

## Amended and Restated Trust Deed

relating to NORTHUMBRIAN WATER FINANCE PLC £6,000,000,000 Euro Medium  
Term Note Programme

guaranteed by NORTHUMBRIAN WATER LIMITED arranged by BARCLAYS BANK PLC

Dated 20 March 2024

**NORTHUMBRIAN WATER FINANCE PLC**

as Issuer

**NORTHUMBRIAN WATER LIMITED**

as Guarantor

and

**HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED**

as Trustee

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**This Trust Deed** is made on 20 March 2024 **between:**

- (1) **NORTHUMBRIAN WATER FINANCE PLC** (the “**Issuer**”); and
- (2) **NORTHUMBRIAN WATER LIMITED** (the “**Guarantor**”); and
- (3) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** (in its capacity as the “**Trustee**”, which expression, where the context so admits, includes any other trustee for the time being of this Trust Deed).

**Whereas:**

- (A) The Issuer proposes to issue from time to time euro medium term notes guaranteed by the Guarantor in an aggregate nominal amount outstanding at any one time (including, for the avoidance of doubt, any Retained Notes) not exceeding the Programme Limit in accordance with the Dealer Agreement (the “**Programme**”) and to be constituted under this Trust Deed.
- (B) The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.
- (C) For the purposes of the Programme, the Issuer, the Guarantor and the Trustee entered into a trust deed dated 19 October 2022 (the “**Original Trust Deed**”).

**This deed witnesses and it is declared** as follows:

## **1 Interpretation**

**1.1 Definitions:** Capitalised terms used in this Trust Deed but not defined in this Trust Deed shall have the meanings given to them in the Conditions:

“**Agency Agreement**” means the agency agreement relating to the Programme dated 19 October 2022 between the Issuer, the Guarantor, HSBC Corporate Trustee Company (UK) Limited as Trustee, HSBC Bank plc as initial Issuing and Paying Agent and the other agents mentioned in it;

“**Agents**” means the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the other Transfer Agents or any of them;

“**Appointee**” means any custodian, agent, delegate or nominee appointed or engaged by the Trustee pursuant to this Trust Deed or the Agency Agreement;

“**Auditors**” means the auditors for the time being of the Issuer and the Guarantor or, if they are unable or unwilling to carry out any action requested of them under this Trust Deed, such other firm of accountants as may be nominated or approved in writing by the Issuer or the Guarantor for the purpose;

“**Bearer Note**” means a Note that is in bearer form, and includes any replacement Bearer Note issued pursuant to the Conditions and any temporary Global Note or permanent Global Note;

“**Calculation Agent**” means any person named as such in the Conditions or any Successor Calculation Agent;

“**Certificate**” means a registered certificate representing one or more Registered Notes of the same Series and, save as provided in the Conditions, comprising the entire holding by a Noteholder of his Registered Notes of that Series and, save in the case of Global Certificates, being substantially in the form set out in Schedule 2;

“**CGN**” means a temporary Global Note in the form set out in Part A of Schedule 1 or a permanent Global Note in the form set out in Part B of Schedule 1;

“**Clearstream, Luxembourg**” means Clearstream Banking S.A.;

“**Common Safekeeper**” means, in relation to a Series where the relevant Global Note is a NGN or the relevant Global Certificate is held under the NSS, the common safekeeper for Euroclear and Clearstream, Luxembourg appointed in respect of such Notes;

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended;

“**Conditions**” means in respect of the Notes of each Series, the terms and conditions applicable thereto which shall (i) be substantially in the form set out in Schedule 2 as modified, with respect to any Notes represented by a Global Certificate or a Global Note, by the provisions of such Global Certificate or Global Note, (ii) incorporate any additional provisions forming part of such terms and conditions set out in Part A of the Final Terms relating to the Notes of that Series and (iii) be endorsed on the Definitive Notes subject to amendment and completion as referred to in the first paragraph of Schedule 2 Part C, and any reference to a particularly numbered Condition shall be construed accordingly;

“**Contractual Currency**” means, in relation to any payment obligation of any Note, the currency in which that payment obligation is expressed and, in relation to Clause 10, pounds sterling or such other currency as may be agreed between the Issuer and the Trustee from time to time;

“**Coupons**” means the bearer coupons relating to interest bearing Bearer Notes or, as the context may require, a specific number of them and includes any replacement Coupons issued pursuant to the Conditions;

“**Dealer Agreement**” means the amended and restated dealer agreement relating to the Programme dated 20 March 2024 (as amended and/or supplemented and/or restated from time to time) between the Issuer, the Guarantor, Barclays Bank PLC and the other dealers and arrangers named in it;

“**Definitive Note**” means a Bearer Note in definitive form having, where appropriate, Coupons, Receipt(s) and/or a Talon attached on issue and, unless the context requires otherwise, means a Certificate (other than a Global Certificate) and includes any replacement Note or Certificate issued pursuant to the Conditions;

“**Euroclear**” means Euroclear Bank SA/NV;

“**Event of Default**” means an event described in Condition 11 that, if so required by that Condition, has been certified by the Trustee to be, in its opinion, materially prejudicial to the interests of the Noteholders;

“**Extraordinary Resolution**” has the meaning set out in Schedule 3;

“**FATCA Withholding**” means any withholding or deduction required pursuant to an agreement described in section 1471(b) of the Code, or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto;

“**Final Terms**” means, in relation to a Tranche, the Final Terms issued specifying the relevant issue details of such Tranche, substantially in the form of Schedule C to the Dealer Agreement;

**“FSMA”** means the Financial Services and Markets Act 2000;

**“Global Certificate”** means a Certificate substantially in the form set out in Schedule 1 Part E representing Registered Notes of one or more Tranches of the same Series;

**“Global Note”** means a temporary Global Note and/or, as the context may require, a permanent Global Note, a CGN and/or a NGN, as the context may require;

**“Guarantee”** means the guarantee and indemnity of the Guarantor in Clause 5;

**“holder”** in relation to a Note, Receipt, Coupon or Talon, and **“Couponholder”** and **“Noteholder”** have the meanings given to them in the Conditions;

**“holding company”** means a holding company within the meaning of section 1159 of the Companies Act 2006;

**“Issuing and Paying Agent”** means the person named as such in the Conditions or any Successor Issuing and Paying Agent in each case at its specified office;

**“Market”** means the Regulated Market of the London Stock Exchange plc;

**“NGN”** means a temporary Global Note in the form set out in Part C of Schedule 1 or a permanent Global Note in the form set out in Part D of Schedule 1;

**“NSS”** means the new safekeeping structure which applies to Registered Notes held in global form by a Common Safekeeper for Euroclear and Clearstream, Luxembourg and which is required for such Registered Notes to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations;

**“Notes”** means the euro medium term notes to be issued by the Issuer pursuant to the Dealer Agreement, guaranteed by the Guarantor, constituted by this Trust Deed and for the time being outstanding or, as the context may require, a specific number of them;

**“outstanding”** means, in relation to the Notes, all the Notes issued except (a) those that have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid to the Trustee or to the Issuing and Paying Agent as provided in Clause 2 and remain available for payment against presentation and surrender of Notes, Certificates, Receipts and/or Coupons, as the case may be, (c) those that have become void or in respect of which claims have become prescribed, (d) those that have been purchased and cancelled as provided in the Conditions, (e) those mutilated or defaced Bearer Notes that have been surrendered in exchange for replacement Bearer Notes, (f) (for the purpose only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those Bearer Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued, (g) any temporary Global Note to the extent that it shall have been exchanged for a permanent Global Note and any Global Note to the extent that it shall have been exchanged for one or more Definitive Notes, in either case pursuant to its provisions provided that for the purposes of (1) ascertaining the right to attend any meeting of the Noteholders and vote at any meeting of the Noteholders or to participate in any Written Resolution or Electronic Consent, (2) the determination of how many Notes are outstanding for the purposes of Conditions 11 and 12 and Schedule 3, (3) the exercise of any discretion, power or authority that the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders and (4) the certification (where relevant) by the Trustee as to whether a Potential Event of Default is in

its opinion materially prejudicial to the interests of the Noteholders, those Notes that are beneficially held by or on behalf of the Issuer, the Guarantor or any of their Subsidiaries (including any Retained Notes) and not cancelled shall (unless no longer so held) be deemed not to remain outstanding. Save for the purposes of the proviso herein, in the case of each NGN, the Trustee shall rely on the records of Euroclear and Clearstream, Luxembourg in relation to any determination of the nominal amount outstanding of each NGN;

**“Paying Agents”** means the persons (including the Issuing and Paying Agent) referred to as such in the Conditions or any Successor Paying Agents in each case at their respective specified offices;

**“permanent Global Note”** means a Global Note representing Bearer Notes of one or more Tranches of the same Series, either on issue or upon exchange of a temporary Global Note, or part of it, and which shall be substantially in the form set out in Part B or Part D of Schedule 1, as the case may be;

**“Potential Event of Default”** means an event or circumstance that could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 11 become an Event of Default;

**“Procedures Memorandum”** means administrative procedures and guidelines relating to the settlement of issues of Notes (other than Syndicated Issues) as shall be agreed upon from time to time by the Issuer, the Guarantor, the Trustee, the Permanent Dealers (as defined in the Dealer Agreement) and the Issuing and Paying Agent and which, at the date of this Agreement, are set out in Schedule A to the Dealer Agreement;

**“Programme Limit”** means the maximum aggregate nominal amount of Notes that may be issued and outstanding at any time under the Programme, as such limit may be increased pursuant to the Dealer Agreement;

**“Receipts”** means the receipts for the payment of instalments of principal in respect of Bearer Notes of which the principal is repayable in instalments or, as the context may require, a specific number of them and includes any replacement Receipts issued pursuant to the Conditions;

**“Redemption Amount”** means the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, all as defined in the Conditions;

**“Register”** means the register maintained by the Registrar;

**“Registered Note”** means a Note in registered form;

**“Registrar”** means the person named as such in the Conditions or any Successor Registrar in each case at its specified office;

**“Regulated Market”** means a UK regulated market for the purposes of Article 2(1)(13A) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018;

**“Retained Notes”** means Notes specified as such in the applicable Final Terms unless and until such Notes have been sold by or on behalf of the Issuer or any Subsidiary to a third party and are no longer held by or on behalf of the Issuer or any such Subsidiary;

**“Series”** means a series of Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same series number;

**“specified office”** means, in relation to a Paying Agent, the Registrar or a Transfer Agent the office identified with its name at the end of the Conditions or any other office approved by the Trustee and notified to Noteholders pursuant to Clause 9.10;

**“Subsidiary”**: means (except in Clause 6.3) a subsidiary within the meaning of Section 1159 of the Companies Act 2006;

**“Successor”** means, in relation to an Agent such other or further person as may from time to time be appointed by the Issuer and the Guarantor as such Agent with the written approval of, and on terms approved in writing by, the Trustee and notice of whose appointment is given to Noteholders pursuant to Clause 9.10;

**“successor company”** means any company which, as a result of any amalgamation, merger or reconstruction the terms of which have previously been approved by the Trustee or by an Extraordinary Resolution, owns beneficially the whole or substantially the whole of the undertaking, property and assets owned by the Issuer prior to such amalgamation, merger or reconstruction;

**“T2”** means the real time gross settlement system operated by the Eurosystem, or any successor system;

**“Talons”** mean talons for further Coupons or, as the context may require, a specific number of them and includes any replacement Talons issued pursuant to the Conditions;

**“temporary Global Note”** means a Global Note representing Bearer Notes of one or more Tranches of the same Series on issue and which shall be substantially in the form set out in Part A or Part C of Schedule 1, as the case may be;

**“Tranche”** means, in relation to a Series, those Notes of that Series that are issued on the same date at the same issue price and in respect of which the first payment of interest is identical;

**“Transfer Agents”** means the persons (including the Registrar) referred to as such in the Conditions or any Successor Transfer Agents in each case at their specified offices; and

**“trust corporation”** means a trust corporation (as defined in the Law of Property Act 1925) or a corporation entitled to act as a trustee pursuant to applicable foreign legislation relating to trustees.

## **1.2 Construction of Certain References:** References to:

**1.2.1** the records of Euroclear and Clearstream, Luxembourg shall be to the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customers’ interests in the Notes;

**1.2.2** **“sterling”, “pounds”** and **“£”** are to the lawful currency for the time being of the United Kingdom;

**1.2.3** **“reasonable”** or **“reasonably”** and similar expressions relating to the Trustee and any exercise of power, opinion, determination or other similar matter shall be construed as meaning reasonable or reasonably (as the case may be) having due regard to, and taking into account the interests of, the Noteholders;

**1.2.4** costs, fees, charges, remuneration or expenses include any value added, turnover or similar tax charged in respect thereof; and

1.2.5 an action, remedy or method of judicial proceedings for the enforcement of creditors' rights include references to the action, remedy or method of judicial proceedings in jurisdictions other than England as shall most nearly approximate thereto.

**1.3 Headings:** Headings shall be ignored in construing this Trust Deed.

**1.4 Contracts:** References in this Trust Deed to this Trust Deed or any other document are to this Trust Deed or those documents as amended, supplemented or replaced from time to time in relation to the Programme and include any document that amends, supplements or replaces them.

**1.5 Schedules:** The Schedules are part of this Trust Deed and have effect accordingly.

**1.6 Alternative Clearing System:** References in this Trust Deed to Euroclear and/or Clearstream, Luxembourg shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system approved by the Issuer, the Guarantor, the Trustee and the Issuing and Paying Agent. In the case of NGNs or Global Certificates held under the NSS, such alternative clearing system must also be authorised to hold such Notes as eligible collateral for Eurosystem monetary policy and intra-day credit operations.

**1.7 Contracts (Rights of Third Parties) Act 1999:** A person who is not a party to this Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement except and to the extent (if any) that this Trust Deed expressly provides for such Act to apply to any of its terms. The consent of any person who is not a party to this Trust Deed is not required to rescind or vary this Trust Deed at any time.

**1.8 Amendment and Restatement:** The Original Trust Deed shall be amended and restated on the terms of this Trust Deed, such amendment and restatement to take effect from the date of this Trust Deed. Any Notes issued on or after the date of this Trust Deed shall be constituted by, and issued pursuant to, this Trust Deed. This does not affect any Notes issued prior to the date of this Trust Deed or any other Notes issued on or after the date of this Trust Deed to be consolidated and form a single series with the Notes of any series issued prior to the date of this Trust Deed. Subject to such amendment and restatement, the Original Trust Deed shall continue in full force and effect.

## **2 Issue of Notes and Covenant to pay**

**2.1 Issue of Notes:** The Issuer may from time to time issue Notes in Tranches of one or more Series on a continuous basis with no minimum issue size in accordance with the Dealer Agreement. Before issuing any Tranche, the Issuer shall give written notice or procure that it is given to the Trustee of the proposed issue of such Tranche, specifying the details to be included in the relevant Final Terms. Upon the issue by the Issuer of any Notes expressed to be constituted by this Trust Deed, such Notes shall forthwith be constituted by this Trust Deed without any further formality and irrespective of whether or not the issue of such debt securities contravenes any covenant or other restriction in this Trust Deed or the Programme Limit.

**2.2 Separate Series:** The provisions of sub-Clauses 2.3, 2.4, 2.5 and 2.6 and of Clauses 3 to 18 and Schedule 3 (all inclusive) shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses and Schedule the expressions "Noteholders", "Certificates", "Receipts", "Coupons", "Couponholders" and "Talons", together with all other terms that relate to Notes or their Conditions, shall be construed as referring to

those of the particular Series in question and not of all Series unless expressly so provided, so that each Series shall be constituted by a separate trust pursuant to sub-Clause 2.3 and that, unless expressly provided, events affecting one Series shall not affect any other.

