company, our transfer agent. However, the conversion from a beneficial interest in securities legally owned by Cede & Co., the nominee used by DTC, as holder of legal title to the securities to actual securities, and *vice versa*, may require both time and the payment of processing fees to our transfer agent in addition to fees that may be levied by a beneficial holder's brokerage firm.

Our Board of Directors in its discretion may suspend the registration of transfers of shares for periods not exceeding thirty (30) days in any year. Our Board of Directors may also decline to register transfers of shares:

that are not fully paid; and

upon which we have a lien.

If our Board of Directors declines to register a transfer of shares, we must notify the transferee within two (2) months thereafter.

Dividends and Other Distributions

In order to be able to declare any dividends, our directors must issue a statutory solvency statement to the effect that, immediately following the date on which the dividends are proposed to be paid, the company will be able to discharge its liabilities as they fall due and, having regard to the prospects of the company and to the intentions of the directors with respect to the management of the company's business and the amount and character of the financial resources that will in the view of the directors be available to the company, the company will be able to continue to carry on business and discharge its liabilities as they fall due for the twelve (12) months immediately following the date on which the dividend is proposed to be paid (or until the company is dissolved on a solvent basis, if earlier).

Dividends (other than a preferential dividend) must be apportioned and paid *pro rata* according to the amounts paid on shares, unless otherwise specified in the rights attached to a specific class or classes of shares. Dividends (other than a preferential dividend) do not accrue interest and may, if unclaimed, be invested by our Board of Directors on our behalf until claimed. Any dividend unclaimed after a period of twelve (12) years from the date of declaration of such dividend or the date on which such dividend became due for payment is forfeited and becomes our property.

Our Articles of Association provide that our Board of Directors may offer our shareholders the right to receive in lieu of any cash dividend (or part thereof) that we declare on our ordinary shares, such number of our ordinary shares that are (or nearly as possible) equivalent in value to the cash dividend, based on the market price of such shares determined in accordance with our Articles of Association.

The terms of our preference shares provide that, other than the Preferential Dividend, no holder of preference shares has any right to participate in any distribution made by the Company, whether of income, profits or otherwise.

Table of Contents

Winding Up

If we are wound up (whether the liquidation is voluntary, under supervision, or by the courts of Jersey) the liquidator (or the board, where no liquidator is appointed) may, with the authority of a special resolution of our shareholders, divide among our shareholders part or all of our assets, or transfer any part of our assets to a trustee for the benefit of our shareholders.

Changes in Capital and Allotment of Securities

We may, by special resolution of our shareholders, alter our Memorandum of Association to increase or reduce the number of shares that we are authorized to issue, to consolidate all or any of our shares (whether issued or not) into fewer shares or to divide all or any of our shares (whether issued or not) into more shares, in each case in compliance with the Jersey Companies Law.

Subject to the provisions of the Jersey Companies Law, our board has the discretion to issue authorized but unissued shares.

Variation of Class Rights

The rights attaching to any class of shares may only be altered by written consent of holders of not less than two-thirds (2/3) in number of the issued shares of that class, or by special resolution of the relevant class passed at a class shareholder meeting by the holders of not less than two-thirds (2/3) in number of the issued shares of that class being voted in person or by proxy at such meeting.

Change in Control

There are no provisions in our Articles of Association which would have an effect of delaying, deferring or preventing a change in our control.

General Meetings

An annual general meeting and any other shareholders' meeting (whether convened for the passing of an ordinary or a special resolution of our shareholders) shall be called by at least fourteen (14) clear days' notice given to our shareholders, directors and our auditors.

Borrowing Powers

Our Board of Directors has the full authority to authorize our entry into agreements to borrow money, to grant security over our assets and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of us or of any third party.

Directors

We may, by resolution of our shareholders, vary the minimum or maximum number of directors (subject to a minimum of two (2) directors). Currently the minimum number of directors is two (2) and there is no maximum number of directors. We currently have eight (8) members on our Board of Directors.

Shareholders are only able to appoint a person as a director at a shareholder meeting if (i) the relevant person has been recommended by our board or is a serving director who is retiring at that shareholder meeting; or (ii) if a shareholder (other than the person proposed as a director) who is entitled to attend and vote at that shareholder meeting has submitted written notice to us of their intention to nominate the relevant person during the period from (and including) the date that is one hundred twenty (120) days before, to and including the date that is ninety (90) days before, the first anniversary of the last annual general meeting of the Company meeting, along with a notice from the relevant person confirming their willingness to be appointed.

Directors are required to disclose any conflicts of interest with respect to any contract or proposed contract or any other arrangement or proposed arrangement with us.

Table of Contents

Other Jersey, Channel Islands Law Considerations

Purchase of Own Shares

As with declaring a dividend, we may not buy back or redeem our shares unless our directors who are to authorize the buy back or redemption have made a statutory solvency statement that, immediately following the date on which the buy back or redemption is proposed, the company will be able to discharge its liabilities as they fall due and, having regard to prescribed factors, the company will be able to continue to carry on business and discharge its liabilities as they fall due for the twelve (12) months immediately following the date on which the buy back or redemption is proposed (or until the company is dissolved on a solvent basis, if earlier).

If the above conditions are met, we may purchase shares in the manner described below.

We may purchase on a stock exchange our own fully paid shares pursuant to a special resolution of our shareholders. The resolution authorizing the purchase must specify:

the maximum number of shares to be purchased;

the maximum and minimum prices which may be paid; and

a date, not being later than eighteen (18) months after the passing of the resolution, on which the authority to purchase is to expire.

We may purchase our own fully paid shares otherwise than on a stock exchange pursuant to a special resolution of our shareholders but only if the purchase is made on the terms of a written purchase contract which has been approved by an ordinary resolution of our shareholders. The shareholder from whom we propose to purchase or redeem shares is not entitled to take part in such shareholder vote in respect of the shares to be purchased.

We may fund a redemption or purchase of our own shares from any source. We cannot purchase our shares if, as a result of such purchase, only redeemable shares would remain in issue.

If authorized by a resolution of our shareholders, any shares that we redeem or purchase may be held by us as treasury shares. Any shares held by us as treasury shares may be cancelled, sold, transferred for the purposes of or under an employee share scheme or held without cancelling, selling or transferring them. Shares redeemed or purchased by us are cancelled where we have not been authorized to hold these as treasury shares.

Mandatory Purchases and Acquisitions

The Jersey Companies Law provides that where a person has made an offer to acquire a class of all of our outstanding shares not already held by the person and has as a result of such offer acquired or contractually agreed to acquire ninety percent (90%) or more of such outstanding shares, that person is then entitled (and may be required) to acquire the remaining shares. In such circumstances, a holder of any such remaining shares may apply to the Jersey court for an order that the person making such offer not be entitled to purchase the holder's shares or that the person purchase the holder's shares on terms different to those under which the person made such offer.

Other than as described above, we are not subject to any regulations under which a shareholder that acquires a certain level of share ownership is then required to offer to purchase all of our remaining shares on the same terms as such shareholder's prior purchase.

Compromises and Arrangements

Where we and our creditors or shareholders or a class of either of them propose a compromise or arrangement between us and our creditors or our shareholders or a class of either of them (as applicable), the Jersey court may order a meeting of the creditors or class of creditors or of our shareholders or class of shareholders (as applicable) to be called in such a manner as the court directs. Any compromise or arrangement approved by a majority in number representing seventy-five percent (75%) or more in value of the creditors or seventy-five percent (75%) or more of the voting rights of shareholders or class of either of them (as applicable) if sanctioned by the court, is binding upon us and all the creditors, shareholders or members of the specific class of either of them (as applicable).

Table of Contents

Whether the capital of the company is to be treated as being divided into a single or multiple class(es) of shares is a matter to be determined by the court. The court may in its discretion treat a single class of shares as multiple classes, or multiple classes of shares as a single class, for the purposes of the shareholder approval referred to above taking into account all relevant circumstances, which may include circumstances other than the rights attaching to the shares themselves.

No Pre-Emptive Rights

The Jersey Companies Law does not confer any pre-emptive rights to purchase our shares or warrants on our security holders.

Rights of Minority Shareholders

Under Article 141 of the Jersey Companies Law, a shareholder may apply to court for relief on the ground that the conduct of our affairs, including a proposed or actual act or omission by us, is unfairly prejudicial to the interests of our shareholders generally or of some part of our shareholders, including at least the shareholder making the application. What amounts to unfair prejudice is not defined in the Jersey Companies Law. There may also be common law personal actions available to our shareholders.

Under Article 143 of the Jersey Companies Law (which sets out the types of relief a court may grant in relation to an action brought under Article 141 of the Jersey Companies Law), the court may make an order regulating our affairs, requiring us to refrain from doing or continuing to do an act complained of, authorizing civil proceedings and providing for the purchase of shares by us or by any of our other shareholders.

Share Registrar (Transfer Agent)

The share registrar and transfer agent for our ordinary shares in the United States is Continental Stock Transfer & Trust Company, 1 State Street, 30th Floor, New York, NY 10004. Continental Stock Transfer & Trust Company and its affiliates in Jersey, Channel Islands are collectively responsible for managing both our legal share register in Jersey, Channel Islands and our interaction, including moving our shares into and out of, the DTC system. Our legal share register is kept at 28 Esplanade, St Helier, JE2 3QA, Jersey, Channel Islands.

Listing

Our ordinary shares are quoted on the Nasdaq Global Market under the trading symbol QTNT.

Table of Contents

DESCRIPTION OF THE DEBT SECURITIES

The following description of our debt securities sets forth certain terms and provisions of our debt securities that we may offer from time to time in one or more distinct series. This section summarizes certain terms of any debt securities that we anticipate will be common to all series that we may offer under this prospectus. Please note that the terms of any series of debt securities that we may offer may differ significantly from the common terms described in this prospectus. Most of the specific terms of any series of debt securities that we offer, and any differences from the common terms described in this prospectus, will be described in the prospectus supplement for such securities to be attached to the front of this prospectus.

An indenture will govern any debt securities that we issue. An indenture is a contract between us and a financial institution acting as trustee on your behalf. We will enter into an indenture with an institution having corporate trust powers, which will act as trustee, relating to any debt securities that are offered by this prospectus. The indenture will be subject to the Trust Indenture Act of 1939, as amended. The trustee under an indenture has the following two main roles:

the trustee can enforce your rights against us if we default; there are some limitations on the extent to which the trustee acts on your behalf, which are described later in this prospectus; and

the trustee will perform certain administrative duties for us, which include sending you interest payments and notices.