- 2.3 Covenant to Pay:** The Issuer shall on any date when any Notes become due to be redeemed, in whole or in part, unconditionally pay to or to the order of the Trustee in the Contractual Currency, in the case of any Contractual Currency other than euro, in the principal financial centre for the Contractual Currency and in the case of euro, in a city in which banks have access to the T2, in same day funds the Redemption Amount of the Notes becoming due for redemption on that date together with any applicable premium and shall (subject to the Conditions) until such payment (both before and after judgment) unconditionally so pay to or to the order of the Trustee interest in respect of the nominal amount of the Notes outstanding as set out in the Conditions (subject to sub-Clause 2.6) provided that (1) subject to the provisions of Clause 2.5 payment of any sum due in respect of the Notes made to the Issuing and Paying Agent as provided in the Agency Agreement shall, to that extent, satisfy such obligation except to the extent that there is failure in its subsequent payment to the relevant Noteholders or Couponholders under the Conditions and (2) a payment made after the due date or as a result of the Note becoming repayable following an Event of Default shall be deemed to have been made when the full amount due has been received by the Issuing and Paying Agent or the Trustee and notice to that effect has been given to the Noteholders (if required under Clause 9.8), except to the extent that there is failure in its subsequent payment to the relevant Noteholders or Couponholders under the Conditions. This covenant shall only have effect each time Notes are issued and outstanding, when the Trustee shall hold the benefit of this covenant on trust for the Noteholders and Couponholders of the relevant Series.
- 2.4 Discharge:** Subject to sub-Clause 2.5, any payment to be made in respect of the Notes, Receipts or the Coupons by the Issuer, the Guarantor or the Trustee may be made as provided in the Conditions and any payment so made shall (subject to sub-Clause 2.5) to that extent be a good discharge to the Issuer, the Guarantor or the Trustee, as the case may be (including, in the case of Notes represented by a NGN whether or not the corresponding entries have been made in the records of Euroclear and Clearstream, Luxembourg).
- 2.5 Payment after a Default:** At any time after an Event of Default or a Potential Event of Default has occurred in relation to a particular Series the Trustee may:
- 2.5.1** by notice in writing to the Issuer, the Guarantor, the Agents, require the Agents (or any of them), until notified by the Trustee to the contrary, so far as permitted by applicable law:
- (i) to act as Agents of the Trustee under this Trust Deed and the Notes of such Series on the terms of the Agency Agreement (with consequential amendments as necessary and except that the Trustee's liability for the indemnification, remuneration and expenses of Agents shall be limited to the amounts for the time being held by the Trustee in respect of such Series on the terms of this Trust Deed and available for such purpose) and thereafter to hold all Notes, Certificates, Receipts, Coupons and Talons of such Series and all moneys, documents and records held by them in respect of Notes, Certificates, Receipts, Coupons and Talons of such Series to the order of the Trustee; and/or

- (ii) to deliver all Notes, Certificates, Receipts, Coupons and Talons of such Series and all moneys, documents and records held by them in respect of the Notes, Certificates, Receipts, Coupons and Talons of such Series to the Trustee or as the Trustee directs in such notice; and

2.5.2 by notice in writing to the Issuer and the Guarantor require them to make all subsequent payments in respect of the Notes, Receipts, Coupons and Talons of such Series to or to the order of the Trustee and not to the Issuing and Paying Agent with effect from the issue of any such notice to the Issuer; and from then until such notice is withdrawn, proviso (1) to Clause 2.3 above shall cease to have effect.

**2.6 Rate of Interest After a Default:** If the Notes bear interest at a floating or other variable rate and they become immediately payable under the Conditions, the rate of interest payable in respect of them shall continue to be calculated by the Calculation Agent in accordance with the Conditions (with consequential amendments as necessary) except that the rates of interest need not be published unless the Trustee otherwise requires. The first period in respect of which interest shall be so calculable shall commence on the expiry of the Interest Period during which the Notes become so repayable.

### **3 Form of the Notes**

**3.1 The Global Notes:** The Notes shall initially be represented by a temporary Global Note, or a permanent Global Note or one or more Certificates in the nominal amount of the Tranche being issued. Interests in temporary Global Notes shall be exchangeable for Definitive Notes or interests in permanent Global Notes as set out in each temporary Global Note. Interests in permanent Global Notes shall be exchangeable for Definitive Notes as set out in each permanent Global Note.

**3.2 The Definitive Notes:** The Definitive Notes, Receipts, Coupons and Talons shall be security printed and the Certificates shall be printed, in each case in accordance with applicable legal and stock exchange requirements substantially in the forms set out in Schedule 2. The Notes and Certificates (other than Global Certificates) shall be endorsed with the Conditions.

**3.3 Signature:** The Notes, Certificates, Receipts, Coupons and Talons shall be signed manually or in facsimile by an authorised signatory of the Issuer, the Notes shall be authenticated by or on behalf of the Issuing and Paying Agent and the Certificates shall be authenticated by or on behalf of the Registrar. The Issuer may use the facsimile signature of a person who at the date of this Trust Deed is such a director even if at the time of issue of any Notes, Certificates, Receipts, Coupons or Talons he no longer holds that office. In the case of a Global Note which is a NGN or a Global Certificate which is held under the NSS, the Issuing and Paying Agent or the Registrar shall also instruct the Common Safekeeper to effectuate the same. Notes, Certificates, Receipts, Coupons and Talons so executed and authenticated (and effectuated, if applicable) shall be or, in the case of Certificates, represent binding and valid obligations of the Issuer.

### **4 Stamp Duties and Taxes**

**4.1 Stamp Duties:** The Issuer shall pay any stamp, issue, documentary or other taxes and duties, including interest and penalties, payable in Belgium, Luxembourg, the United Kingdom and the country of each Contractual Currency in respect of the creation, issue and offering of the Notes, Certificates, Receipts, Coupons and Talons and the execution or delivery of this Trust Deed. The Issuer shall also indemnify the Trustee, the Noteholders and

the Couponholders, on an after tax basis, from and against all stamp, issue, documentary or other taxes paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Trustee or, as the case may be, the Noteholders or the Couponholders to enforce the Issuer's or the Guarantor's obligations under this Trust Deed, the Agency Agreement or the Notes, Certificates, Receipts, Coupons or Talons.

- 4.2 Change of Taxing Jurisdiction:** If the Issuer or the Guarantor becomes subject generally to the taxing jurisdiction of a territory or a taxing authority of or in that territory with power to tax other than or in addition to the United Kingdom or any such authority of or in such territory then the Issuer or, as the case may be, the Guarantor shall (unless the Trustee otherwise agrees) give the Trustee an undertaking satisfactory to the Trustee in terms corresponding to the terms of Condition 9 with the substitution for, or (as the case may require) the addition to, the references in that Condition to the United Kingdom of references to that other or additional territory or authority to whose taxing jurisdiction the Issuer or the Guarantor has become so subject. In such event this Trust Deed, the Agency Agreement and the Notes, Certificates, Receipts, Coupons and Talons shall be read accordingly.

## **5 Guarantee and Indemnity**

- 5.1 Guarantee:** The Guarantor unconditionally and irrevocably guarantees that if the Issuer does not pay any sum payable by it under this Trust Deed, the Agency Agreement, the Notes, the Receipts or the Coupons by the time and on the date specified for such payment (whether on the normal due date, on acceleration or otherwise), the Guarantor shall pay that sum to or to the order of the Trustee, in the manner provided in Clause 2.3 (or if in respect of sums due under Clause 10, in pounds sterling in London in immediately available funds) before close of business on that date in the city to which payment is so to be made. Clause 2.3.1 and 2.3.2 shall apply (with consequential amendments as necessary) to such payments other than those in respect of sums due under Clause 10. All payments under the Guarantee by the Guarantor shall be made subject to Condition 9 and sub-Clause 4.2.
- 5.2 Guarantor as Principal Debtor:** As between the Guarantor and the Trustee, the Noteholders and the Couponholders but without affecting the Issuer's obligations, the Guarantor shall be liable under this Clause 5 as if it were the sole principal debtor and not merely a surety. Accordingly, it shall not be discharged, nor shall its liability be affected, by anything that would not discharge it or affect its liability if it were the sole principal debtor (including (1) any time, indulgence, waiver or consent at any time given to the Issuer or any other person, (2) any amendment to any other provisions of this Trust Deed, the Agency Agreement or to the Conditions or to any security or other guarantee or indemnity, (3) the making or absence of any demand on the Issuer or any other person for payment, (4) the enforcement or absence of enforcement of this Trust Deed, the Notes, the Receipts or the Coupons or of any security or other guarantee or indemnity, (5) the taking, existence or release of any security, guarantee or indemnity, (6) the dissolution, amalgamation, reconstruction or reorganisation of the Issuer or any other person or (7) the illegality, invalidity or unenforceability of or any defect in any provision of this Trust Deed, the Notes, the Receipts or the Coupons or any of the Issuer's obligations under any of them).
- 5.3 Guarantor's Obligations Continuing:** The Guarantor's obligations under this Trust Deed are and shall remain in full force and effect by way of continuing security until no sum remains payable under this Trust Deed, the Agency Agreement, the Notes, the Receipts or the Coupons. Furthermore, those obligations of the Guarantor are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person,

whether from the Guarantor or otherwise and may be enforced without first having recourse to the Issuer, any other person, any security or any other guarantee or indemnity. The Guarantor irrevocably waives all notices and demands of any kind.

**5.4 Exercise of Guarantor's Rights:** So long as any sum remains payable under this Trust Deed, the Agency Agreement, the Notes, the Receipts or the Coupons:

**5.4.1** any right of the Guarantor, by reason of the performance of any of its obligations under this Clause 5, to be indemnified by the Issuer or to take the benefit of or to enforce any security or other guarantee or indemnity shall be exercised and enforced by the Guarantor only in such manner and on such terms as the Trustee may require or approve; and

**5.4.2** any amount received or recovered by the Guarantor (a) as a result of any exercise of any such right or (b) in the dissolution, amalgamation, reconstruction or reorganisation of the Issuer shall be held in trust for the Trustee and immediately paid to the Trustee and the Trustee shall hold it on the trusts set out in Clause 6.1.

**5.5 Suspense Accounts:** Any amount received or recovered by the Trustee (otherwise than as a result of a payment by the Issuer to the Trustee in accordance with Clause 2) in respect of any sum payable by the Issuer under this Trust Deed, the Agency Agreement, the Notes, the Receipts or the Coupons may be placed in a suspense account and kept there for so long as the Trustee thinks fit.

**5.6 Avoidance of Payments:** The Guarantor shall on demand indemnify the Trustee, each Noteholder and each Couponholder, on an after tax basis, against any cost, loss, expense or liability sustained or incurred by it as a result of it being required for any reason (including any bankruptcy, insolvency, winding-up, dissolution, or similar law of any jurisdiction) to refund all or part of any amount received or recovered by it in respect of any sum payable by the Issuer under this Trust Deed, the Agency Agreement, any Note or the Receipts or Coupons relating to that Note and shall in any event pay to it on demand the amount as refunded by it.

**5.7 Debts of Issuer:** If any moneys become payable by the Guarantor under this Guarantee, the Issuer shall not (except in the event of the liquidation of the Issuer) so long as any such moneys remain unpaid, pay any moneys for the time being due from the Issuer to the Guarantor.

**5.8 Indemnity:** As separate, independent and alternative stipulations, the Guarantor unconditionally and irrevocably agrees (1) that any sum that, although expressed to be payable by the Issuer under this Trust Deed, the Agency Agreement, the Notes or the Receipts or Coupons, is for any reason (whether or not now existing and whether or not now known or becoming known to the Issuer, the Guarantor, the Trustee or any Noteholder or Couponholder) not recoverable from the Guarantor on the basis of a guarantee shall nevertheless be recoverable from it as if it were the sole principal debtor and shall be paid by it to the Trustee on demand and (2) as a primary obligation to indemnify the Trustee, each Noteholder and each Couponholder against any loss suffered by it as a result of any sum expressed to be payable by the Issuer under this Trust Deed, the Agency Agreement, the Notes or the Receipts or Coupons not being paid on the date and otherwise in the manner specified in this Trust Deed or the Agency Agreement or any payment obligation of the Issuer under this Trust Deed, the Agency Agreement, the Notes, the Receipts or the Coupons being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not now known or becoming known to the Trustee, any Noteholder or any

Couponholder), the amount of that loss being the amount expressed to be payable by the Issuer in respect of the relevant sum.

## **6 Application of moneys received by the Trustee**

**6.1 Declaration of Trust:** All moneys received by the Trustee in respect of the Notes or amounts payable under this Trust Deed shall, despite any appropriation of all or part of them by the Issuer or the Guarantor, be held by the Trustee on trust to apply them (subject to Clauses 5.5 and 6.2):

first, in payment of all costs, charges, fees, expenses and claims properly incurred and all liabilities incurred by or payable to the Trustee (including remuneration payable to it) and any Appointee in carrying out its functions under this Trust Deed or the Agency Agreement;

secondly, in payment of any amounts owing in respect of the Notes, Receipts or Coupons *pari passu* and rateably; and

thirdly, in payment of any balance to the Issuer for itself or, if any moneys were received from the Guarantor and to the extent of such moneys, the Guarantor.

If the Trustee holds any moneys in respect of Notes, Receipts or Coupons that have become void or in respect of which claims have become prescribed, the Trustee shall hold them on these trusts.

**6.2 Accumulation:** The Trustee may at its discretion accumulate such moneys until the accumulations, together with any other funds for the time being under the control of the Trustee and available for such purpose, amount to at least 10 per cent. of the principal amount of the relevant notes then outstanding and then such accumulations and funds (after deduction of, or provision for, any applicable taxes) shall be applied under clause 6.1. For the avoidance of doubt, the Trustee shall in no circumstances, have any discretion to invest any moneys referred to in this Clause 6.2 in any investments or other assets.

**6.3 Deposits:** Moneys held by the Trustee may at its election be deposited in its name or under its control at such bank or other financial institution in such currency as the Trustee may, in its absolute discretion, think fit. If that bank or institution is the Trustee or an affiliate, subsidiary, holding or associated company of the Trustee, it need only account for an amount of interest equal to the standard amount of interest payable by it on such a deposit to an independent customer. The Trustee may at any time vary or transpose any such deposit or convert any moneys so deposited into any other currency, and shall not be responsible for any resulting loss, whether by depreciation in value, change in exchange rates or otherwise.

**6.4 Right to Deduct or Withhold:** Notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law or any current or future regulations or agreements thereunder or official interpretations thereof or any law implementing any intergovernmental approach thereto or, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it under this Trust Deed or if the Trustee shall otherwise be charged to, or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed, the Agency Agreement or any Notes from time to time representing the same, including, without limitation, any

income or gains arising therefrom, or any action of the Trustee in or about the administration of the trusts of this Trust Deed or otherwise, in any case other than any tax payable by the Trustee on its income or profits then the Trustee shall, without liability, be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it in respect of this Trust Deed an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed.

## **7 Enforcement**

**7.1 Proceedings brought by the Trustee:** At any time after the Notes of any Series shall have become immediately due and repayable, the Trustee may at its discretion and without further notice take such proceedings as it may think fit against the Issuer to enforce repayment thereof together with premium (if any) and accrued interest and any other moneys payable pursuant to this Trust Deed and may, in order to enforce the obligations of the Guarantor under this Trust Deed, at its discretion and without further notice take such proceedings as it may think fit against the Guarantor.

**7.2 Proof of default:** Should the Trustee take legal proceedings against the Issuer or the Guarantor (as the case may be) to enforce any of the provisions of this Trust Deed or the Agency Agreement:

**7.2.1** proof therein that as regards any specified Note the Issuer or the Guarantor (as the case may be) has made default in paying any principal, premium or interest due in respect of such Note shall (unless the contrary be proved) be sufficient evidence that the Issuer or the Guarantor (as the case may be) has made the like default as regards all other Notes which are then due and repayable; and

**7.2.2** proof therein that as regards any specified Coupon the Issuer or the Guarantor (as the case may be) has made default in paying any interest due in respect of such Coupon shall (unless the contrary be proved) be sufficient evidence that the Issuer or the Guarantor (as the case may be) has made the like default as regards all other Coupons which are then due and payable.

## **8 Proceedings**

**8.1 Action taken by Trustee:** The Trustee shall not be bound to take any such proceedings as are mentioned in Clause 7.1 unless respectively directed or requested to do so (i) by an Extraordinary Resolution or (ii) in writing by the holders of at least one-quarter in nominal amount of the Notes of the relevant Series then outstanding (excluding Retained Notes) and in either case then only if it shall be indemnified and/or prefunded and/or secured to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

**8.2 Trustee only to enforce:** Only the Trustee may enforce the provisions of this Trust Deed. No holder shall be entitled to proceed directly against the Issuer or the Guarantor to enforce the performance of any of the provisions of this Trust Deed unless the Trustee having become bound as aforesaid to take proceedings fails to do so within a reasonable period and such failure shall be continuing.

## **9 Covenants**

So long as any Note is outstanding, the Issuer and the Guarantor shall each:

- 9.1 Books of Account:** keep, and procure that each of its respective Subsidiaries or Subsidiary Undertakings (as defined in Condition 11) (if any) keeps, proper books of account and, at any time after an Event of Default or Potential Event of Default has occurred or if the Trustee reasonably believes that such an event has occurred or certifies to the Issuer and the Guarantor that they have failed to deliver to the Trustee information that satisfies it that such an event has not occurred (within the time limits herein for the delivery of such information or such other reasonable period as the Trustee shall specify), so far as permitted by applicable law, allow, and procure that each such Subsidiary Undertaking and/or Subsidiary shall allow, the Trustee and anyone appointed by it to whom the Issuer, the Guarantor and/or the relevant Subsidiary Undertaking and/or Subsidiary has no reasonable objection, access to its books of account at all reasonable times during normal business hours;
- 9.2 Notice of Events of Default and Restructuring Events:** notify the Trustee in writing immediately on becoming aware of the occurrence of any Event of Default or Potential Event of Default or Change of Control Put Event relating to it and, in the case of the Guarantor only, any Restructuring Event;
- 9.3 Information:** so far as permitted by applicable law, give the Trustee such opinions, certificates, information and evidence as it reasonably requires to perform its functions;
- 9.4 Financial Statements etc.:** send to the Trustee at the time of their issue, and, in the case of annual financial statements, in any event within 180 days of the end of each financial year, one copy in English of every balance sheet, profit and loss account, report or other notice, statement or circular issued, or that legally or contractually should be issued, to the members or creditors (or any class of them) of the Issuer or the Guarantor or any holding company thereof generally in their capacity as such;
- 9.5 Certificate of directors:** send to the Trustee, within 14 days of its annual audited financial statements being made available to its members, and also within 14 days of any request by the Trustee a certificate of the Issuer or, as the case may be, the Guarantor signed by any two of its directors that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer or, as the case may be, the Guarantor as at a date (the “**Certification Date**”) not more than 5 days before the date of the certificate no Event of Default or Potential Event of Default or other breach of this Trust Deed or the Agency Agreement had occurred since the Certification Date of the last such certificate or (if none) the date of this Trust Deed or, if such an event had occurred, giving details of it;
- 9.6 Notices to Noteholders:** prior to the publication thereof send to the Trustee the form of each notice to be given to Noteholders and, once given, two copies of each such notice, such notice to be in a form previously approved in writing by the Trustee (such approval not to be unreasonably withheld and, unless so expressed, not to constitute approval for the purposes of section 21 of the FSMA of any such notice which is a communication within the meaning of section 21 of the FSMA);
- 9.7 Further Acts:** so far as permitted by applicable law, do such further things as may be necessary in the opinion of the Trustee to give effect to the provisions of this Trust Deed;
- 9.8 Notice of Late Payment:** forthwith give notice to the Noteholders of any unconditional payment to the Issuing and Paying Agent or the Trustee of any sum due in respect of the Notes, the Receipts or Coupons made after the due date for such payment;

- 9.9 Listing and Trading:** if the Notes are so listed and traded, use all reasonable endeavours to maintain the listing of the Notes on the official list of the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 and the trading of such Notes on the Market but, if it is unable to do so, having used such endeavours, or if the maintenance of such listing or trading is certified to the Trustee as being unduly onerous, instead use all reasonable endeavours to obtain and maintain a listing of the Notes on another stock exchange and the admission to trading of the Notes on another market;
- 9.10 Change in Agents:** give at least 30 days' prior notice to the Noteholders of any future appointment, resignation or removal of an Agent or of any change by an Agent of its specified office and not make any such appointment or removal without the Trustee's written approval;
- 9.11 Provision of Legal Opinions:** procure the delivery of legal opinions addressed to the Trustee dated the date of such delivery, in form and content acceptable to the Trustee:
- 9.11.1** as to the laws of England on the date of any amendment to this Trust Deed or the Agency Agreement;
- 9.11.2** from legal advisers, reasonably acceptable to the Trustee as to such law as may reasonably be requested by the Trustee, on the issue date for the Notes in the event of a proposed issue of Notes of such a nature and having such features as might lead the Trustee to conclude that it would be prudent, having regard to such nature and features, to obtain such legal opinion(s) or in the event that the Trustee considers it prudent in view of a change (or proposed change) in (or in the interpretation or application of) any applicable law, regulation or circumstance affecting the Issuer, the Guarantor, the Trustee, the Notes, the Certificates, the Receipts, the Coupons, the Talons, this Trust Deed or the Agency Agreement; and
- 9.11.3** on each occasion on which a legal opinion is given to any Dealer in relation to any Notes pursuant to the Programme Agreement from the legal adviser giving such opinion;
- 9.12 Notes Held by Guarantor etc.:** (a) in the case of the Guarantor only, send to the Trustee as soon as practicable after being so requested by the Trustee a certificate of the Guarantor signed by any two of its directors stating the number of Notes held at the date of such certificate by or on behalf of the Guarantor or its Subsidiaries including, for the avoidance of doubt, the Issuer and its Subsidiaries (if any) and, (b) upon any sale or disposal of Retained Notes by the Issuer or any Subsidiary to any entity which is neither the Issuer nor a Subsidiary, promptly notify the Trustee of the same in writing;
- 9.13 Principal/Material Subsidiaries:** in the case of the Guarantor only, give to the Trustee at the same time as sending the certificate referred to in sub-Clause 9.5 or within 28 days of a request by the Trustee, a certificate signed by two directors of the Guarantor listing those Subsidiaries or Subsidiary Undertakings of the Issuer and the Guarantor which as at the last day of the last financial year of the Issuer and the Guarantor or as at the date specified in such request were Principal Subsidiaries, or Material Subsidiaries as the case may be;
- 9.14 Negative Pledge:** give notice to the Trustee as soon as practicable after it has formed the intention to create or permit to arise or subsist any mortgage, charge, lien or other encumbrance referred to in Condition 4 to secure payment of any present or future Relevant Indebtedness (as therein defined) or become aware of the existence of any such mortgage, charge, lien or other encumbrance, the creation or existence of which would or might oblige security to be extended to the Notes pursuant to Condition 4;

- 9.15 Directors' Certificate:** in the case of the Guarantor only, if the Trustee has reasonable grounds for believing that indebtedness for Moneys Borrowed having an aggregate amount equal to or greater than the Threshold Amount (as defined in Condition 11) of the Issuer, the Guarantor or any of their Subsidiaries has become due and payable or has not been paid in each such case in the circumstances set out in Condition 11 (h) then the Guarantor will, within 14 days of a request from the Trustee, give to it a certificate signed by two directors of the Guarantor as to the amount of the Guarantor's Net Tangible Assets (as defined in Condition 11);
- 9.16 Notification of FATCA Withholding:** notify the Trustee if it determines that any payment to be made by the Trustee under the Notes is a payment which could be subject to FATCA Withholding if such payment were made to a recipient that is generally unable to receive payments free from FATCA Withholding, and the extent to which the relevant payment is so treated, provided, however, that the Issuer's and the Guarantor's obligations under this Clause 9.16 shall apply only to the extent that such payments are so treated by virtue of characteristics of the Issuer, the Guarantor, the Notes or any of them; and
- 9.17 Expert:** at any time when under the Conditions it is necessary to have, or the Trustee requests, the appointment of leading brokers or market makers or an independent financial adviser, the Issuer (failing whom the Guarantor) shall select and appoint any brokers or markets makers or an independent financial adviser, as the case may be, with the approval of the Trustee and at the expense of the Issuer (failing whom, the Guarantor).

## **10 Remuneration and Indemnification of the Trustee**

- 10.1 Normal Remuneration:** So long as any Note is outstanding the Issuer shall pay the Trustee as remuneration for its services as Trustee such sum on such dates in each case as they may from time to time agree. Such remuneration shall accrue from day to day from the date of this Trust Deed. However, if any payment to a Noteholder or Couponholder of moneys due in respect of any Note, Receipts or Coupon is improperly withheld or refused, such remuneration shall again accrue as from the date of such withholding or refusal until payment to such Noteholder or Couponholder is duly made.
- 10.2 Extra Remuneration:** If an Event of Default or Potential Event of Default shall have occurred, the Issuer hereby agrees that the Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time. In any other case, if the Trustee finds it expedient or necessary or is requested by the Issuer to undertake duties that they both agree to be of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Trust Deed or the Agency Agreement, the Issuer shall pay such additional remuneration as they may agree (and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time) or, failing agreement as to any of the matters in this sub-Clause (or as to such sums referred to in sub-Clause 10.1), as determined by a financial institution or person (acting as an expert) selected by the Trustee and approved by the Issuer or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and such financial institution's fee shall be borne by the Issuer. The determination of such financial institution or person shall be conclusive and binding on the Issuer, the Guarantor, the Trustee, the Noteholders and the Couponholders.
- 10.3 Expenses:** The Issuer shall also on demand by the Trustee pay or discharge all costs, charges, liabilities and expenses properly incurred by the Trustee in the preparation and execution of this Trust Deed or the Agency Agreement and the performance of its functions

under this Trust Deed or the Agency Agreement including, but not limited to, legal and travelling expenses and any stamp, documentary or other taxes or duties paid by the Trustee in connection with any legal proceedings reasonably brought or contemplated by the Trustee against the Issuer or the Guarantor to enforce any provision of this Trust Deed, the Agency Agreement, the Notes, the Receipts, the Coupons or the Talons. Such costs, charges, liabilities and expenses shall:

**10.3.1** in the case of payments made by the Trustee before such demand, carry interest from the date of the demand at the rate of 3 per cent per annum above the Bank of England Base Rate or 3 per cent per annum whichever is higher on the date on which such payments were made for such time as such amounts remain outstanding; and

**10.3.2** in other cases, carry interest at such rate from 30 days after the date of the demand or (where the demand specifies that payment is to be made on an earlier date) from such earlier date.

All remuneration payable to the Trustee shall carry interest at such rate from the due date thereof.

**10.4 Indemnity:** Without prejudice to the right of indemnity given by law to trustees, the Issuer, failing whom the Guarantor, will on demand by the Trustee indemnify it, on an after tax basis, in respect of Amounts or Claims paid or incurred by it in acting as trustee under this Trust Deed or the Agency Agreement (including (1) any Agent/Delegate Liabilities and (2) in respect of disputing or defending any Amounts or Claims made against the Trustee or any Agent/Delegate Liabilities). The Issuer will on demand by such agent or delegate indemnify it, on an after tax basis, against such Agent/Delegate Liabilities. **“Amounts or Claims”** are losses, liabilities, costs, fees, claims, actions, demands or expenses and **“Agent/Delegate Liabilities”** are Amounts or Claims which the Trustee is or would be obliged to pay or reimburse to any of its agents or delegates appointed pursuant to this Trust Deed. The Contracts (Rights of Third Parties) Act 1999 applies to this Clause 10.4.

**10.5 Deductions, withholding etc.:** Each of the Issuer and the Guarantor hereby further undertakes to the Trustee that all monies payable by the Issuer or the Guarantor to the Trustee under this Clause 10 shall be made without set-off, counterclaim, deduction or withholding unless compelled by law in which event the Issuer, failing whom the Guarantor, will pay such additional amounts as will result in the receipt by the Trustee of the amounts which would otherwise have been payable by the Issuer and/or the relevant Guarantor to the Trustee under this Clause 10 in the absence of any such set-off, counterclaim, deduction or withholding.

**10.6 Continuing Effect:** Sub-Clauses 10.3 and 10.4 shall continue in full force and effect as regards the Trustee even if it no longer is Trustee and notwithstanding the termination or expiry of this Trust Deed.

## **11 Provisions supplemental to the Trustee Act 1925 and the Trustee Act 2000**

**11.1 Advice:** The Trustee may act on the opinion or advice of, or information obtained from, any expert and shall not be responsible to anyone for any loss occasioned by so acting whether such advice is obtained or addressed to the Issuer, the Trustee or any other person. The Trustee shall not be liable to anyone for acting in good faith on any opinion, advice or information purporting to be conveyed by such means even if it contains some error or is not authentic. The Trustee may rely without liability to Noteholders and Couponholders on any

report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to the Trustee and whether or not liability in relation thereto is limited by reference to a monetary cap, methodology or otherwise.

- 11.2 Trustee to Assume Performance:** The Trustee need not notify anyone of the execution of this Trust Deed or the Agency Agreement or do anything to find out if an Event of Default or Potential Event of Default, a Change of Control Put Event or Restructuring Event has occurred. Until it has actual knowledge or express notice to the contrary, the Trustee may assume that no such event has occurred and that the Issuer and the Guarantor are performing all its their obligations under this Trust Deed, the Agency Agreement, the Notes, the Receipts, the Coupons and the Talons.
- 11.3 Interests of Noteholders:** In connection with the exercise of its powers, trusts, authorities or discretions (including, but not limited to, those in relation to any proposed modification, waiver or authorisation of any breach or proposed breach of any of the Conditions or any of the provisions of this Trust Deed or the Agency Agreement or any proposed substitution in accordance with Clause 15.3 or any determination made pursuant to Clause 15.1), the Trustee shall have regard to the interests of the Noteholders of any Series as a class and, in particular, but without prejudice to the generality of the foregoing, shall not have regard to the consequences of such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequences thereof and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim from the Issuer, the Guarantor or the Trustee, any indemnification or payment of any tax arising in consequence of any such exercise upon individual Noteholders.
- 11.4 Resolutions of Noteholders:** The Trustee shall not be responsible for having acted in good faith on a resolution purporting (i) to have been passed at a meeting of Noteholders in respect of which minutes have been made and signed or (ii) to be a written resolution or electronic consent made in accordance with Schedule 3, even if it is later found that there was a defect in the constitution of the meeting or the passing of the resolution or that the resolution was not valid or binding on the Noteholders or Couponholders.
- 11.5 Certificate Signed by directors:** If the Trustee, in the exercise of its functions, requires to be satisfied or to have information as to any fact or the expediency of any act, it may call for and accept as sufficient evidence of that fact or the expediency of that act a certificate signed by any two directors of the Issuer or Guarantor as to that fact or to the effect that, in their opinion, that act is expedient and the Trustee need not call for further evidence and shall not be responsible for any loss occasioned by acting or refraining from acting on such a certificate.
- 11.6 Deposit of Documents:** The Trustee may appoint as custodian, on any terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute and may deposit this Trust Deed and any other documents with such custodian and pay all sums due in respect thereof. The Trustee is not obliged to appoint a custodian of securities payable to bearer.
- 11.7 Discretion:** The Trustee shall have absolute and uncontrolled discretion as to the exercise of its functions and shall not be responsible for any loss, liability, cost, claim, action, demand, expense or inconvenience that may result from their exercise or non-exercise.

- 11.8 Agents:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent selected by it, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money).
- 11.9 Delegation:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may delegate to any person on any terms (including power to sub-delegate) all or any of its functions.
- 11.10 Nominees:** In relation to any asset held by it under this Trust Deed, the Trustee may appoint any person to act as its nominee on any terms.
- 11.11 Forged Notes:** The Trustee shall not be liable to the Issuer or the Guarantor or any Noteholder or Couponholder by reason of having accepted as valid or not having rejected any Note, Certificate, Receipt, Coupon or Talon purporting to be such and later found to be forged or not authentic.
- 11.12 Confidentiality:** Unless ordered to do so by a court of competent jurisdiction, the Trustee shall not be required to disclose to any Noteholder or Couponholder any confidential financial or other information made available to the Trustee by the Issuer or the Guarantor.
- 11.13 Determinations Conclusive:** As between itself and the Noteholders and Couponholders, the Trustee may determine all questions and doubts arising in relation to any of the provisions of this Trust Deed or the Agency Agreement. Such determinations, whether made upon such a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee, the Noteholders and the Couponholders.
- 11.14 Currency Conversion:** Where it is necessary or desirable to convert any sum from one currency to another, it shall (unless otherwise provided hereby or required by law) be converted at such rate or rates, in accordance with such method and as at such date as may reasonably be specified by the Trustee but having regard to current rates of exchange, if available. Any rate, method and date so specified shall be binding on the Issuer, the Guarantor, the Noteholders and the Couponholders.
- 11.15 Events of Default etc.:** The Trustee may determine whether or not an Event of Default or Potential Event of Default is in its opinion capable of remedy and/or materially prejudicial to the interests of the Noteholders. Any such determination shall be conclusive and binding on the Issuer, the Guarantor, the Noteholders and the Couponholders.
- 11.16 Payment for and Delivery of Notes:** The Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, any exchange of Notes or the delivery of Notes to the persons entitled to them.
- 11.17 Notes Held by the Guarantor etc.:** In the absence of knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate under Clause 9.12) that no Notes are for the time being held by or on behalf of the Issuer, the Guarantor or its their Subsidiaries.
- 11.18 Consent of Trustee:** Any consent or approval given by the Trustee may be given on such terms and subject to such conditions as the Trustee reasonably thinks fit and, notwithstanding anything to the contrary contained in this Trust Deed or the Agency Agreement, may be given retrospectively.

- 11.19 Legal Opinions:** The Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to any Notes or for checking or commenting upon the content of any such legal opinion.
- 11.20 Programme Limit:** The Trustee shall not be concerned, and need not enquire, as to whether or not any Notes are issued in breach of the Programme Limit.
- 11.21 Illegality:** Notwithstanding anything else contained in this Trust Deed or the Agency Agreement, the Trustee may refrain from (a) doing anything which would or might in its opinion be illegal or contrary to any law of any jurisdiction or any directive or regulation of any agency of any state (including, without limitation, section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) or which would or might otherwise render it liable to any person and may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation or (b) doing anything which may cause the Trustee to be considered a sponsor of a covered fund under Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any regulations promulgated there under.
- 11.22 Not Bound to Act:** The Trustee shall not be bound to take any action, step or proceeding in connection with this Trust Deed or the Agency Agreement or any obligations arising hereunder, thereunder or otherwise, including, without prejudice to the generality of the foregoing, forming any opinion or employing any financial adviser, unless it has been indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities which may be incurred in connection with such action, step or proceeding and may demand prior to taking any such action that there be paid to it in advance such sums as it reasonably considers (without prejudice to any further demand) shall be sufficient so as to indemnify and/or secure and/or pre-fund it and, on such demand being made, the Issuer, failing whom the Guarantor, shall be obliged to make payment of all such sums in full. When determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled to evaluate its risk in any given circumstance by considering the worst-case scenario and, for this purpose, it may take into account, without limitation, the potential costs of defending or commencing proceedings in England or elsewhere and the risk, however remote, of any award of damages against it, in England or elsewhere.
- 11.23 Incurrence of Financial Liability:** Nothing contained in this Trust Deed or the Agency Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any power, rights, authority or discretion hereunder if it has grounds for believing the repayment of the funds or the provision of an indemnity and/or security and/or pre-funding satisfactory to it against such risk or liability is not assured to it.
- 11.24 Clearing Systems:** The Trustee may call for any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system in relation to any matter. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print-out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the account holder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg or any other relevant clearing system and subsequently found to be forged or not authentic.