As this section is a summary of some of the terms of the debt securities we may offer under this prospectus, it does not describe every aspect of the debt securities. In particular, the form of indenture we have previously filed and have incorporated by reference as an exhibit to the registration statement of which this prospectus forms a part is a base indenture which contemplates that the specific terms of any debt securities may be set forth in one or more resolutions of our board of directors or supplemental indentures to the indenture. We urge you to read the indenture and the other documents (including any supplemental indentures) we file with the SEC relating to the debt securities because the indenture for those securities and those other documents, and not this description, will define your rights as a holder of our debt securities. We will file any such other documents (including any supplemental indentures) as exhibits to an annual, quarterly or other report that we file with the SEC. See [Where You Can Find More Information](#) for information on how to obtain copies of the indenture and any such other documents. References to the indenture mean the indenture that will define your rights as a holder of debt securities, a form of which we have filed as an exhibit to the registration statement. The actual indenture we enter into in connection with an offering of debt securities may differ significantly from the form of indenture we have filed.

General

The indenture does not limit the aggregate principal amount of our debt securities that we may issue. We may issue our debt securities under the indenture from time to time in one or more series. The indenture does not limit the amount of other indebtedness, or our debt securities other than secured indebtedness, which we or our subsidiaries may issue.

Unless otherwise provided in a prospectus supplement, our senior debt securities will be our unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness. Our subordinated debt securities will be our unsecured obligations and will be subordinated in right of payment to the prior payment in full

of all of our senior indebtedness.

Each prospectus supplement will describe the following terms of the offered debt securities:

the title of the series;

any limit on the aggregate principal amount;

the principal payment dates;

- 15 -

Table of Contents

the interest rates, if any, which rate may be zero if our debt securities are issued at a discount from the principal amount payable at maturity, or the method by which the interest rates will be determined, including, if applicable, any remarketing option or similar method;

the date or dates from which interest, if any, will accrue or the method by which the date or dates will be determined;

the interest payment dates and regular record dates;

whether and under what circumstances we will pay additional amounts because of taxes or governmental charges that might be imposed on holders of our debt securities and, if so, whether and on what terms we will have the option to redeem our debt securities in lieu of paying these additional amounts; whether and on what terms we will have the option to redeem our debt securities in lieu of paying additional amounts in respect of applicable taxes, fees, duties, assessments or governmental charges that might be imposed on you and the terms of the option;

the place or places where the principal of, any premium or interest on or any additional amounts with respect to any of our debt securities will be payable, where any of our debt securities that are issued in registered form may be surrendered for registration of transfer or exchange, and where any of our debt securities may be surrendered for conversion or exchange;

whether any of our debt securities are to be redeemable at our option and, if so, the date or dates on which, the period or periods within which, the price or prices at which and the other terms and conditions upon which they may be redeemed, in whole or in part;

whether we will be obligated to redeem or purchase any of our debt securities pursuant to any sinking fund or analogous provision or at your option, and, if so, the dates or prices and the other terms on which our debt securities must be redeemed or purchased pursuant to this obligation and any provisions for the remarketing of our debt securities so redeemed or purchased;

if other than denominations of \$ 1,000 and any integral multiple of \$ 1,000, the denominations in which any of our debt securities to be issued in registered form will be issuable and, if other than denominations of \$5,000, the denominations in which any of our debt securities to be issued in bearer form will be issuable;

whether our debt securities will be convertible into ordinary shares and/or exchangeable for other securities, whether or not issued by us and, if so, the terms and conditions upon which our debt securities will be convertible or exchangeable;

if other than the principal amount, the portion of the principal amount, or the method by which the portion will be determined, of our debt securities that will be payable upon declaration of acceleration of the maturity of our debt securities;

if other than United States dollars, the currency of payment in which the principal of, any premium or interest on or any additional amounts on our debt securities will be paid;

whether the principal of, any premium or interest on or any additional amounts on our debt securities will be payable, at our or your election, in a currency other than that in which our debt securities are stated to be payable, and the dates and the other terms upon which this election may be made;

any index, formula or other method used to determine the amount of principal of, any premium or interest on or any additional amounts on our debt securities;

whether our debt securities are to be issued in the form of one or more global securities and, if so, the identity of the depositary for the global security or securities;

Table of Contents

whether our debt securities are senior or subordinated and, if subordinated, the applicable subordination provisions;

in the case of our subordinated debt securities, the relative degree, if any, to which our subordinated debt securities will be senior to or be subordinated to other series of our subordinated debt securities or our other indebtedness in right of payment, whether the other series of our subordinated debt securities or other indebtedness is outstanding or not;

any deletions from, modifications of or additions to our covenants;

any deletions from, modifications of or additions to our events of default;

whether the provisions described below under Discharge, Defeasance and Covenant Defeasance will be applicable to our debt securities;

whether any of our debt securities are to be issued upon the exercise of warrants and the time, manner and place for our debt securities to be authenticated and delivered; and

any other terms, conditions, rights and preferences of our debt securities and any other deletions from or modifications or additions to the indenture, which may not be consistent with the terms set forth in this prospectus.

We will have the ability under the indenture to reopen a previously issued series of debt securities and issue additional debt securities of that series or establish additional terms of that series.

Unless otherwise set forth in the applicable prospectus supplement, principal of, premium and interest on our debt securities will initially be payable at the corporate trust office of the trustee or any other office or agency designated by us. Interest on our debt securities issued in registered form:

may be paid by check mailed to the persons entitled to the payments at their addresses appearing on the security register or by transfer to an account maintained by the payee with a bank located in the United States; and

will be payable on any interest payment date to the persons in whose names the debt securities are registered at the close of business on the regular record date with respect to the interest payment date.