- 11.25 No obligation to monitor other parties' performance:** The Trustee shall be under no obligation to monitor or supervise the functions of any other person under the Notes or any other agreement or document relating to the transactions herein or therein contemplated, including, without limitation, compliance by the Issuer and the Guarantor with the covenants and provisions set out in the Notes and this Trust Deed and the Agency Agreement or take any steps to ascertain whether any relevant event under this Trust Deed, the Agency Agreement or the Conditions has occurred (including any Event of Default or Potential Event of Default). The Trustee shall be entitled, in the absence of receipt of written notice of a breach of obligation, to assume that each such person is properly performing and complying with its obligations and shall have no liability for any loss arising from any breach by that person or any such event.
- 11.26 No Responsibility for transaction documents:** The Trustee assumes no responsibility for, and shall not, by the execution of this Trust Deed, any supplemental Trust Deed or any other transaction document relating to the Notes, be deemed to make any representation as to, the adequacy, sufficiency, validity or enforceability of such transaction documents or any agreement constituted by the execution thereof.
- 11.27 Rating Agencies:** The Trustee is entitled to request and rely upon information, reports, confirmations or affirmations provided privately or issued publicly by any rating agency whether or not addressed to the Trustee.
- 11.28 Interests of Noteholders through Clearing Systems:** In considering the interests of Noteholders while any Global Note or Global Certificate is held on behalf of, or registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Certificate or Global Note and may consider such interests as if such accountholders were the holders of the Notes represented by the Global Certificate or Global Note (as applicable).
- 11.29 Trustee's discretions and actions:** In relation to any discretion to be exercised or action to be taken by the Trustee under this Trust Deed, the Agency Agreement or the Notes, the Trustee may, at its discretion and without further notice or shall, if it has been so directed by an Extraordinary Resolution of the Noteholders then outstanding or so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes, exercise such discretion or take such action, provided that, in either case, the Trustee shall not be obliged to exercise such discretion or take such action unless it shall have been indemnified, secured and/or prefunded to its satisfaction against all liabilities and provided that the Trustee shall not be held liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Noteholders.
- 11.30 FSMA:** Notwithstanding anything in this Trust Deed or the Agency Agreement to the contrary, the Trustee shall not do, or be authorised or required to do, anything which might constitute a regulated activity for the purpose of FSMA, unless it is authorised under FSMA to do so. The Trustee shall have the discretion at any time:
- (i) to delegate any of the functions which fall to be performed by an authorised person under FSMA to any other agent or person which also has the necessary authorisations and licences; and
  - (ii) to apply for authorisation under FSMA and perform any or all such functions itself if, in its absolute discretion, it considers it necessary, desirable or appropriate to do so.

**11.31 Assumption of Responsibility:** Nothing in this Trust Deed or the Agency Agreement shall require the Trustee to assume any obligation of the Issuer and/or the Guarantor arising under any provisions of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other competent authority besides the Financial Conduct Authority or Prudential Regulation Authority).

**11.32 Relevant Requirements:** In connection with HSBC Group's commitment to comply with all applicable sanctions regimes, the Trustee and any affiliate or subsidiary of HSBC Holdings plc may take any action in its sole and absolute discretion that it considers appropriate to comply with any law, regulation, request of a public or regulatory authority, any agreement between any member of the HSBC Group and any government authority or any HSBC Group policy that relates to the prevention of fraud, money laundering, terrorism, tax evasion, evasion of economic or trade sanctions or other criminal activities (collectively the "**Relevant Requirements**"). Such action may include, but is not limited to:

- (i) screening, intercepting and investigating any transaction, instruction or communication, including the source of, or intended recipient of, funds;
- (ii) delaying or preventing the processing of instructions or transactions or the Trustee's performance of its obligations under this Trust Deed;
- (iii) the blocking of any payment; or
- (iv) requiring the Issuer and/or the Guarantor to enter into a financial crime compliance representations letter from time to time in a form and substance acceptable to the HSBC Group.

Where possible and permitted, the Trustee will endeavour to notify the Issuer and the Guarantor of the existence of such circumstances. To the extent permissible by law, neither the Trustee nor any member of the HSBC Group will be liable for loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any party arising out of, or caused in whole or in part by, any actions that are taken by the Trustee or any other member of the HSBC Group to comply with any Relevant Requirements.

In this Clause 11.32, "**HSBC Group**" means HSBC Holdings plc together with its subsidiary undertakings from time to time

**11.33 Responsibility for agents etc.:** If the Trustee exercises due care in selecting any Appointee appointed under this clause, it will not have any obligation to supervise the Appointee or be responsible for any loss, liability, cost, claim, action, demand or expense incurred by reason of the Appointee's misconduct or default or the misconduct or default of any substitute appointed by the Appointee.

## **12 Trustee liable for negligence**

**12.1** Subject to sections 750 and 751 of the Companies Act 2006 (if applicable) and notwithstanding anything to the contrary in this Trust Deed or the Agency Agreement, the Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed, the Agency Agreement or the Notes save in relation to its own gross negligence, wilful default or fraud having regard to the provisions of this Trust Deed conferring on it any trusts, powers, authorities or discretions.

- 12.2** Section 1 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by this Trust Deed. Where there are any inconsistencies between the Trustee Act 1925 and the Trustee Act 2000 and the provisions of this Trust Deed, the provisions of this Trust Deed shall prevail to the extent allowed by law. In the case of an inconsistency with the Trustee Act 2000, the provisions of this Trust Deed shall take effect as a restriction or exclusion for the purposes of that Act.
- 12.3** Any liability of the Trustee shall be limited to the amount of actual loss suffered (such loss shall be determined as at the date of default of the Trustee or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Trustee at the time of entering into this Trust Deed or the Agency Agreement, or at the time of accepting any relevant instructions, which increase the amount of the loss. Under no circumstances shall the Trustee be liable to, or be required to indemnify, the Issuer or any third party for (i) indirect, punitive, special or consequential losses or indirect, punitive, special or consequential damages of any kind whatsoever or (ii) loss of profit, goodwill, reputation, opportunity or anticipated saving, in each case to the extent any such losses arise in connection with this Trust Deed or the Agency Agreement notwithstanding that such losses were or may have been foreseeable or that the Trustee was advised or was aware of the possibility of such losses and regardless of whether the claim to any such loss or damage under Clause 12.1 or 12.2 above is made in negligence, breach of duty, breach of contract or otherwise.

## **13 Waiver**

- 13.1 Waiver:** The Trustee may, without the consent of the Noteholders or Couponholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, if in its opinion the interests of the Noteholders will not be materially prejudiced thereby, waive or authorise, on such terms as seem expedient to it, any breach or proposed breach by the Issuer or the Guarantor of this Trust Deed, the Agency Agreement or the Conditions or determine that an Event of Default or Potential Event of Default shall not be treated as such provided that the Trustee shall not do so in contravention of an express direction given by an Extraordinary Resolution or a request made pursuant to Condition 11. No such direction or request shall affect a previous waiver, authorisation or determination. Any such waiver, authorisation or determination shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, shall be notified to the Noteholders as soon as practicable.

## **14 Trustee not precluded from entering into contracts**

The Trustee and any other person, whether or not acting for itself, may acquire, hold or dispose of any Note, Receipt, Coupon, Talon or other security (or any interest therein) of the Issuer, the Guarantor or any other person, may enter into or be interested in any contract or transaction with any such person and may act on, or as depositary or agent for, any committee or body of holders of any securities of any such person in each case with the same rights as it would have had if the Trustee were not acting as Trustee and need not account for any profit.

## **15 Modification and Substitution**

- 15.1 Modification:** The Trustee may agree without the consent of the Noteholders or Couponholders to any modification to this Trust Deed which is, in its opinion, of a formal,

minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. The Trustee may also so agree to any modification to this Trust Deed or the Agency Agreement that is in its opinion not materially prejudicial to the interests of the Noteholders, but such power does not extend to any such modification as is mentioned in the proviso to paragraph 2 of Schedule 3. Any modification made pursuant to this Clause 15.1 will be notified by the Issuer to the Noteholders as soon as practicable.

## **15.2 Substitution:**

**15.2.1** The Trustee may, without the consent of the Noteholders or Couponholders, agree to the substitution of the Issuer's successor company or any Subsidiary or holding company of the Issuer or its successor company or of the Guarantor or its successor company or any Subsidiary of the Guarantor or its successor company (the "**Substituted Obligor**") in place of the Issuer (or of any previous substitute under this sub-Clause) as the principal debtor under this Trust Deed, the Notes, the Receipts, the Coupons and the Talons provided that:

- (i) a deed is executed or undertaking given by the Substituted Obligor to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by this Trust Deed, the Notes, the Receipts, the Coupons and the Talons (with consequential amendments as the Trustee may deem appropriate) as if the Substituted Obligor had been named in this Trust Deed, the Notes, the Certificates, the Receipts, the Coupons and the Talons as the principal debtor in place of the Issuer;
- (ii) if the Substituted Obligor is subject generally to the taxing jurisdiction of a territory or any authority of or in that territory with power to tax (the "**Substituted Territory**") other than the territory to the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally (the "**Issuer's Territory**"), the Substituted Obligor shall (unless the Trustee otherwise agrees) give to the Trustee an undertaking satisfactory to the Trustee in terms corresponding to Condition 11 with the substitution for the references in that Condition to the Issuer's Territory of references to the Substituted Territory whereupon this Trust Deed, the Notes, the Certificates, the Receipts, the Coupons and the Talons shall be read accordingly;
- (iii) if any two directors of the Substituted Obligor certify to the Trustee (upon which certification the Trustee may rely upon without further enquiry and without liability) that it will be solvent immediately after such substitution, the Trustee need not have regard to the Substituted Obligor's financial condition, profits or prospects or compare them with those of the Issuer;
- (iv) the Issuer, and the Substituted Obligor comply with such other requirements as the Trustee may direct in the interests of the Noteholders; and
- (v) (unless the Issuer's successor company or where relevant, the Guarantor or its successor company is the Substituted Obligor) the obligations of the Substituted Obligor under this Trust Deed, the Notes, the Receipts, and the Coupons are guaranteed by the Guarantor in the same terms (with consequential amendments as necessary) as the Guarantee to the Trustee's satisfaction.

**15.2.2 Release of Substituted Issuer:** An agreement by the Trustee pursuant to this Clause 15.2 shall, if so expressed, release the Issuer (or a previous substitute) from any or all of its obligations under this Trust Deed, the Notes, the Receipts, the Coupons and the Talons. Notice of the substitution shall be given to the Noteholders within 14 days of the execution of such documents and compliance with such requirements.

**15.2.3 Completion of Substitution:** On completion of the formalities set out in this Clause 15.2, the Substituted Obligor shall be deemed to be named in this Trust Deed, the Notes, the Certificates, the Receipts, the Coupons and the Talons as the principal debtor in place of the Issuer (or of any previous substitute) and this Trust Deed, the Notes, the Certificates, the Receipts, the Coupons and the Talons shall be deemed to be amended as necessary to give effect to the substitution.

## **16 Appointment, Retirement and Removal of the Trustee**

**16.1 Appointment:** Subject as provided in Clause 16.2, the Issuer has the power of appointing new trustees but no-one may be so appointed unless previously approved by an Extraordinary Resolution. A trust corporation shall at all times be a Trustee and may be the sole Trustee. Any appointment of a new Trustee shall be notified by the Issuer to the Noteholders as soon as practicable.

**16.2 Retirement and Removal:** Any Trustee may retire at any time on giving at least three months' written notice to the Issuer and the Guarantor without giving any reason or being responsible for any costs occasioned by such retirement and the Noteholders may by Extraordinary Resolution remove any Trustee provided that the retirement or removal of a sole trust corporation shall not be effective until a trust corporation is appointed as successor Trustee. If a sole trust corporation gives notice of retirement or an Extraordinary Resolution is passed for its removal, the Issuer shall use all reasonable endeavours to procure that another trust corporation be appointed as Trustee but if it fails to do so before the expiry of such three month notice period, the Trustee shall have the power to appoint a new Trustee.

**16.3 Co-Trustees:** The Trustee may, despite sub-Clause 16.1, by written notice to the Issuer and the Guarantor appoint anyone to act as an additional Trustee jointly with the Trustee:

**16.3.1** if the Trustee considers the appointment to be in the interests of the Noteholders and/or the Couponholders;

**16.3.2** to conform with a legal requirement, restriction or condition in a jurisdiction in which a particular act is to be performed; or

**16.3.3** to obtain a judgment or to enforce a judgment or any provision of this Trust Deed or the Agency Agreement in any jurisdiction.

Subject to the provisions of this Trust Deed the Trustee may confer on any person so appointed such functions as it thinks fit. The Trustee may by written notice to the Issuer, the Guarantor and that person remove that person. At the Trustee's request, the Issuer and the Guarantor shall forthwith do all things as may be required to perfect such appointment or removal and it each of them irrevocably appoints the Trustee as its attorney in its name and on its behalf to do so.

**16.4 Competence of a Majority of Trustees:** If there are more than two Trustees the majority of them shall be competent to perform the Trustee's functions provided the majority includes a trust corporation.

- 16.5 Merger:** A corporation into which the Trustee may be merged or converted, or any corporation with which the Trustee may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation, including affiliated corporations, to which the Trustee shall sell or otherwise transfer: (a) all or substantially all of its assets or (b) all or substantially all of its corporate trust business shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws and subject to any requirements set out in this Trust Deed become the successor trustee under this Trust Deed without the execution or filing of any paper or any further act on the part of the parties to this Trust Deed, unless otherwise required by the Issuer or the Guarantor, and after the said effective date, all references in this Trust Deed or the Agency Agreement to the Trustee shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion or consolidation shall immediately be given to the Issuer and the Guarantor by the Trustee.
- 16.6 Notes Held in Clearing Systems:** So long as any Global Note is, or any Notes represented by a Global Certificate are, held on behalf of a clearing system, in considering the interests of Noteholders, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to any such Global Note or the Registered Notes and may consider such interests on the basis that such accountholders or participants were the holder(s) thereof.
- 16.7 Couponholders:** No notices need be given to Couponholders. They shall be deemed to have notice of the contents of any notice given to Noteholders. Even if it has express notice to the contrary, in exercising any of its functions by reference to the interests of the Noteholders, the Trustee shall assume that the holder of each Note is the holder of all Receipts, Coupons and Talons relating to it.

## **17 Currency Indemnity**

- 17.1 Currency of Account and Payment:** The Contractual Currency is the sole currency of account and payment for all sums payable by the Issuer or the Guarantor under or in connection with this Trust Deed, the Notes, the Receipts and the Coupons, including damages.
- 17.2 Extent of Discharge:** An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or the Guarantor or otherwise), by the Trustee or any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer or Guarantor shall only discharge the Issuer and Guarantor to the extent of the Contractual Currency amount that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).
- 17.3 Indemnity:** If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Trust Deed, the Agency Agreement, the Notes, the Receipts or the Coupons, the Issuer, failing whom the Guarantor, shall indemnify it, on an after tax basis, against any loss sustained by it as a result. In any event, the Issuer, failing whom the Guarantor, shall indemnify the recipient, on an after tax basis, against the cost of making any such purchase.

**17.4 Indemnity Separate:** The indemnities in this Clause 17 and in sub-Clause 10.4 constitute separate and independent obligations from the other obligations in this Trust Deed, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Trustee and/or any Noteholder or Couponholder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed, the Agency Agreement, the Notes, the Receipts and/or the Coupons or any other judgment or order.

## **18 Communications**

Any communication shall be by letter or email to:

in the case of either the Issuer or the Guarantor, to it at:

Northumbria House  
Abbey Road  
Pity Me  
Durham  
DH1 5FJ

Tel no: 07964055237  
Email: [treasury@nwl.co.uk](mailto:treasury@nwl.co.uk)

Attention: Assistant Group Treasurer

in the case of the Trustee, to it at:

8 Canada Square  
London  
E14 5HQ

Tel no: +44 20 7991 4350  
Email: [ctla.trustee.admin@hsbc.com](mailto:ctla.trustee.admin@hsbc.com)

Attention: Issuer Services Trustee Administration

**18.1 Method:** Each communication under this Trust Deed shall be made by electronic communication or otherwise in writing. Each communication or document to be delivered to any party under this Trust Deed shall be sent to that party at the postal address or electronic address, and marked for the attention of the person (if any), from time to time designated by that party to each other party for the purpose of this Trust Deed. The initial telephone number, postal address, electronic address and person so designated by the parties under this Trust Deed are set out in the Procedures Memorandum.

**18.2 Deemed Receipt:** Any communication from any party to any other under this Trust Deed shall be effective, (if in writing) when delivered and (if by electronic communication) when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) after 5:00pm on a business day or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such

place. Any communication delivered to any party under this Trust Deed which is to be sent by electronic communication will be written legal evidence.

## **19 Governing Law and Jurisdiction**

**19.1 Governing Law:** This Trust Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**19.2 Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with this Trust Deed, the Notes, the Receipts, the Coupons or the Talons and accordingly any legal action or proceedings arising out of or in connection with this Trust Deed, the Notes, the Receipts, the Coupons or the Talons ("**Proceedings**") may be brought in such courts. The Issuer and the Guarantor each irrevocably submits to the jurisdiction of such courts and waives any objections to Proceedings in any such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Clause 19.2 is for the benefit of the Trustee, and shall not limit its rights to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

**Schedule 1**  
**Part A**  
**Form of CGN Temporary Global Note**

**NORTHUMBRIAN WATER FINANCE PLC**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 04326507)

**EURO MEDIUM TERM NOTE PROGRAMME**

guaranteed by  
**NORTHUMBRIAN WATER LIMITED**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 02366703)

**TEMPORARY GLOBAL NOTE**

**Temporary Global Note No. [●]**

This temporary Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in Part A of the Second Schedule hereto of Northumbrian Water Finance Plc (the “**Issuer**”) and guaranteed by Northumbrian Water Limited (the “**Guarantor**”).

**Interpretation and Definitions**

References in this temporary Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 20 March 2024 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this temporary Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Second Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this temporary Global Note shall have the meanings given to them in the Conditions or the Trust Deed. If the Second Schedule hereto specifies that the applicable TEFRA exemption is either “C Rules” or “not applicable”<sup>1</sup>, this temporary Global Note is a “C Rules Note”, otherwise this temporary Global Note is a “D Rules Note”.

**Aggregate Nominal Amount**

The aggregate nominal amount from time to time of this temporary Global Note shall be an amount equal to the aggregate nominal amount of the Notes as shall be shown by the latest entry in the fourth column of the First Schedule hereto, which shall be completed by or on behalf of the Issuing and Paying Agent upon (i) the issue of Notes represented hereby, (ii) the exchange of the whole or a part of this temporary Global Note for a corresponding interest in a permanent Global Note or for Definitive Notes and/or (iii) the redemption or purchase and cancellation of Notes represented hereby.

**Promise to Pay**

Subject as provided herein, the Issuer, for value received, promises to pay to the bearer of this temporary Global Note, upon presentation and (when no further payment is due in respect of this temporary Global Note) surrender of this temporary Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable

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<sup>1</sup> TEFRA not applicable may be used only for Notes having a term of no longer than 365 days (taking into account any unilateral option to extend or rollover).

in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this temporary Global Note and (unless this temporary Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

### **Exchange**

On or after the first day following the expiry of 40 days after the Issue Date (the “**Exchange Date**”), this temporary Global Note may be exchanged (free of charge to the holder) in whole or (in the case of a D Rules Note only) from time to time in part by its presentation and, on exchange in full, surrender to or to the order of the Issuing and Paying Agent for interests in a permanent Global Note or, if so specified in the Second Schedule hereto, for Definitive Notes in an aggregate nominal amount equal to the nominal amount of this temporary Global Note submitted for exchange provided that, in the case of any part of a D Rules Note submitted for exchange for a permanent Global Note or Definitive Notes, there shall have been Certification with respect to such nominal amount submitted for such exchange dated no earlier than the Exchange Date.

“**Certification**” means the presentation to the Issuing and Paying Agent of a certificate or certificates, prepared in accordance with the requirements in Treasury Regulation Section 1.163-5, with respect to one or more interests in this temporary Global Note, signed by Euroclear or Clearstream, Luxembourg, substantially to the effect set out in Schedule 4 to the Agency Agreement to the effect that it has received a certificate or certificates substantially to the effect set out in Schedule 5 to the Agency Agreement with respect thereto and that no contrary advice as to the contents thereof has been received by Euroclear or Clearstream, Luxembourg, as the case may be.

Upon the whole or a part of this temporary Global Note being exchanged for a permanent Global Note, such permanent Global Note shall be exchangeable in accordance with its terms for Definitive Notes.

The Definitive Notes for which this temporary Global Note or a permanent Global Note may be exchangeable shall be duly executed and authenticated, shall, in the case of Definitive Notes, have attached to them all Coupons (and, where appropriate, Talons) in respect of interest, and all Receipts in respect of Instalment Amounts, that have not already been paid on this temporary Global Note or the permanent Global Note, as the case may be, shall be security printed and shall be substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of the Second Schedule hereto.

On any exchange of a part of this temporary Global Note for an equivalent interest in a permanent Global Note or for Definitive Notes, as the case may be, the portion of the nominal amount hereof so exchanged shall be endorsed by or on behalf of the Issuing and Paying Agent in Part I of the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so exchanged and endorsed.

### **Benefit of Conditions**

Except as otherwise specified herein, this temporary Global Note is subject to the Conditions and the Trust Deed and, until the whole of this temporary Global Note is exchanged for equivalent interests in a permanent Global Note or for Definitive Notes, the holder of this temporary Global Note shall in all respects be entitled to the same benefits as if it were the holder of the permanent Global

Note (or the relevant part of it) or the Definitive Notes, as the case may be, for which it may be exchanged as if such permanent Global Note or Definitive Notes had been issued on the Issue Date.

## Payments

No person shall be entitled to receive any payment in respect of the Notes represented by this temporary Global Note that falls due on or after the Exchange Date unless, upon due presentation of this temporary Global Note for exchange, delivery of (or, in the case of a subsequent exchange, due endorsement of) a permanent Global Note or delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the Issuer.

Payments due in respect of a D Rules Note before the Exchange Date shall only be made in relation to such nominal amount of this temporary Global Note with respect to which there shall have been Certification as to the non-U.S. beneficial ownership in the form set out in the Agency Agreement .

Any payments that are made in respect of this temporary Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Issuing and Paying Agent or of any other Paying Agent provided for in the Conditions. If any payment in full of principal is made in respect of any Note represented by this temporary Global Note, the portion of this temporary Global Note representing such Note shall be cancelled and the amount so cancelled shall be endorsed by or on behalf of the Issuing and Paying Agent in the First Schedule hereto (such endorsement being prima facie evidence that the payment in question has been made) whereupon the nominal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed. If any other payments are made in respect of the Notes represented by this temporary Global Note, a record of each such payment shall be endorsed by or on behalf of the Issuing and Paying Agent on an additional schedule hereto (such endorsement being *prima facie* evidence that the payment in question has been made).

For the purposes of any payments made in respect of this temporary Global Note, the words “in the relevant place of presentation” shall not apply in the definition of “**business day**” in Condition 7(h) (*Non-Business Days*).

## Cancellation

Cancellation of any Note represented by this temporary Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the nominal amount of this temporary Global Note representing such Note on its presentation to or to the order of the Issuing and Paying Agent for endorsement in the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed.

## Notices

Notices required to be given in respect of the Notes represented by this temporary Global Note may be given by their being delivered (so long as this temporary Global Note is held on behalf of Euroclear and Clearstream, Luxembourg or any other clearing system) to Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, or otherwise to the holder of this temporary Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

No provision of this temporary Global Note shall alter or impair the obligation of the Issuer and the Guarantor to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions and the Guarantee.

This temporary Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent.

This temporary Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**In witness** whereof the Issuer has caused this temporary Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

**NORTHUMBRIAN WATER FINANCE PLC**

By:

**CERTIFICATE OF AUTHENTICATION**

This temporary Global Note is authenticated  
by or on behalf of the Issuing and Paying Agent.

**HSBC BANK PLC**

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.<sup>2</sup>

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<sup>2</sup> Include for C Rules Note or D Rules Note

**The First Schedule**  
**Nominal amount of Notes represented by this temporary Global Note**

The following (i) issue of Notes initially represented by this temporary Global Note, (ii) exchanges of the whole or a part of this temporary Global Note for interests in a permanent Global Note or for Definitive Notes and/or (iii) cancellations or forfeitures of interests in this temporary Global Note have been made, resulting in the nominal amount of this temporary Global Note specified in the latest entry in the fourth column below:

<b>Date</b>	<b>Amount of decrease in nominal amount of this temporary Global Note</b>	<b>Reason for decrease in nominal amount of this temporary Global Note (exchange, cancellation or forfeiture)</b>	<b>Nominal amount of this temporary Global Note on issue or following such decrease</b>	<b>Notation made by or on behalf of the Issuing and Paying Agent</b>
Issue Date	not applicable	not applicable		

## **The Second Schedule**

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Second Schedule]

**Schedule 1**  
**Part B**  
**Form of CGN Permanent Global Note**

**NORTHUMBRIAN WATER FINANCE PLC**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 04326507)

**EURO MEDIUM TERM NOTE PROGRAMME**

guaranteed by  
**NORTHUMBRIAN WATER LIMITED**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 02366703)

**PERMANENT GLOBAL NOTE**

**Permanent Global Note No. [●]**

This permanent Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche(s) and Series specified in Part A of the Third Schedule hereto of Northumbrian Water Finance Plc (the “**Issuer**”) and guaranteed by Northumbrian Water Limited (the “**Guarantor**”).

**Interpretation and Definitions**

References in this permanent Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 20 March 2024 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this permanent Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Third Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this permanent Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

**Aggregate Nominal Amount**

The aggregate nominal amount from time to time of this permanent Global Note shall be an amount equal to the aggregate nominal amount of the Notes as shall be shown by the latest entry in the fourth column of the First Schedule hereto, which shall be completed by or on behalf of the Issuing and Paying Agent upon (i) the exchange of the whole or a part of the temporary Global Note initially representing the Notes for a corresponding interest herein (in the case of Notes represented by a temporary Global Note upon issue), (ii) the issue of the Notes represented hereby (in the case of Notes represented by this permanent Global Note upon issue), (iii) the exchange of the whole or, where the limited circumstances so permit, a part of this permanent Global Note for Definitive Notes and/or (iv) the redemption or purchase and cancellation of Notes represented hereby.

**Promise to Pay**

Subject as provided herein, the Issuer, for value received, hereby promises to pay to the bearer of this permanent Global Note, upon presentation and (when no further payment is due in respect of this permanent Global Note) surrender of this permanent Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this permanent

Global Note and (unless this permanent Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

### **Exchange**

This permanent Global Note is exchangeable (free of charge to the holder) on or after the Exchange Date in whole but not, except as provided in the next paragraph, in part for the Definitive Notes if this permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

This permanent Global Note is exchangeable in part (provided, however, that if this permanent Global Note is held by or on behalf of Euroclear and/or Clearstream, Luxembourg, the rules of Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit) if so provided, and in accordance with, the Conditions.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and, except in the case of exchange above, in the cities in which Euroclear and Clearstream, Luxembourg or, if relevant, the Alternative Clearing System, are located.

Any such exchange may be effected on or after an Exchange Date by the holder of this permanent Global Note surrendering this permanent Global Note or, in the case of a partial exchange, presenting it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for this permanent Global Note, or part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, duly executed and authenticated Definitive Notes in an aggregate nominal amount equal to the nominal amount of this permanent Global Note submitted for exchange (if appropriate, having attached to them all Coupons (and, where appropriate, Talons) in respect of interest, and all Receipts in respect of Instalment Amounts, that have not already been paid on this permanent Global Note), security printed and substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of the Third Schedule hereto.

On any exchange of a part of this permanent Global Note the portion of the nominal amount hereof so exchanged shall be endorsed by or on behalf of the Issuing and Paying Agent in the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so exchanged and endorsed.

### **Benefit of Conditions**

Except as otherwise specified herein, this permanent Global Note is subject to the Conditions and the Trust Deed and, until the whole of this permanent Global Note is exchanged for Definitive Notes, the holder of this permanent Global Note shall in all respects be entitled to the same benefits as if it were the holder of the Definitive Notes for which it may be exchanged and as if such Definitive Notes had been issued on the Issue Date.

### **Payments**

No person shall be entitled to receive any payment in respect of the Notes represented by this permanent Global Note that falls due after an Exchange Date for such Notes, unless upon due

presentation of this permanent Global Note for exchange, delivery of Definitive Notes is improperly withheld or refused by or on behalf of the Issuer or the Issuer does not perform or comply with any one or more of what are expressed to be its obligations under any Definitive Notes.

Payments in respect of this permanent Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Issuing and Paying Agent or of any other Paying Agent provided for in the Conditions. A record of each such payment shall be endorsed on the First or Second Schedule hereto, as appropriate, by the Issuing and Paying Agent or by the relevant Paying Agent, for and on behalf of the Issuing and Paying Agent, which endorsement shall (until the contrary is proved) be *prima facie* evidence that the payment in question has been made.

For the purposes of any payments made in respect of this permanent Global Note, the words “in the relevant place of presentation” shall not apply in the definition of “**business day**” in Condition 7(h) (*Non-Business Days*).

### **Prescription**

Claims in respect of principal and interest (as each is defined in the Conditions) in respect of this permanent Global Note shall become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date.

### **Meetings**

For the purposes of any meeting of Noteholders, the holder of this permanent Global Note shall (unless this permanent Global Note represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

### **Cancellation**

Cancellation of any Note represented by this permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the nominal amount of this permanent Global Note representing such Note on its presentation to or to the order of the Issuing and Paying Agent for endorsement in the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed.

### **Purchase**

Notes may only be purchased by the Issuer, the Guarantor or any of their respective Subsidiaries if they are purchased together with the right to receive all future payments of interest and Instalment Amounts (if any) thereon.

### **Issuer's Options**

Any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required.

### **Noteholders' Options**

Any option of the Noteholders provided for in the Conditions may be exercised by the holder of this permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the

certificate numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting this permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation accordingly in the Fourth Schedule hereto.

### **Notices**

Notices required to be given in respect of the Notes represented by this permanent Global Note may be given by their being delivered (so long as this permanent Global Note is held on behalf of Euroclear, Clearstream, Luxembourg or any other clearing system) to Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, or otherwise to the holder of this permanent Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

### **Negotiability**

This permanent Global Note is a bearer document and negotiable and accordingly:

- 1** is freely transferable by delivery and such transfer shall operate to confer upon the transferee all rights and benefits appertaining hereto and to bind the transferee with all obligations appertaining hereto pursuant to the Conditions;
- 2** the holder of this permanent Global Note is and shall be absolutely entitled as against all previous holders to receive all amounts by way of amounts payable upon redemption, interest or otherwise payable in respect of this permanent Global Note and the Issuer has waived against such holder and any previous holder of this permanent Global Note all rights of set-off or counterclaim that would or might otherwise be available to it in respect of the obligations evidenced by this Global Note; and
- 3** payment upon due presentation of this permanent Global Note as provided herein shall operate as a good discharge against such holder and all previous holders of this permanent Global Note.

No provisions of this permanent Global Note shall alter or impair the obligation of the Issuer and the Guarantor to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions and the Guarantee.

This permanent Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent.

This permanent Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**In witness** whereof the Issuer has caused this permanent Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

**NORTHUMBRIAN WATER FINANCE PLC**

By:

**CERTIFICATE OF AUTHENTICATION**

This permanent Global Note is authenticated by or on behalf of the Issuing and Paying Agent.

**HSBC BANK PLC**

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.<sup>3</sup>

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<sup>3</sup> Include for a C Rules Note or a D Rules Note.

**The First Schedule**  
**Nominal amount of Notes represented by this permanent Global Note**

The following (i) issues of Notes initially represented by this permanent Global Note, (ii) exchanges of interests in a temporary Global Note for interests in this permanent Global Note, (iii) exchanges of the whole or a part of this permanent Global Note for Definitive Notes, (iv) cancellations or forfeitures of interests in this permanent Global Note and/or (v) payments of amounts payable upon redemption in respect of this permanent Global Note have been made, resulting in the nominal amount of this permanent Global Note specified in the latest entry in the fourth column:

<b>Date</b>	<b>Amount of increase/decrease in nominal amount of this permanent Global Note</b>	<b>Reason for increase/decrease in nominal amount of this permanent Global Note (initial issue, exchange, cancellation, forfeiture or payment, stating amount of payment made)</b>	<b>Nominal amount of this permanent Global Note following such increase/decrease</b>	<b>Notation made by or on behalf of the Issuing and Paying Agent</b>
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## **The Second Schedule Payments of Interest**

The following payments of interest or Interest Amount in respect of this Permanent Global Note have been made:

<b>Due date of payment</b>	<b>Date of payment</b>	<b>Amount of interest</b>	<b>Notation made by or on behalf of the Issuing and Paying Agent</b>
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## **The Third Schedule**

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Third Schedule.]

**The Fourth Schedule  
Exercise of Noteholders' Option**

The following exercises of the option of the Noteholders provided for in the Conditions have been made in respect of the stated nominal amount of this permanent Global Note:

<b>Date of exercise</b>	<b>Nominal amount of this permanent Global Note in respect of which exercise is made</b>	<b>Date of which exercise of such option is effective</b>	<b>Notation made by or on behalf of the Issuing and Paying Agent</b>
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**Schedule 1**  
**Part C**  
**Form of NGN Temporary Global Note**

**NORTHUMBRIAN WATER FINANCE PLC**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 04326507)

**EURO MEDIUM TERM NOTE PROGRAMME**

guaranteed by  
**NORTHUMBRIAN WATER LIMITED**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 02366703)

**TEMPORARY GLOBAL NOTE**

**Temporary Global Note No. [●]**

This temporary Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in Part A of the Schedule hereto of Northumbrian Water Finance Plc (the “**Issuer**”) and guaranteed by Northumbrian Water Limited (the “**Guarantor**”).

### **Interpretation and Definitions**

References in this temporary Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 20 March 2024 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this temporary Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this temporary Global Note shall have the meanings given to them in the Conditions or the Trust Deed. If the Second Schedule hereto specifies that the applicable TEFRA exemption is either “C Rules” or “not applicable”, this temporary Global Note is a “C Rules Note”, otherwise this temporary Global Note is a “D Rules Note”<sup>4</sup>.

### **Aggregate Nominal Amount**

The aggregate nominal amount from time to time of this temporary Global Note shall be an amount equal to the aggregate nominal amount of the Notes from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (together the “**relevant Clearing Systems**”), which shall be completed and/or amended, as the case may be, upon (i) the issue of Notes represented hereby, (ii) the exchange of the whole or a part of this temporary Global Note for a corresponding interest recorded in the records of the relevant Clearing Systems in a permanent Global Note or for Definitive Notes and/or (iii) the redemption or purchase and cancellation of Notes represented hereby.