We will designate the initial paying agents, which will be named in the applicable prospectus supplement, and may, at any time, designate additional paying agents, rescind the designation of any paying agent or approve a change in the office through which any paying agent acts. However, we are required to maintain a paying agent in each place where the principal of or any premium or interest on our debt securities are payable.

Unless otherwise set forth in the applicable prospectus supplement, you may present our debt securities for transfer, duly endorsed or accompanied by a written instrument of transfer if so required by us or the security registrar, or exchange for other debt securities of the same series containing identical terms and provisions, in any authorized denominations, and of a like aggregate principal amount, in each case at the office or agency maintained by us for this purpose, which will initially be the corporate trust office of the trustee. Any transfer or exchange will be made without service charge, although we may require payment of a sum sufficient to cover any tax or other governmental charge and any other expenses then payable. We are not required to:

issue, register the transfer of, or exchange our debt securities during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of any debt securities and ending at the close of business on the day of mailing; or

register the transfer of or exchange any debt security selected for redemption, in whole or in part, except the unredeemed portion of any debt security being redeemed in part.

Table of Contents

Unless otherwise set forth in the applicable prospectus supplement, we will only issue our debt securities in fully registered form without coupons in minimum denominations of \$1,000 and any integral multiple of \$1,000. If our debt securities are issued in bearer form, any restrictions and considerations, including offering restrictions and U.S. federal income tax considerations applicable to these securities and to payment on and transfer and exchange of these securities, will be described in the applicable prospectus supplement.

Our debt securities may be issued as original issue discount securities, which means that they will bear no interest or bear interest at a rate which, at the time of issuance, is below market rates. Our debt securities issued as original issue discount securities will be sold at a substantial discount below their principal amount.

U.S. federal income tax and other considerations applicable to original issue discount securities will be described in the applicable prospectus supplement.

If the purchase price, or the principal of, or any premium or interest on any of our debt securities is payable in, or if any of our debt securities are denominated in, one or more foreign currencies or currency units, the restrictions, elections, U.S. federal income tax considerations, specific terms and other information will be set forth in the applicable prospectus supplement.

Unless otherwise set forth in the applicable prospectus supplement, the indenture will not limit our ability to incur indebtedness or protect holders of our debt securities in the event of a sudden and significant decline in our credit quality or a takeover, recapitalization or highly leveraged or similar transaction involving us. Accordingly, we could in the future enter into transactions that could increase the amount of our outstanding indebtedness or otherwise affect our capital structure or credit rating.

There is no requirement that we issue debt securities in the future under the indenture, and we may use other indentures or documentation, containing different provisions in connection with future issues of other debt securities.

Conversion and Exchange

The terms, if any, on which our debt securities are convertible into or exchangeable for, either mandatorily or at our or your option, property or cash, ordinary shares, preference shares or other securities, whether or not issued by us, or a combination of any of these, will be set forth in the applicable prospectus supplement.

Global Securities

Our debt securities may be issued, in whole or in part, in the form of one or more global securities that will be deposited with, or on behalf of, a depositary identified in the applicable prospectus supplement and registered in the name of the depositary or its nominee. Interests in any global debt security will be shown on, and transfers of our debt securities will be effected only through, records maintained by the depositary and its participants as described below.

The specific terms of the depositary arrangement will be described in the applicable prospectus supplement.

Covenants Applicable to Debt Securities

The prospectus supplement related to an issuance of debt securities by us will set forth covenants that impose limitations and restrictions on us and our subsidiaries.

Consolidation, Amalgamation, Merger and Sale of Assets

The indenture provides that we may not:

consolidate or amalgamate with or merge into any person or convey, sell, transfer or lease our properties and assets as an entirety or substantially as an entirety to any person; or

permit any person to consolidate or amalgamate with or merge into us, or convey, sell, transfer or lease its properties and assets as an entirety or substantially as an entirety to us;

- 18 -

Table of Contents

unless:

the surviving entity (if other than us) expressly assumes the payment of all amounts on all of our debt securities and the performance of our obligations under the indenture and our debt securities;

the surviving entity (if other than us) provides for conversion or exchange rights in accordance with the provisions of our debt securities of any series that are convertible or exchangeable into ordinary shares or other securities;

immediately after giving effect to the transaction no event of default, and no event which after notice or lapse of time or both would become an event of default, will have happened and be continuing; and

we deliver an officers' certificate and legal opinion to the trustee with respect to the transaction.

Events of Default

Unless otherwise stated in the applicable prospectus supplement, each of the following events will constitute an event of default under the indenture for any series of debt securities issued hereunder:

default in the payment of any interest on any debt security of such series when the interest becomes due and payable, and continuance of this default for a period of 30 days;

default in the payment of the principal of or any premium on any debt security of such series when the principal or premium becomes due and payable either at maturity, upon any redemption, by declaration of acceleration or otherwise;

default in the deposit of any sinking fund payment when due;

default in the performance of any covenant in respect of the debt securities of such series, and the continuance of this default for a period of 60 days after we have received written notice from the trustee or the holders;

our bankruptcy, insolvency or reorganization; and

any other event of default, which will be described in the applicable prospectus supplement.

If an event of default with respect to our debt securities of any series, other than events of bankruptcy, insolvency or reorganization, occurs and is continuing, either the trustee or the holders of not less than 25% in principal amount of

the outstanding debt securities of the series may declare the principal amount, or a lesser amount as may be provided for in our debt securities, of all outstanding debt securities of the series to be immediately due and payable by written notice. At any time after a declaration of acceleration has been made, but before a judgment or decree for payment of money has been obtained by the trustee, generally, the holders of not less than a majority in principal amount of the debt securities of the series may rescind and annul the declaration of acceleration. Any event of bankruptcy, insolvency or reorganization will cause the principal amount and accrued interest, or the lesser amount as provided for in our debt securities, to become immediately due and payable without any declaration or other act by the trustee or any holder.

The indenture provides that, within 90 days after the occurrence of any event which is, or after notice or lapse of time or both would become, an event of default the trustee will transmit notice of the default to each holder of our debt securities unless the default has been cured or waived. However, except in the case of a default in the payment of principal of, or premium, or interest, if any, on or any sinking fund or purchase fund installment with respect to any debt security, the trustee may withhold this notice if and so long as the board of directors, executive committee or trust committee of directors and/or responsible officers of the trustee determines in good faith that the withholding of the notice is in the best interest of the holders.

Table of Contents

If an event of default occurs and is continuing with respect to our debt securities of any series, the trustee may, in its discretion, proceed to protect and enforce its rights and the rights of the holders of our debt securities by all appropriate judicial proceedings. The indenture provides that, subject to the duty of the trustee during any default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders, unless the holders have offered the trustee reasonable indemnity. Subject to these indemnification provisions, the holders of a majority in principal amount of our outstanding debt securities of any series will generally have the right to 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 the trustee, with respect to the debt securities of such series.

Modification and Waiver

We and the trustee may modify or amend the indenture with the consent of the holders of not less than a majority in principal amount of the outstanding debt securities of each series affected by the modification or amendment, so long as the modification or amendment does not, without the consent of each affected holder:

change the stated maturity of the principal of or any premium or installment of interest on any debt security;

reduce the principal amount of, or the rate, or modify the calculation of the rate, of interest on, or any premium payable upon the redemption of, any debt security;

reduce the amount of the principal of an original issue discount security that would be due and payable upon a declaration of acceleration of the maturity of the original issue discount security or the amount provable in bankruptcy;

change the place of payment or the coin or currency in which the principal of or any premium or interest on with respect to any debt security is payable;

impair the right to institute suit for the enforcement of any payment on or after the stated maturity of any debt security or, in the case of redemption, on or after the redemption date or, in the case of repayment at the option of any holder, on or after the repayment date;

reduce the percentage in principal amount of our outstanding debt securities, the consent of whose holders is required in order to take specific actions;

modify any of the provisions regarding the waiver of past defaults and the waiver of specified covenants by the holders of our debt securities, except to increase any percentage of consents required;

make any change that adversely affects the right to convert or exchange any debt security into or for our ordinary shares or other securities, whether or not issued by us, cash or property in accordance with its terms;

modify any of the provisions of any supplemental indenture relating to the subordination of our subordinated debt securities in a manner adverse to holders of our subordinated debt securities; or

modify any of the above provisions of the indenture dealing with modification and waiver in any other respect, except to increase any percentage of consents required to amend the indenture or for any waiver or to add to the provisions that cannot be modified without the approval of each affected holder.

We and the trustee may modify or amend the indenture and our debt securities of any series without the consent of any holder in order to, among other things:

provide for a successor to our company pursuant to a consolidation, amalgamation, merger or sale of assets;

Table of Contents

add to our covenants for the benefit of the holders of all or any series of our debt securities or to surrender any right or power conferred upon us;

provide for a successor trustee with respect to our debt securities of all or any series;

cure any ambiguity or correct or supplement any provision which may be defective or inconsistent with any other provision, or to make any other provisions with respect to matters or questions arising under the indenture which will not adversely affect the interests of the holders of our debt securities of any series;

change the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of our debt securities;

add any additional events of default with respect to all or any series of our debt securities;

add guarantees of any series of our debt securities or secure any series of our debt securities;

provide for conversion or exchange rights of the holders of any series of our debt securities;

make any other change that does not materially adversely affect the interests of the holders of any of our debt securities then outstanding; or

comply with any requirement of the SEC in connection with the qualification of the indenture under the U.S. Trust Indenture Act of 1939.

The holders of not less than a majority in principal amount of our outstanding debt securities of any series may, on behalf of the holders of all debt securities of that series, waive any past default and its consequences with respect to the debt securities of that series, except a default:

in the payment of principal of or any premium or interest on the debt securities of that series; or

in respect of a covenant or provision that cannot be modified or amended without the consent of the holder of each outstanding debt security of any series affected.

Under the indenture, we must annually furnish the trustee with a statement regarding our performance of specified obligations and any default in our performance under the indenture. We are also required to deliver to the trustee, within five days after its occurrence, written notice of any event of default, or any event which after notice or lapse of time or both would constitute an event of default, resulting from the failure to perform any covenant contained in the indenture or our debt securities.

Defeasance and Covenant Defeasance

We may discharge all our obligations on our debt securities, which we refer to as defeasance, or elect to be discharged from complying with certain covenants in the indenture, except for certain ministerial obligations, like registering transfers or exchanges of our debt securities, which we refer to as covenant defeasance.

Defeasance or covenant defeasance, as the case may be, will be conditioned upon the irrevocable deposit by us with the trustee, in trust, of a cash amount or government obligations, or both, which, through the scheduled payment of principal and interest in accordance with their terms, will provide money in an amount sufficient to pay the principal of and any premium and interest on our debt securities on the scheduled due dates.