The records of the relevant Clearing Systems (which expression in this temporary Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customers’ interests in the Notes) shall be conclusive evidence of the nominal amount of the Notes represented by this temporary Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon

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<sup>4</sup> Include for a C Rules Note or a D Rules Note.

request) stating the nominal amount of Notes represented by the temporary Global Note at any time shall be conclusive evidence of the records of the relevant Clearing Systems at that time.

### **Promise to Pay**

Subject as provided herein, the Issuer, for value received, promises to pay to the bearer of this temporary Global Note, upon presentation and (when no further payment is due in respect of this temporary Global Note) surrender of this temporary Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this temporary Global Note and (unless this temporary Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

### **Exchange**

Subject as provided in the Conditions applicable to Partly-paid Notes, on or after the first day following the expiry of 40 days after the Issue Date (the “**Exchange Date**”), this temporary Global Note may be exchanged (free of charge to the holder) in whole or (in the case of a D Rules Note only) from time to time in part by its presentation and, on exchange in full, surrender to or to the order of the Issuing and Paying Agent for interests recorded in the records of the relevant Clearing Systems in a permanent Global Note or, if so specified in Part A of the Schedule hereto, for Definitive Notes in an aggregate nominal amount equal to the nominal amount of this temporary Global Note submitted for exchange provided that, in the case of any part of a D Rules Note submitted for exchange for interests recorded in the records of the relevant Clearing Systems in a permanent Global Note or Definitive Notes, there shall have been Certification with respect to such nominal amount submitted for such exchange dated no earlier than the Exchange Date.

“**Certification**” means the presentation to the Issuing and Paying Agent of a certificate or certificates with respect to one or more interests in this temporary Global Note, signed by Euroclear or Clearstream, Luxembourg, substantially to the effect set out in Schedule 4 to the Agency Agreement to the effect that it has received a certificate or certificates substantially to the effect set out in Schedule 3 to the Agency Agreement with respect thereto and that no contrary advice as to the contents thereof has been received by Euroclear or Clearstream, Luxembourg, as the case may be.

Upon the whole or a part of this temporary Global Note being exchanged for a permanent Global Note, such permanent Global Note shall be exchangeable in accordance with its terms for Definitive Notes.

The Definitive Notes for which this temporary Global Note or a permanent Global Note may be exchangeable shall be duly executed and authenticated, shall, in the case of Definitive Notes, have attached to them all Coupons (and, where appropriate, Talons) in respect of interest, and all Receipts in respect of Instalment Amounts, that have not already been paid on this temporary Global Note or the permanent Global Note, as the case may be, shall be security printed and shall be substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of Part A of the Schedule hereto.

On any exchange of a part of this temporary Global Note for an equivalent interest recorded in the records of the relevant Clearing Systems in a permanent Global Note or for Definitive Notes, as the case may be, the Issuer shall procure that details of the portion of the nominal amount hereof so

exchanged shall be entered *pro rata* in the records of the relevant Clearing Systems and upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by an amount equal to such portion so exchanged.

### **Benefit of Conditions**

Except as otherwise specified herein, this temporary Global Note is subject to the Conditions and the Trust Deed and, until the whole of this temporary Global Note is exchanged for equivalent interests in a permanent Global Note or for Definitive Notes, the holder of this temporary Global Note shall in all respects be entitled to the same benefits as if it were the holder of the permanent Global Note (or the relevant part of it) or the Definitive Notes, as the case may be, for which it may be exchanged as if such permanent Global Note or Definitive Notes had been issued on the Issue Date.

### **Payments**

No person shall be entitled to receive any payment in respect of the Notes represented by this temporary Global Note that falls due on or after the Exchange Date unless, upon due presentation of this temporary Global Note for exchange, delivery of (or, in the case of a subsequent exchange, a corresponding entry being recorded in the records of the relevant Clearing Systems) a permanent Global Note or delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the Issuer.

Payments due in respect of a D Rules Note before the Exchange Date shall only be made in relation to such nominal amount of this temporary Global Note with respect to which there shall have been Certification dated no earlier than such due date for payment.

Any payments that are made in respect of this temporary Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Issuing and Paying Agent or of any other Paying Agent provided for in the Conditions and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing Systems referred to herein shall not affect such discharge. If any payment in full or in part of principal or, in the case of Instalment Notes, payment of an Instalment Amount, is made in respect of any Note represented by this temporary Global Note the Issuer shall procure that details of such payment shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed or by the aggregate amount of the Instalment Amount so paid. If any other payments are made in respect of the Notes represented by this temporary Global Note, the Issuer shall procure that a record of each such payment shall be entered *pro rata* in the records of the relevant Clearing Systems.

For the purposes of any payments made in respect of this temporary Global Note, the words "in the relevant place of presentation" shall not apply in the definition of "**business day**" in Condition 7(h) (*Non-Business Days*).

### **Cancellation**

On cancellation of any Note represented by this temporary Global Note that is required by the Conditions to be cancelled (other than upon its redemption), the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing systems and, upon

any such entry being made, the nominal amount of the Note recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by the aggregate nominal amount of the Notes so cancelled.

## **Notices**

Notices required to be given in respect of the Notes represented by this temporary Global Note may be given by their being delivered (so long as this temporary Global Note is held on behalf of Euroclear and/or Clearstream, Luxembourg or any other permitted clearing system) to Euroclear, Clearstream, Luxembourg or such other permitted clearing system, as the case may be, or otherwise to the holder of this temporary Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

No provision of this temporary Global Note shall alter or impair the obligation of the Issuer and the Guarantor to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions and the Guarantee.

This temporary Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent and effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This temporary Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**In witness** whereof the Issuer has caused this temporary Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

**NORTHUMBRIAN WATER FINANCE PLC**

By:

**CERTIFICATE OF AUTHENTICATION**

This temporary Global Note is authenticated  
by or on behalf of the Issuing and Paying Agent.

**HSBC BANK PLC**

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

**Effectuation**

This temporary Global Note  
is effectuated by or on behalf of the Common Safekeeper.

**[COMMON SAFEKEEPER]**

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.<sup>5</sup>

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<sup>5</sup> Include for a C Rules Note or a D Rules Note.

## Schedule

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Schedule]

**Schedule 1**  
**Part D**  
**Form of NGN Permanent Global Note**

**NORTHUMBRIAN WATER FINANCE PLC**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 04326507)

**EURO MEDIUM TERM NOTE PROGRAMME**

guaranteed by  
**NORTHUMBRIAN WATER LIMITED**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 02366703)

**PERMANENT GLOBAL NOTE**

**Permanent Global Note No. [●]**

This permanent Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche(s) and Series specified in Part A of the Schedule hereto of Northumbrian Water Finance Plc (the “**Issuer**”) and guaranteed by Northumbrian Water Limited (the “**Guarantor**”).

**Interpretation and Definitions**

References in this permanent Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 20 March 2024 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this permanent Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this permanent Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

**Aggregate Nominal Amount**

The aggregate nominal amount from time to time of this permanent Global Note shall be an amount equal to the aggregate nominal amount of the Notes from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (together, the “**relevant Clearing Systems**”), which shall be completed and/or amended as the case may be upon (i) the exchange of the whole or a part of the interests recorded in the records of the relevant Clearing Systems in the temporary Global Note initially representing the Notes for a corresponding interest herein (in the case of Notes represented by a temporary Global Note upon issue), (ii) the issue of the Notes represented hereby (in the case of Notes represented by this permanent Global Note upon issue), (iii) the exchange of the whole or, where the limited circumstances so permit, a part of this permanent Global Note for Definitive Notes and/or (iv) the redemption or purchase and cancellation of Notes represented hereby.

The records of the relevant Clearing Systems (which expression in this permanent Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customers’ interests in the Notes) shall be conclusive evidence of the nominal amount of the Notes represented by this permanent Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the nominal amount of Notes represented by this permanent Global

Note at any time shall be conclusive evidence of the records of the relevant Clearing System at that time.

### **Promise to Pay**

Subject as provided herein, the Issuer, for value received, hereby promises to pay to the bearer of this permanent Global Note, upon presentation and (when no further payment is due in respect of this permanent Global Note) surrender of this permanent Global Note on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this permanent Global Note and (unless this permanent Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

### **Exchange**

This permanent Global Note is exchangeable (free of charge to the holder) on or after the Exchange Date in whole but not, except as provided in the next paragraph, in part for the Definitive Notes if this permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other permitted clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

This permanent Global Note is exchangeable in part (provided, however, that if this permanent Global Note is held by or on behalf of Euroclear and/or Clearstream, Luxembourg, the rules of Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit) if so provided, and in accordance with, the Conditions.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and, except in the case of exchange above, in the cities in which Euroclear and Clearstream, Luxembourg or, if relevant, the Alternative Clearing System, are located.

Any such exchange may be effected on or after an Exchange Date by the holder of this permanent Global Note surrendering this permanent Global Note or, in the case of a partial exchange, presenting it to or to the order of the Issuing and Paying Agent. In exchange for this permanent Global Note, or part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, duly executed and authenticated Definitive Notes in an aggregate nominal amount equal to the nominal amount of this permanent Global Note submitted for exchange (if appropriate, having attached to them all Coupons (and, where appropriate, Talons) in respect of interest, and all Receipts in respect of Instalment Amounts, that have not already been paid on this permanent Global Note), security printed and substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of Part A of the Schedule hereto.

On any exchange of a part of this permanent Global Note, the Issuer shall procure that the portion of the nominal amount hereof so exchanged shall be entered *pro rata* in the records of the relevant Clearing Systems and upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by an amount equal to such portion so exchanged.

## **Benefit of Conditions**

Except as otherwise specified herein, this permanent Global Note is subject to the Conditions and the Trust Deed and, until the whole of this permanent Global Note is exchanged for Definitive Notes, the holder of this permanent Global Note shall in all respects be entitled to the same benefits as if it were the holder of the Definitive Notes for which it may be exchanged and as if such Definitive Notes had been issued on the Issue Date.

## **Payments**

No person shall be entitled to receive any payment in respect of the Notes represented by this permanent Global Note that falls due after an Exchange Date for such Notes, unless upon due presentation of this permanent Global Note for exchange, delivery of Definitive Notes is improperly withheld or refused by or on behalf of the Issuer or the Issuer does not perform or comply with any one or more of what are expressed to be its obligations under any Definitive Notes.

Payments in respect of this permanent Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Issuing and Paying Agent or of any other Paying Agent provided for in the Conditions and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing Systems referred to herein shall not affect such discharge. The Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant Clearing Systems and in the case of any payment of principal, or in the case of Instalment Notes, payment of an Instalment Amount, and upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed or by the aggregate amount of the Instalment Amount so paid.

For the purposes of any payments made in respect of this permanent Global Note, the words "in the relevant place of presentation" shall not apply in the definition of "**business day**" in Condition 7(h) (*Non-Business Days*).

## **Prescription**

Claims in respect of principal and interest (as each is defined in the Conditions) in respect of this permanent Global Note shall become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date.

## **Meetings**

For the purposes of any meeting of Noteholders, the holder of this permanent Global Note shall (unless this permanent Global Note represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

## **Cancellation**

On cancellation of any Note represented by this permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption), the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by the aggregate nominal amount of the Notes so cancelled.

## **Purchase**

Notes may only be purchased by the Issuer, the Guarantor or any of their respective Subsidiaries if they are purchased together with the right to receive all future payments of interest and Instalment Amounts (if any) thereon.

### **Issuer's Options**

Any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders and the relevant Clearing Systems (or procuring that such notice is given on its behalf) within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the case of a partial exercise of an option, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg and shall be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion. Following the exercise of any such option, the Issuer shall procure that the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced accordingly.

### **Noteholders' Options**

Any option of the Noteholders provided for in the Conditions may be exercised by the holder of this permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised. Following the exercise of any such option, the Issuer shall procure that the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this permanent Global Note shall be reduced by the aggregate nominal amount stated in the relevant exercise notice.

### **Notices**

Notices required to be given in respect of the Notes represented by this permanent Global Note may be given by their being delivered (so long as this permanent Global Note is held on behalf of Euroclear and/or Clearstream, Luxembourg and/or an Alternative Clearing System) to Euroclear, Clearstream, Luxembourg and/or such Alternative Clearing System, as the case may be, or otherwise to the holder of this permanent Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

### **Negotiability**

This permanent Global Note is a bearer document and negotiable and accordingly:

- 1** is freely transferable by delivery and such transfer shall operate to confer upon the transferee all rights and benefits appertaining hereto and to bind the transferee with all obligations appertaining hereto pursuant to the Conditions;
- 2** the holder of this permanent Global Note is and shall be absolutely entitled as against all previous holders to receive all amounts by way of amounts payable upon redemption, interest or otherwise payable in respect of this permanent Global Note and the Issuer has waived against such holder and any previous holder of this permanent Global Note all rights

of set-off or counterclaim that would or might otherwise be available to it in respect of the obligations evidenced by this Global Note; and

- 3** payment upon due presentation of this permanent Global Note as provided herein shall operate as a good discharge against such holder and all previous holders of this permanent Global Note.

No provisions of this permanent Global Note shall alter or impair the obligation of the Issuer and the Guarantor to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions and the Guarantee.

This permanent Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent and effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This permanent Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**In witness** whereof the Issuer has caused this permanent Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

**NORTHUMBRIAN WATER FINANCE PLC**

By:

**CERTIFICATE OF AUTHENTICATION**

This permanent Global Note is authenticated by or on behalf of the Issuing and Paying Agent.

**HSBC BANK PLC**

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

**Effectuation**

This permanent Global Note

is effectuated by or on behalf of the Common Safekeeper.

**[COMMON SAFEKEEPER]**

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.<sup>6</sup>

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<sup>6</sup> Include for a C Rules Note or a D Rules Note.

## Schedule

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Schedule.]

**Schedule 1**  
**Part E**  
**Form of Global Certificate**

**NORTHUMBRIAN WATER FINANCE PLC**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 04326507)

**EURO MEDIUM TERM NOTE PROGRAMME**

guaranteed by  
**NORTHUMBRIAN WATER LIMITED**  
(Incorporated with limited liability in England and Wales under  
the Companies Act 2006 with registered number 02366703)

**GLOBAL CERTIFICATE**

**Global Certificate No. [●]**

This Global Certificate is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in Part A of the Schedule hereto of Northumbrian Water Finance Plc (the “**Issuer**”) and guaranteed by Northumbrian Water Limited (the “**Guarantor**”). This Global Certificate certifies that the person whose name is entered in the Register (the “**Registered Holder**”) is registered as the holder of an issue of Notes of the nominal amount, specified currency and specified denomination set out in Part A of the Schedule hereto.

**Interpretation and Definitions**

References in this Global Certificate to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the amended and restated trust deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 20 March 2024 between the Issuer, the Guarantor and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Global Certificate (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this Global Certificate shall have the meanings given to them in the Conditions or the Trust Deed.

**Promise to Pay**

The Issuer, for value received, promises to pay to the holder of the Notes represented by this Global Certificate (subject to surrender of this Global Certificate if no further payment falls to be made in respect of such Notes) on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Global Certificate and (unless the Notes represented by this Certificate do not bear interest) to pay interest in respect of such Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the methods of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes represented by this Global Certificate, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions. Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior

to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

For the purposes of this Global Certificate, (a) the holder of the Notes represented by this Global Certificate is bound by the provisions of the Agency Agreement, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Notes represented by this Global Certificate, (c) this Global Certificate is evidence of entitlement only, (d) title to the Notes represented by this Global Certificate passes only on due registration on the Register, and (e) only the holder of the Notes represented by this Global Certificate is entitled to payments in respect of the Notes represented by this Global Certificate.

### **Transfer of Notes represented by permanent Global Certificates**

If the Schedule hereto states that the Notes are to be represented by a permanent Global Certificate on issue, transfers of the holding of Notes represented by this Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the Notes represented by this Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) with the consent of the Issuer

provided that, in the case of the first transfer of part of a holding pursuant to (i) above, the holder of the Notes represented by this Global Certificate has given the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such transfer. Where the holding of Notes represented by this Global Certificate is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, Certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or an Alternative Clearing System.

### **Meetings**

For the purposes of any meeting of Noteholders, the holder of the Notes represented by this Global Certificate shall (unless this Global Certificate represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and as being entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes.

This Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar and in the case of Registered Notes held under the NSS only, effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This Global Certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**In witness** whereof the Issuer has caused this Global Certificate to be signed on its behalf.

Dated as of the Issue Date.

**NORTHUMBRIAN WATER FINANCE PLC**

By:

**CERTIFICATE OF AUTHENTICATION**

This Global Certificate is authenticated  
by or on behalf of the Registrar.

**HSBC BANK PLC**

as Registrar

By:

Authorised Signatory

For the purposes of authentication only.

**Effectuation**

This Global Certificate is effectuated  
by or on behalf of the Common Safekeeper

**[COMMON SAFEKEEPER]**

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation of Registered Notes held through the NSS only

**Form of Transfer**

**For value received** the undersigned transfers to

.....  
.....

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[●] nominal amount of the Notes represented by this Global Certificate, and all rights under them.

Dated .....