We may only do this if, among other things:

the defeasance or covenant defeasance does not result in a breach or violation of, or constitute a default under, the indenture or any other material agreement or instrument to which we are a party or by which we are bound;

Table of Contents

no event of default or event which with notice or lapse of time or both would become an event of default with respect to our debt securities to be defeased will have occurred and be continuing on the date of establishment of the trust and, with respect to defeasance only, there shall not have occurred a bankruptcy, insolvency or reorganization at any time during the period ending on the 91st day after that date; and

we have delivered to the trustee an opinion of counsel to the effect that you will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the defeasance or covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the defeasance or covenant defeasance had not occurred. The opinion of counsel, in the case of defeasance, must refer to and be based upon a letter ruling of the Internal Revenue Service received by us, a revenue ruling published by the Internal Revenue Service or a change in applicable U.S. federal income tax law occurring after the date of the indenture.

New York Law to Govern

The indenture and our debt securities will be governed by, and construed in accordance with, the laws of the state of New York.

We will irrevocably submit to the non-exclusive jurisdiction of any New York state court or any U.S. federal court sitting in the Borough of Manhattan, The City of New York, in respect of any legal action or proceeding arising out of or in relation to the indenture and the debt securities and will agree that all claims in respect of such legal action or proceeding may be heard and determined in such New York state or U.S. federal court and will waive, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such action or proceeding in any such court.

Information Concerning the Trustee

We may, from time to time, borrow from or maintain deposit accounts and conduct other banking transactions with the trustee and its affiliates in the ordinary course of business.

Under the indenture, the trustee is required to transmit annual reports to all holders regarding its eligibility and qualifications as trustee under the indenture and related matters.

Table of Contents

DESCRIPTION OF THE RIGHTS TO PURCHASE ORDINARY SHARES OR PREFERENCE SHARES

The following summary sets forth certain terms and provisions of the rights we may issue to our shareholders to purchase from us our ordinary shares or our preference shares. The rights will be issued pursuant to a separate rights agreement to be entered into between us and a bank or trust company, as rights agent at the time of issuance.

General

The rights may be issued under the rights agreement independently or together with any other securities offered by a prospectus supplement. If rights are offered, the applicable prospectus supplement will describe the specific terms and provisions of the rights, which may differ from the terms described in this prospectus. To the extent that any particular terms of the rights described in a prospectus supplement differ from any of the terms described herein, then the terms described herein will be deemed to have been superseded by that prospectus supplement. We encourage you to read the applicable rights agreement, which we will file as an exhibit to, or incorporate by reference in, the registration statement of which this prospectus forms a part. The prospectus supplement will include the following terms, without limitations:

the exercise price;

the date of determining the shareholders entitled to the rights distribution;

the rights agent;

the aggregate number of ordinary shares or preference shares purchasable upon exercise of the rights;

the aggregate number of rights issued;

the date, if any, on and after which the rights will be separately transferable;

the date on which the right to exercise the rights will commence, and the date on which the right will expire;

the method by which holders of rights will be entitled to exercise;

the conditions to the completion of the offering, if any;

the withdrawal, termination and cancellation rights, if any;

any applicable federal income tax considerations; and

any other terms of the rights, including terms, procedures and limitations relating to the distribution, exchange and exercise of the rights.

Each right will entitle the holder of rights to purchase for cash the number of ordinary shares or preference shares at the exercise price provided in the applicable prospectus supplement. Rights may be exercised at any time up to the close of business on the expiration date for the rights provided in the applicable prospectus supplement.

Exercise of Rights

Holders may exercise rights as described in the applicable prospectus supplement. Upon receipt of payment and the rights certificate properly completed and duly executed at the corporate trust office of the rights agent or any other office indicated in the prospectus supplement, we will, as soon as practicable, forward the ordinary shares or preference shares, as applicable, purchasable upon exercise of the rights. If less than all of the rights issued in any rights offering are exercised, we may offer any unsubscribed securities directly to persons other than shareholders, to or through agents, underwriters or dealers or through a combination of such methods, including pursuant to standby arrangements, as described in the applicable prospectus supplement.

Table of Contents

DESCRIPTION OF THE WARRANTS TO PURCHASE ORDINARY SHARES OR PREFERENCE SHARES

The following summary sets forth certain terms and provisions of the ordinary share warrants and preference share warrants. The warrants will be issued pursuant to a share warrant agreement between us and a share warrant agent to be selected at the time of issue.

General

The share warrants may be issued under the share warrant agreement independently or together with any other securities offered by a prospectus supplement. If share warrants are offered, the applicable prospectus supplement will describe the designation and the specific terms of the share warrants, which may differ from the terms described in this prospectus. To the extent that any particular terms of the warrants described in a prospectus supplement differ from any of the terms described herein, then the terms described herein will be deemed to have been superseded by that prospectus supplement. We encourage you to read the applicable warrant agreement, which we will file as an exhibit to, or incorporate by reference in, the registration statement of which this prospectus forms a part. The prospectus supplement will include the following terms, without limitations:

the offering price, if any;

the designation and terms of the ordinary shares or preference shares purchasable upon exercise of the share warrants;

if applicable, the date on and after which the share warrants and the related offered securities will be separately transferable;

the number of ordinary shares or preference shares purchasable upon exercise of one share warrant and the initial price at which shares may be purchased upon exercise of the share warrant;

the date on which the right to exercise the share warrants shall commence and the date on which these rights shall expire;

a discussion of the material U.S. federal income tax considerations;

any call provisions;

the currency in which the offering price, if any, and exercise price are payable;

the antidilution provisions of the share warrants;

the maximum or minimum number of warrants that may be exercised at any time;

information with respect to book-entry procedures, if any; and

any other terms of the share warrants.

The ordinary shares or preference shares issuable upon exercise of the share warrants will, when issued in accordance with the share warrant agreement, be fully paid and nonassessable. This means that the shares will be paid for in full at the time they are issued, and, once they are paid for in full, there will be no further liability for further assessments or taxation.

Exercise of Share Warrants

You may exercise your share warrants by surrendering to the share warrant agent your share warrant certificate with the form of election to purchase on the reverse of the certificate properly completed and executed by you, or your authorized agent, which signature must be guaranteed by a bank or trust company, by a broker or dealer which is a member of the Financial Industry Regulatory Authority, which we refer to in this prospectus as the FINRA, or by a member of a national securities exchange.

Table of Contents

You must indicate on the form of election whether you are electing to exercise all or a portion of the share warrants evidenced by the certificate. You must also submit a payment of the aggregate exercise price of the share warrants to be exercised in lawful money of the United States along with your share warrant certificates, unless otherwise set forth in the applicable prospectus supplement. Upon receipt of the share warrant certificate, form of election and aggregate payment, if applicable, by the share warrant agent, the share warrant agent will requisition from the transfer agent for the ordinary shares or the preference shares, as the case may be, a certificate representing the number of ordinary shares or preference shares purchased for issuance and delivery to you or upon your written order. If you exercise less than all of the share warrants evidenced by any share warrant certificate, the share warrant agent shall deliver to you a new share warrant certificate representing your unexercised share warrants.

Anti-dilution and Other Provisions

The exercise price payable, the number of ordinary shares or preference shares purchasable upon the exercise of each share warrant and the number of share warrants outstanding are subject to adjustment if specified events occur. These events include:

the issuance of a stock dividend to holders of ordinary shares or preference shares; and

a combination, subdivision or reclassification of ordinary shares or preference shares.

In lieu of adjusting the number of ordinary shares or preference shares purchasable upon exercise of each share warrant, we may elect to adjust the number of share warrants. No adjustment in the number of shares purchasable upon exercise of the share warrants will be required until cumulative adjustments require an adjustment of at least 1% in the number of shares purchasable. We may also, at our option, reduce the exercise price at any time. No fractional shares will be issued upon exercise of share warrants, but we will pay the cash value of any fractional shares otherwise issuable. Notwithstanding the preceding sentences, in case of any consolidation, merger, or sale or conveyance of our property as an entirety or substantially as an entirety, you, as a share warrant holder, shall have the right to the kind and amount of shares of stock and other securities and property, including cash, receivable by a holder of the number of ordinary shares or preference shares into which your share warrants were exercisable immediately prior to this event.

No Rights as Shareholders

You will not be entitled, by virtue of being a share warrant holder, to vote, to consent, to receive dividends, to receive notice as shareholders with respect to any meeting of shareholders for the election of our directors or any other matter, or to exercise any rights whatsoever as shareholders of our company.

Table of Contents

DESCRIPTION OF THE WARRANTS TO PURCHASE DEBT SECURITIES

The following summary sets forth certain terms and provisions of the debt warrants. The debt warrants will be issued pursuant to a debt warrant agreement between us and a debt warrant agent to be selected at the time of issue.

General

The debt warrants may be issued under the debt warrant agreement independently or together with any other securities offered by a prospectus supplement. If debt warrants are offered, the applicable prospectus supplement will describe the designation and the specific terms of the debt warrants, which may differ from the terms described in this prospectus. To the extent that any particular terms of the warrants described in a prospectus supplement differ from any of the terms described herein, then the terms described herein will be deemed to have been superseded by that prospectus supplement. We encourage you to read the applicable warrant agreement, which we will file as an exhibit to, or incorporate by reference in, the registration statement of which this prospectus forms a part. The prospectus supplement will include the following terms, without limitations:

the offering price, if any;

the designation, aggregate principal amount and terms of our debt securities purchasable upon exercise of the debt warrants;

if applicable, the date on and after which the debt warrants and the related offered securities will be separately transferable;

the principal amount of our debt securities purchasable upon exercise of one debt warrant and the price at which the principal amount of our debt securities may be purchased upon exercise of the debt warrant;

the date on which the right to exercise the debt warrants shall commence and the date on which this right shall expire;

a discussion of the material U.S. federal income tax considerations;

whether the warrants represented by the debt warrant certificates will be issued in registered or bearer form;

the currency, currencies or currency units in which the offering price, if any, and exercise price are payable;

the antidilution provisions of the debt warrants;

the maximum or minimum number of warrants that may be exercised at any time;

information with respect to book-entry procedures, if any; and

any other terms of the debt warrants.

You, as a debt warrant holder, will generally not have any of the rights of holders of our debt securities, including the right to receive the payment of principal of, any premium or interest on, or any additional amounts with respect to, our debt securities or to enforce any of the covenants of our debt securities or the indenture.

Exercise of Debt Warrants

You may exercise your debt warrants by surrendering at the office of the debt warrant agent your debt warrant certificate with the form of election to purchase on the reverse side of the certificate properly completed and signed by you, which signature must be guaranteed by a bank or trust company, by a broker or dealer which is a member of the FINRA or by a member of a national securities exchange.