Signed ..... Certifying Signature

Notes:

- (i) The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Global Certificate or (if such signature corresponds with the name as it appears on the face of this Global Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- (ii) A representative of the Noteholder should state the capacity in which he signs e.g. executor.

## Schedule

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Certificate as the Schedule.]

**Schedule 2**  
**Part A**  
**Form of Bearer Note**

On the front:

**[Denomination]**                      **[ISIN]**                      **[Series]**                      **[Certif. No.]**

[Currency and denomination]

**NORTHUMBRIAN WATER FINANCE PLC**  
**(Incorporated with limited liability in England and Wales under**  
**the Companies Act 2006 with registered number 04326507)**

**EURO MEDIUM TERM NOTE PROGRAMME**

guaranteed by  
**NORTHUMBRIAN WATER LIMITED**  
**(Incorporated with limited liability in England and Wales under**  
**the Companies Act 2006 with registered number 02366703)**

**Series No. [●]**

**[Title of issue]**

This Note forms one of the Series of Notes referred to above (the “**Notes**”) of Northumbrian Water Finance Plc (the “**Issuer**”) guaranteed by Northumbrian Water Limited (the “**Guarantor**”) designated as specified in the title hereof. The Notes are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Note.

The Issuer for value received promises to pay to the bearer of this Note, on presentation and (when no further payment is due in respect of this Note) surrender of this Note on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions and (unless this Note does not bear interest) to pay interest from the Interest Commencement Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

This Note shall not become valid or obligatory for any purpose until authenticated by or on behalf of the Issuing and Paying Agent.

**In witness** whereof the Issuer has caused this Note to be signed on its behalf.

Dated as of the Issue Date.

**NORTHUMBRIAN WATER FINANCE PLC**

By:

**CERTIFICATE OF AUTHENTICATION**

This Note is authenticated  
by or on behalf of the Issuing and Paying Agent.

**HSBC BANK PLC**

as Issuing and Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.<sup>7</sup>

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<sup>7</sup> Include for a C Rules Note or a D Rules Note.

On the back:

**Terms and Conditions of the Notes**

[The Terms and Conditions that are set out in Schedule 2 Part C to the Trust Deed as amended by and incorporating any additional provisions forming part of such Terms and Conditions and set out in Part A of the relevant Final Terms shall be set out here.]

ISSUING AND PAYING AGENT

**HSBC BANK PLC**

8 CANADA SQUARE

LONDON E14 5HQ

UNITED KINGDOM

PAYING AGENT

**HSBC BANK PLC**

8 CANADA SQUARE

LONDON E14 5HQ

UNITED KINGDOM

**Schedule 2**  
**Part B**  
**Form of Certificate**

On the front:

**NORTHUMBRIAN WATER FINANCE PLC**  
**(Incorporated with limited liability in England and Wales under**  
**the Companies Act 2006 with registered number 04326507)**

**EURO MEDIUM TERM NOTE PROGRAMME**

guaranteed by  
**NORTHUMBRIAN WATER LIMITED**  
**(Incorporated with limited liability in England and Wales under**  
**the Companies Act 2006 with registered number 02366703)**

**Series No. [●]**

**[Title of issue]**

This Certificate certifies that [●] of [●] (the “**Registered Holder**”) is, as at the date hereof, registered as the holder of [nominal amount] of Notes of the Series of Notes referred to above (the “**Notes**”) of Northumbrian Water Finance Plc (the “**Issuer**”) guaranteed by Northumbrian Water Limited (the “**Guarantor**”), designated as specified in the title hereof. The Notes are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Certificate.

The Issuer, for value received, promises to pay to the holder of the Note(s) represented by this Certificate (subject to surrender of this Certificate if no further payment falls to be made in respect of such Notes) on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Certificate and (unless the Note(s) represented by this Certificate do not bear interest) to pay interest in respect of such Notes from the Interest Commencement Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

For the purposes of this Certificate, (a) the holder of the Note(s) represented by this Certificate is bound by the provisions of the Agency Agreement, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Note(s) represented by this Certificate, (c) this Certificate is evidence of entitlement only, (d) title to the Note(s) represented by this Certificate passes only on due registration on the Register, and (e) only the holder of the Note(s) represented by this Certificate is entitled to payments in respect of the Note(s) represented by this Certificate.

This Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

**In witness** whereof the Issuer has caused this Certificate to be signed on its behalf.

Dated as of the Issue Date.

**NORTHUMBRIAN WATER FINANCE PLC**

By:

**CERTIFICATE OF AUTHENTICATION**

This Certificate is authenticated  
by or on behalf of the Registrar.

**HSBC BANK PLC**

as Registrar

By:

Authorised Signatory

For the purposes of authentication only.

On the back:

**Terms and Conditions of the Notes**

[The Terms and Conditions that are set out in Schedule 2 Part C to the Trust Deed as amended by and incorporating any additional provisions forming part of such Terms and Conditions and set out in Part A of the relevant Final Terms shall be set out here.]

**Form of Transfer**

**For value received** the undersigned transfers to

.....  
.....

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[●] nominal amount of the Notes represented by this Certificate, and all rights under them.

Dated .....

Signed ..... Certifying Signature

Notes:

- (i) The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Certificate or (if such signature corresponds with the name as it appears on the face of this Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- (ii) A representative of the Noteholder should state the capacity in which he signs.

Unless the context otherwise requires capitalised terms used in this Form of Transfer have the same meaning as in the Trust Deed dated [●] between the Issuer and the Trustee, [OTHER].

[TO BE COMPLETED BY TRANSFEREE:

[INSERT ANY REQUIRED TRANSFEREE REPRESENTATIONS, CERTIFICATIONS, ETC.]

ISSUING AND PAYING AGENT, TRANSFER AGENT [AND REGISTRAR]

[ISSUING AND PAYING AGENT]

[●]

PAYING AGENT[S] AND TRANSFER AGENT[S]

[●]

**Schedule 2**  
**Part C**  
**Terms and Conditions of the Notes**

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are constituted by an amended and restated Trust Deed, as amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”) (the “**Trust Deed**”) dated 20 March 2024 between Northumbrian Water Finance Plc (the “**Issuer**”), Northumbrian Water Limited (the “**Guarantor**”) and HSBC Corporate Trustee Company (UK) Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. An Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 19 October 2022 has been entered into in relation to the Notes between the Issuer, the Guarantor, the Trustee, HSBC Bank plc as initial issuing and paying agent (the “**Issuing and Paying Agent**”), paying agent (the “**Paying Agent**” which expression shall include the Issuing and Paying Agent), registrar (the “**Registrar**”), transfer agent (the “**Transfer Agent**” which expression shall include the Registrar) and calculation agent (the “**Calculation Agent**”) and the other agents named in it. Electronic copies of the Trust Deed and the Agency Agreement are available upon request to the Issuing and Paying Agent.

The Noteholders and the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects, including as to Issue Date.

Each Tranche is subject to the relevant final terms (the “**Final Terms**”). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

## **1 Form, Denomination and Title**

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown in the applicable Final Terms.

Each Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Note or a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis as specified in the applicable Final Terms.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note relating to it or the person in whose name a Registered Note is registered (as the case may be), "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered in the Register (as the case may be) and capitalised terms have the meanings given to them in these Conditions, the absence of any such meaning indicating that such term is not applicable to the Notes.

If so specified in the applicable Final Terms, some of the relevant Tranche of Notes may immediately be purchased by or on behalf of the Issuer on the Issue Date thereof. Such Notes are referred to as "**Retained Notes**". Any Retained Notes may (in each case, together with the related Coupons and Talons, if applicable) be purchased by and held by or for the account of the Issuer or any Subsidiary of it and may be sold or otherwise disposed of in whole or in part by private treaty at any time, and shall cease to be Retained Notes to the extent of and upon such sale or disposal.

Retained Notes shall, pending sale or disposal by or on behalf of the Issuer, carry the same rights and be subject in all respects to the same terms and conditions as the other Notes of the relevant Series, except that Retained Notes will not be treated as outstanding for the purposes of determining quorum or voting at meetings of Noteholders, passing a resolution in writing, the giving of consent by way of electronic consents or of considering the interests of the Noteholders save as otherwise provided in the Trust Deed. Notes which have ceased to be Retained Notes shall carry the same rights and be subject in all respects to the same terms and conditions as the other Notes of the relevant Series.

Retained Notes will be held by a custodian appointed by the Issuer or any Subsidiary of it and specified in the applicable Final Terms (the "**Custodian**"). At the time of such appointment, the Issuer (or a relevant Subsidiary of it, as the case may be), the Trustee and the Custodian will enter into a custody agreement to specify how the Custodian will hold such Retained Notes on behalf of the Issuer.

## **2 No Exchange of Notes and Transfers of Registered Notes**

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one

Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(g)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d) or Condition 6(e), (ii) after any such Note has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date.

### 3 Guarantee and Status

- (a) **Guarantee:** The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the Coupons. Its obligations in that respect (the "**Guarantee**") are contained in the Trust Deed.
- (b) **Status of Notes and Guarantee:** The Notes and the Coupons relating to them constitute (subject to Condition 4) unsecured obligations of the Issuer and shall rank *pari passu* and without any preference among themselves. In the event of the bankruptcy, insolvency, winding up or dissolution of the Issuer, the payment obligations of the Issuer under the Notes and the Coupons relating to them and of the Guarantor under the Guarantee shall, save for such exceptions as may be provided

by applicable legislation and subject to Condition 4, rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, present and future.

#### 4 Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor will, create, or have outstanding, any mortgage, charge, lien (other than a lien arising by operation of law), pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness of the Issuer or the Guarantor or to secure any guarantee or indemnity given by it in respect of any Relevant Indebtedness of any other person, without at the same time according to the Notes, to the satisfaction of the Trustee, at least the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity, or such other security as the Trustee shall in its absolute discretion deem not materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

In this Condition:

**“Relevant Indebtedness”** means any indebtedness for borrowed money which is in the form of, or represented or evidenced by, bonds, notes, loan stock or other securities which, with the agreement of the Issuer or the Guarantor are quoted, listed, dealt in or traded on a stock exchange, or over the counter or other recognised securities market, other than such bonds, notes, loan stock or other securities which (i) have an initial maturity of greater than twenty years, and (ii) are denominated in sterling.

#### 5 Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from, and including, the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f).
- (b) **Interest on Floating Rate Notes:**
- (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from, and including, the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f). Such Interest Payment Date(s) is/are either as specified in the applicable Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period specified in the applicable Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following

Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

- (iii) *Rate of Interest:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Final Terms and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Final Terms.

(A) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) if the Final Terms specify either “2006 ISDA Definitions” or “2021 ISDA Definitions” as the applicable ISDA Definitions:
- (1) the Floating Rate Option (as defined in the relevant ISDA Definitions) is as specified in the applicable Final Terms;
  - (2) the Designated Maturity (as defined in the relevant ISDA Definitions), if applicable, is a period specified in the applicable Final Terms;
  - (3) the relevant Reset Date (as defined in the relevant ISDA Definitions) is as specified in the applicable Final Terms;
  - (4) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the relevant ISDA Definitions), Compounding is specified to be applicable in the relevant Final Terms and:
    - (I) Compounding with Lookback is specified as the Compounding Method in the applicable Final Terms, then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Final Terms;
    - (II) Compounding with Observation Period Shift is specified as the Compounding Method in the applicable Final Terms, then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method and (b) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Final Terms and (c) Observation Period Shift Additional Business Days (as defined in the relevant ISDA Definitions), if applicable, are the days specified in the applicable Final Terms; or
    - (III) Compounding with Lockout is specified as the Compounding Method in the applicable Final Terms, then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days (as defined in the relevant ISDA

Definitions) specified in the Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the applicable Final Terms; and

(5) if the specified Floating Rate Option is an Index Floating Rate Option (as defined in the relevant ISDA Definitions) and Index Provisions are specified to be applicable in the relevant Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Final Terms and (b) Observation Period Shift Additional Business Days (as defined in the relevant ISDA Definitions) are the days, if applicable, specified in the applicable Final Terms);

(6) references in the relevant ISDA Definitions to:

(I) "Confirmation" shall be deemed to be references to the applicable Final Terms;

(II) "Calculation Period" shall be deemed to be references to the relevant Interest Accrual Period;

(III) "Termination Date" shall be deemed to be references to the Maturity Date; and

(IV) "Effective Date" shall be deemed to be references to the Interest Commencement Date; and

(y) if the Final Terms specify "2021 ISDA Definitions" as the applicable ISDA Definitions:

(1) Administrator/Benchmark Event shall be disappplied; and

(2) if the Temporary Non-Publication Fallback for any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback– Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

(B) Screen Rate Determination referencing EURIBOR

(x) Subject to Condition 5(j), where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Reference Rate is specified as being "EURIBOR", the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation or rate; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (y) if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).
- (C) Screen Rate Determination for Floating Rate Notes referencing SONIA
- a. Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, Index Determination is specified in the relevant Final Terms as not applicable and the Reference Rate specified in the relevant Final Terms is SONIA:
- (A) where the Calculation Method in respect of the relevant Series of Notes is specified in the relevant Final Terms as being “Compounded Daily”, the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 5(e) and Condition 5(j) and subject as provided below) be the Compounded Daily Reference Rate plus or minus (as indicated in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.000005 being rounded upwards.
- (B) where the Calculation Method in respect of the relevant Series of Notes is specified in the relevant Final Terms as being “Weighted Average”, the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 5(e) and Condition 5(j) and subject as provided below) be the Weighted Average Reference Rate plus or minus (as indicated in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.000005 being rounded upwards.
- b. Where “SONIA” is specified as the Reference Rate in the relevant Final Terms, subject to Condition 5(j), if, in respect of any Business Day, the Calculation Agent determines that the SONIA rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be:
- (A) (i) the Bank of England’s Bank Rate (the “Bank Rate”) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day; plus (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (B) if the Bank Rate is not published by the Bank of England at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day, the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors),
- and, in each case, “r” shall be interpreted accordingly.

Notwithstanding the paragraph above, and without prejudice to Condition 5(j), in the event of the Bank of England publishing guidance as to (i) how the SONIA rate is to be determined or (ii) any rate that is to replace the SONIA rate, the Calculation Agent shall, in accordance with the instructions of the Issuer, follow such guidance to the extent practicable and to the extent such guidance does not increase obligations or duties of the Paying Agent in order to determine the SONIA rate, for purposes of the Notes, for so long as the SONIA rate is not available or has not been published by the authorised distributors.

- c. In the event that the Rate of Interest for the relevant Interest Period cannot be determined in accordance with the foregoing provisions by the Paying Agent, subject to Condition 5(j), the Rate of Interest for such Interest Period shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the relevant Final Terms) is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period), (ii) if there is no such preceding Interest Determination Date and the relevant Interest Period is the first Interest Period for the Notes, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period) or (iii) if there is no such preceding Interest Determination Date and the relevant Interest Period is not the first Interest Period for the Notes, the Rate of Interest which applied to the immediately preceding Interest Period.
- d. If the relevant Series of Notes becomes due and payable in accordance with Condition 11, the last Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.
- e. For the purposes of this Condition 5(b)(C):

If “**Payment Delay**” is specified as the Observation Method in the relevant Final Terms, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date shall be read as reference to interest on the Notes being payable on an Effective Interest Payment Date instead;

“**Applicable Period**” means,

- (A) where “Lag”, “Lock-out” or “Payment Delay” is specified as the Observation Method in the relevant Final Terms, Interest Period; and
- (B) where “Observation Shift” is specified as the Observation Method in the relevant Final Terms, Observation Period;

“**Business Day**” or “**BD**” means, where “SONIA” is specified as the Reference Rate, any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**Calculation Method**” has the meaning given in the relevant Final Terms;

**“Compounded Daily Reference Rate”** means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the relevant Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent as at the relevant Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.000005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{r_{i-pBD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

**“D”** is the number specified in the relevant Final Terms;

**“d”** means, for the relevant Applicable Period, the number of calendar days in such Applicable Period;

**“d<sub>o</sub>”** means, for the relevant Applicable Period, the number of Business Days in such Applicable Period;

**“Effective Interest Payment Date”** means any date or dates specified as such in the relevant Final Terms;

**“i”** means, for the relevant Applicable Period, a series of whole numbers from one to d<sub>o</sub>, each representing the relevant Business Day in chronological order from, and including, the first Business Day in such Applicable Period;

**“Lock-out Period”** means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date;

**“n<sub>i</sub>”**, for any Business Day “i” in the Applicable Period, means the number of calendar days from, and including, such Business Day “i” up to but excluding the following Business Day;

**“Observation Method”** shall be as set out in the relevant Final Terms;

**“Observation Period”** means, in respect of the relevant Interest Period, the period from, and including, the date falling “p” Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is “p” Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “p” Business Days prior to such earlier date, if any, on which the Notes become due and payable);

**“p”** means, for any Interest Period:

- (A) where “Lag” is specified as the Observation Method in the relevant Final Terms, the number of Business Days included in the Observation Look-back Period specified in the relevant Final Terms (or, if no such number is specified five Business Days unless otherwise agreed by the Calculation Agent);
- (B) where “Lock-out” is specified as the Observation Method in the relevant Final Terms, zero;
- (C) where “Observation Shift” is specified as the Observation Method in the relevant Final Terms, the number of Business Days included in the Observation Look-back Period specified in the relevant Final Terms (or, if no such number is specified, five Business Days unless otherwise agreed by the Calculation Agent);

**“r”** means:

- (A) where in the relevant Final Terms “SONIA” is specified as the Reference Rate and either “Lag” or “Observation Shift” is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day;
- (B) where in the relevant Final Terms “SONIA” is specified as the Reference Rate and “Lock-out” is specified as the Observation Method:
  - (i) in respect of any Business Day “i” that is a Reference Day, the SONIA rate in respect of the Business Day immediately preceding such Reference Day, and
  - (ii) in respect of any Business Day “i” that is not a Reference Day (being a Business Day in the Lock-out Period), the SONIA rate in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date);
- (C) where in the relevant Final Terms “SONIA” is specified as the Reference Rate and “Payment Delay” is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day, provided however that, in the case of the last Interest Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, “r” shall be the SONIA rate in respect of the Rate Cut-off Date;

“**Rate Cut-off Date**” has the meaning given in the relevant Final Terms;

“**Reference Day**” means each Business Day in the relevant Interest Period, other than any Business Day in the Lock-out Period;

“ $r_{i-pBD}$ ” means the applicable Reference Rate as set out in the definition of “r” above for, (i) where, in the relevant Final Terms, “Lag” is specified as the Observation Method, the Business Day (being a Business Day falling in the relevant Observation Period) falling “p” Business Days prior to the relevant Business Day “i” or, (ii) otherwise, the relevant Business Day “i”;

“**SONIA**” means, in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors in each case on the Business Day immediately following such Business Day;

“**Weighted Average Reference Rate**” means:

- (A) where “Lag” is specified as the Observation Method in the relevant Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day; and
- (B) where “Lock-out” is specified as the Observation Method in the relevant Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Period, **provided however that** for any calendar day of such Interest Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will

be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day.