Table of Contents

You must also submit a payment in full of the exercise price, as set forth in the applicable prospectus supplement. Upon the exercise of debt warrants, we will issue the debt securities in authorized denominations in accordance with your instructions. If you exercise less than all of the debt warrants evidenced by your debt warrant certificate, a new debt warrant certificate will be issued for the remaining number of debt warrants.

- 27 -

Table of Contents

PLAN OF DISTRIBUTION

We may sell the offered securities in any one or more of the following ways from time to time:

through agents;

to or through underwriters;

through dealers; or

directly to purchasers.

The applicable prospectus supplement will set forth the specific terms of the offering of the offered securities, including:

the terms of the offering, including the offering price;

the name or names of any underwriters (including managing underwriters), dealers or agents;

the purchase price of the offered securities and the net proceeds to us from the sale;

any underwriting discounts, concessions, commissions or agency fees and other items constituting underwriters , dealers or agents compensation, which may be changed from time to time;

any delayed delivery arrangements; and

the offering expenses.

The distribution of the offered securities may be effected from time to time:

in one or more transactions at a fixed price or prices, which may be changed;

at market prices prevailing at the time of sale;

at prices related to the prevailing market prices; or

at negotiated prices.

Offers to purchase offered securities may be solicited by agents designated by us from time to time. Any agent involved in the offer or sale of the offered securities in respect of which this prospectus is delivered will be named, and any commissions payable by us to the agent will be set forth, in the applicable prospectus supplement. Any agent may be deemed to be an underwriter, as that term is defined in the Securities Act, of the offered securities so offered and sold.

If offered securities are sold to the public by means of an underwritten offering, either through underwriting syndicates represented by managing underwriters or directly by the managing underwriters, we will execute an underwriting agreement with an underwriter or underwriters, and the names of the specific managing underwriter or underwriters, as well as any other underwriters, will be set forth in the applicable prospectus supplement. In addition, the terms of the transaction, including commissions, discounts and any other compensation of the underwriters and dealers, if any, will be set forth in the applicable prospectus supplement, which prospectus supplement will be used by the underwriters to make resales of the offered securities. If underwriters are utilized in the sale of the offered securities, the offered securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including:

negotiated transactions;

at fixed public offering prices; or

at varying prices determined by the underwriters at the time of sale.

Table of Contents

In addition, the underwriting agreement will provide that the obligations of the underwriters are subject to specified conditions precedent and that the underwriters with respect to a sale of offered securities will be obligated to purchase all of the offered securities of a series if any are purchased.

We may grant to the underwriters options to purchase additional offered securities to cover over-allotments, if any, at the public offering price, with additional underwriting discounts or commissions as may be set forth in the applicable prospectus supplement. If we grant any over-allotment option, the terms of the over-allotment option will be set forth in the applicable prospectus supplement.

If a dealer is utilized in the sales of offered securities, we will sell the offered securities to the dealer as principal. The dealer may then resell the offered securities to the public at varying prices to be determined by the dealer at the time of resale. Any dealer may be deemed to be an underwriter of the offered securities so offered and sold. The name of the dealer and the terms of the transaction will be set forth in the applicable prospectus supplement.

Offers to purchase offered securities may be solicited directly by us and the sale of the offered securities may be made by us directly to institutional investors or others with respect to any resale of the offered securities. The terms of any of these sales will be described in the applicable prospectus supplement.

Offered securities may also be offered and sold in connection with a remarketing upon their purchase, in accordance with a redemption or repayment pursuant to their terms, or otherwise by one or more remarketing firms acting as principals for their own accounts or as agents for us. Any remarketing firm will be identified and the terms of its agreements, if any, with us and its compensation will be described in the applicable prospectus supplement. Remarketing firms may be deemed to be underwriters in connection with the offered securities remarketed by them.

We may issue to our existing security holders, through a dividend or similar distribution, subscription rights to purchase our ordinary shares or preference shares, which may or may not be transferable. In any distribution of subscription rights to our existing security holders, if all of the underlying securities are not subscribed for, we may then sell the unsubscribed securities directly to third parties or may engage the services of one or more underwriters, dealers or agents, including standby underwriters, to sell the unsubscribed securities to third parties. The applicable prospectus supplement will describe the specific terms of any offering of our ordinary shares or preference shares through the issuance of subscription rights, including, if applicable, the material terms of any standby underwriting or purchase arrangement.

In compliance with FINRA guidelines, the maximum compensation to the underwriters or agents in connection with the sale of securities pursuant to this prospectus will not exceed 8% of the aggregate total offering price to the public of the securities as set forth on the cover page of any applicable prospectus supplement or other offering material. It is anticipated that the maximum compensation to be received in connection with the sale of the securities will be significantly less than 8% of the total offering price to the public as set forth on the cover page of any applicable prospectus supplement or other offering material.

Agents, underwriters, dealers and remarketing firms may be entitled, under agreements entered into with us, to indemnification by us against some civil liabilities, including liabilities under the Securities Act that may arise from any untrue statement or alleged untrue statement of a material fact or any omission or alleged omission to state a material fact in this prospectus, any supplement or amendment hereto or any other offering material, in the registration statement of which this prospectus forms a part or in any of the documents incorporated by reference herein or therein, or to contribution with respect to payments which the agents, underwriters, dealers or remarketing firms may be