(D) Index Determination

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and Index Determination is specified in the relevant Final Terms as being applicable, the Rate of Interest applicable to the Notes for each Interest Period will be the SONIA compounded index rate for the relevant Interest Period, calculated in accordance with the following formula and to the Relevant Decimal Place, all as determined and calculated by the Calculation Agent on the relevant Interest Determination Date plus or minus (as indicated in the relevant Final Terms) the Margin:

$$\left( \frac{\text{Compounded Index End}}{\text{Compounded Index Start}} - 1 \right) \times \frac{\text{Numerator}}{d}$$

where:

“**Compounded Index**” shall mean SONIA Compounded Index;

“**Compounded Index End**” means the SONIA Compounded Index value on the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which, by its definition or the operation of the relevant provisions, is excluded from such Interest Period);

“**Compounded Index Start**” means the SONIA Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period;

“**d**” is the number of calendar days from (and including) the day on which the SONIA Compounded Index Start is determined to (but excluding) the day on which the SONIA Compounded Index End is determined;

“**Index Days**” means London Banking Days;

“**London Banking Day**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**Numerator**” shall, unless otherwise specified in the relevant Final Terms, be 365;

“**Relevant Decimal Place**” shall, unless otherwise specified in the relevant Final Terms, be the fourth decimal place rounded up or down, if necessary (with 0.000005 or, as the case may be, 0.00000005 being rounded upwards);

“**Relevant Number**” shall be five unless otherwise agreed by the Calculation Agent;

“**SONIA Compounded Index**” means the index known as the SONIA Compounded Index administered by the Bank of England (or a successor administrator thereof); and

Provided that a Benchmark Event has not occurred in respect of SONIA, if, with respect to any Interest Period, the Compounded Index Start and/or Compounded Index End is not published by the administrator, the Calculation Agent shall calculate the Rate of Interest for that Interest Period in accordance with Condition 5(b)(C) as if Index Determination was not specified in the relevant Final Terms as being applicable. For these purposes, (i) the Reference Rate shall be deemed to be SONIA (ii) the Calculation Method shall be deemed to be Compounded Daily, (iii) the Observation Method shall be deemed to be Observation Shift, (iv) the Observation Look-back Period shall be deemed to be the Relevant Number, (v) D shall be

deemed to be the Numerator and (vi) the Relevant Screen Page will be determined by the Issuer in consultation with the Calculation Agent. If a Benchmark Event has occurred in respect of SONIA, the provisions of Condition 5(j) shall apply mutatis mutandis in respect of this Condition 5(b)(D).

(E) Linear Interpolation

Where Linear Interpolation is specified in the applicable Final Terms in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified in the applicable Final Terms), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Issuer (acting in good faith and in a commercially reasonable manner, and in consultation with an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer) shall determine such rate at such time and by reference to such sources as it determines appropriate.

“**Applicable Maturity**” means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

- (c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).
- (d) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 9).
- (e) **Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding:**
- (i) If any Margin is specified in the applicable Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
  - (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified in the applicable Final Terms, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
  - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency

(with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.

- (f) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the applicable Final Terms, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed and/or admitted to trading on a stock exchange and the rules of such exchange or other relevant authority so require, the Issuer shall notify such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 11, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (h) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:
- “**Business Day**” means:
- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
  - (ii) in the case of euro, any day on which the T2 is open for the settlement of payments in euro (a “**TARGET Business Day**”); and/or

- (iii) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual - ISDA**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/365 (Sterling)**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “**Actual/360**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

- (vii) if “**30E/360 (ISDA)**” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Fraction} = \frac{\text{Year} - Y_1 + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30;

- (viii) if “**Actual/Actual-ICMA**” is specified in the applicable Final Terms,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (b) if the Calculation Period is longer than one Determination Period, the sum of:
    - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

**“Determination Period”** means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

**“Determination Date”** means the date(s) specified as such in the applicable Final Terms or, if none is so specified, the Interest Payment Date(s);

**“Euro-zone”** means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

**“Interest Accrual Period”** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

**“Interest Amount”** means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Final Terms, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Final Terms as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

**“Interest Commencement Date”** means the Issue Date or such other date as may be specified in the applicable Final Terms.

**“Interest Determination Date”** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Final Terms or, if none is so specified, the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

**“Interest Period”** means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date unless otherwise specified in the applicable Final Terms.

**“Interest Period Date”** means each Interest Payment Date unless otherwise specified in the applicable Final Terms.

**“ISDA Definitions”** means (i) if “2006 ISDA Definitions” is specified in the applicable Final Terms, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (“ISDA”), as amended and updated as at the Issue Date of the first Tranche of the Notes; or (ii) if “2021 ISDA Definitions” is specified in the applicable Final Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, as published by ISDA as at the Issue Date of the first Tranche of the Notes.

**“Rate of Interest”** means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the applicable Final Terms.

**“Reference Rate”** means the rate specified as such in the applicable Final Terms. **“Relevant Screen Page”** means such page, section, caption, column or other part of a particular information service as

may be specified in the applicable Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service).

**“Specified Currency”** means the currency specified as such in the applicable Final Terms or, if none is specified, the currency in which the Notes are denominated.

**“T2”** means the real time gross settlement system operated by the Eurosystem, or any successor system.

(i) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Final Terms and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(j) **Benchmark Discontinuation:**

(i) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(j)(ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5(j)(iv)). In making such determination, the Independent Adviser appointed pursuant to this Condition 5(j) shall act in good faith and in a commercially reasonable manner as an expert. In the absence of gross negligence, wilful default, bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 5(j).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5(j)(i) prior to the date which is 10 business days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest determined using the Original Reference Rate last displayed on the relevant Screen Page prior to the relevant Interest Determination Date. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest

Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 5(j)(i).

(ii) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

- (a) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(j)); or
- (b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(j)).

(iii) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(iv) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5(j) and the Independent Adviser, determines (i) that amendments to these Conditions and/or the Trust Deed and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(j)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Trust Deed and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two Authorised Signatories of the Issuer pursuant to Condition 5(j)(v), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions, the Agency Agreement or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

Notwithstanding any other provision of this Condition 5(j), the Calculation Agent or any Paying Agent is not obliged to concur with the Issuer or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 5(j) to which, in the sole opinion of the Calculation Agent or the relevant Paying Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Calculation Agent or the relevant Paying Agent (as applicable) in the Agency Agreement and/or these Conditions.

In connection with any such variation in accordance with this Condition 5(j)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) Notices, etc.

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5(j) will be notified at least 10 business days prior to the relevant Interest Determination Date by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 17, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Trustee, the Calculation Agent and the Paying Agents a certificate signed by two Authorised Signatories of the Issuer:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(j); and
- (b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

Each of the Trustee, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

Notwithstanding any other provision of this Condition 5(j), if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments (if any), in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 5(j), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

(vi) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 5(j)(i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 5(b)(B) will continue to apply unless and until a Benchmark Event has occurred.

(vii) Definitions

As used in this Condition 5(j):

**“Adjustment Spread”** means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (a) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (b) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied)
- (c) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

**“Alternative Rate”** means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5(j)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

**“Benchmark Amendments”** has the meaning given to it in Condition 5(j)(iv).

**“Benchmark Event”** means:

- (a) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (b) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (c) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (e) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (f) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

provided that the Benchmark Event shall be deemed to occur (i) in the case of sub-paragraphs (b) and (c) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (ii) in the case of sub-paragraph (d) above, on the date of the prohibition of use of the Original Reference Rate and

(iii) in the case of sub-paragraph (e) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

**“business day”** means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Calculation Agent.

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5(j)(i).

**“Original Reference Rate”** means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

**“Relevant Nominating Body”** means, in respect of a benchmark or screen rate (as applicable):

- (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof.

**“Successor Rate”** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

## 6 Redemption, Purchase and Options

### (a) Final Redemption:

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the applicable Final Terms at its Final Redemption Amount (which, unless otherwise provided in the applicable Final Terms, is its nominal amount).

### (b) Early Redemption:

#### (i) Zero Coupon Notes:

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f), Condition 6(g) or Condition 6(h) or upon it becoming due and payable as provided in Condition 11 shall be the Amortised Face Amount (calculated as provided below by an independent advisor appointed by the Issuer) of such Note unless otherwise specified in the applicable Final Terms.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified in the applicable Final Terms, shall be such

rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f), Condition 6(g) or Condition 6(h) or upon it becoming due and payable as provided in Condition 11 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the applicable Final Terms.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f), Condition 6(g) or Condition 6(h) or upon it becoming due and payable as provided in Condition 11, shall be the Final Redemption Amount unless otherwise specified in the applicable Final Terms.
- (c) **Redemption for Taxation Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if
- (i) the Issuer (or the Guarantor, as the case may be) satisfies the Trustee immediately before the giving of such notice that it has or will on the occasion of the next payment due under the Notes become obliged to pay additional amounts as described under Condition 9 as a result of any change in, or amendment to, the laws or regulations of the country of incorporation of the Issuer, or the Guarantor (in case of a payment by the Guarantor), or any political subdivision, any authority or agency thereof or therein having power to tax, or any change in the official application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes, and
- (ii) such obligation is continuing and cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or the Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer (or the Guarantor, as the case may be) stating that the obligation referred to in (i) above cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it and the Trustee shall be entitled to accept and rely on such certificate without liability to any person and without further enquiry as sufficient evidence of the satisfaction of the condition precedent set out in (ii) above, in which event it shall be conclusive and binding on Noteholders and Couponholders.

- (d) **Redemption at the Option of the Issuer (Call Option):**

- (i) If Call Option is specified in the applicable Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Final Terms) redeem all or, if so provided, some of the Notes on any Optional Redemption Date (provided that if the Issuer Maturity Par Call is specified in the applicable Final Terms, such Optional Redemption Date falls on or before the Par Call Period Commencement Date). Any such redemption of Notes shall be at their Optional Redemption Amount specified in the applicable Final Terms (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to (but excluding) the relevant Optional Redemption Date.

If Spens Amount or Make-Whole Amount is specified in the applicable Final Terms as the Optional Redemption Amount, the Optional Redemption Amount per Note shall be equal to:

- (a) if Spens Amount is specified in the applicable Final Terms, the higher of (i) the nominal amount of the Note; and (ii) the nominal amount of the Note multiplied by the price (as reported in writing to the Issuer and the Trustee by the Determination Agent) expressed as a percentage (rounded to four decimal places, 0.00005 being rounded upwards) at which the Gross Redemption Yield on the Notes on the date which is two Business Days before the Optional Redemption Date (the "**Determination Date**") (assuming for this purpose the Notes are to be redeemed at their nominal amount on the Spens Call Reference Date) is equal to the Gross Redemption Yield at 11:00 a.m. (London time) on the Determination Date of the Reference Bond plus any applicable Redemption Margin specified in the applicable Final Terms;
- (b) if Make-Whole Amount is specified in the applicable Final Terms, the higher of (i) the nominal amount of the Note; and (ii) the sum of the then present values of the remaining scheduled payments of principal and Remaining Term Interest (assuming for this purpose the Notes are to be redeemed at their nominal amount on the Make-Whole Reference Date), in each case discounted to the relevant Optional Redemption Date on either an annual or a semi-annual basis as specified in the applicable Final Terms (based on the Day Count Fraction specified in the applicable Final Terms) at the Reference Dealer Rate plus any applicable Redemption Margin specified in the applicable Final Terms, all as determined by the Determination Agent;

in each case together with interest accrued to (but excluding) the relevant Optional Redemption Date.

Any such redemption must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Final Terms. Any notice of redemption given under Condition 6(c) or Condition 6(f) will override any notice of redemption given (whether previously, on the same date or subsequently) under this Condition 6(d).

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate/in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

In this Condition:

**“Determination Agent”** means an investment banking, accountancy, appraisal or financial advisory firm with international standing that has (in the reasonable opinion of the Issuer) appropriate expertise relevant to the determination required to be made under this Condition 6(d) selected by the Issuer.

**“Gross Redemption Yield”** means a yield expressed as a percentage and calculated by the Determination Agent on the basis set out by the United Kingdom Debt Management Office in the paper “Formulae for Calculating Gilt Prices from Yields” page 4, Section One: Price/Yield Formulae “Conventional Gilts”; “Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date” (published on 8 June 1998 and updated on 15 January 2002 and as further updated or amended from time to time) on a semi-annual compounding basis (converted on an annualised yield and rounded up (if necessary) to four decimal places) or, if such formula does not reflect generally accepted market practice at the time of redemption, a gross redemption yield calculated in accordance with generally accepted market practice at such time as determined by the Determination Agent.

**“Make-Whole Reference Date”** or **“Spens Call Reference Date”** means the earliest of (i) the Maturity Date, (ii) the Par Call Period Commencement Date (if applicable), and (iii) and other date specified in the applicable Final Terms.

**“Reference Bond”** means the government security specified in the applicable Final Terms, or (if such security is no longer in issue or, in the determination of the Determination Agent, with the advice of the Reference Dealers, is no longer appropriate by reason of illiquidity or otherwise), such other government security with a maturity date as near as possible to the Make-Whole Reference Date or the Spens Call Reference Date, as applicable, as the Determination Agent may, with the advice of the Reference Dealers, determine to be appropriate by way of substitution for the original Reference Bond.

**“Reference Dealers”** means each of three banks selected by the Issuer which are (A) a primary government securities dealer, or (B) a market maker in pricing corporate bond issues; and

**“Reference Dealer Rate”** means with respect to the Reference Dealers and any Optional Redemption Date the average of the three quotations of the mid-market annual yield to maturity of the Reference Bond specified in the applicable Final Terms at 11:00 a.m. (London time) on the Determination Date and quoted in writing to the Determination Agent and the Trustee by the Reference Dealers.

**“Remaining Term Interest”** means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term to the Make-Whole Reference Date determined on the basis of the rate of interest applicable to such Note from and including the relevant Optional Redemption Date.

- (e) **Redemption at the Option of the Issuer (Issuer Maturity Par Call):** If Issuer Maturity Par Call is specified in the applicable Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Final Terms), redeem all or, if so provided, some of the Notes at any time during the period commencing on (and including) the day that is, unless otherwise specified in the applicable Final Terms, 90 days prior to the Maturity Date (the **“Par Call Period Commencement Date”**) to (but excluding) the Maturity Date, at the Final Redemption Amount specified in the applicable Final Terms together with interest accrued (if any) to (but excluding) the date fixed for redemption.
- (f) **Redemption at the Option of the Issuer (Clean-up Call):** If Clean-up Call is specified in the applicable Final Terms, the Issuer may, if 80 per cent. or more in nominal amount of the Notes issued have been redeemed or purchased pursuant to the operation of (unless otherwise specified in the applicable Final Terms) any of Condition 6(e) and/or Condition 6(g) and/or Condition 6(h), on giving not less than 15 nor more than 30 days’ irrevocable notice to Noteholders (or such other notice period as may be specified in the applicable Final Terms) (such notice being given within 30 days after the relevant redemption or purchase, as the case may be), redeem or purchase (or procure the purchase

of) all but not some only of the remaining outstanding Notes at their Early Redemption Amount together with interest accrued to (but excluding) the date fixed for such redemption or purchase.

- (g) **Redemption at the Option of Noteholders (Put Option):** If Put Option is specified in the applicable Final Terms, (unless prior to the giving of the relevant Exercise Notice (as defined below) the Issuer has given notice of redemption under Condition 6(c), Condition 6(d), Condition 6(e) or Condition 6(f) above), the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the applicable Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified in the applicable Final Terms (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to (but excluding) the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (h) **Redemption at the Option of Noteholders (Change of Control Put Option):** If Change of Control Put Option is specified in the applicable Final Terms and if at any time while any Note remains outstanding a Change of Control Put Event occurs, the holder of any such Note will have the option (a "**Change of Control Put Option**") (unless prior to the giving of the relevant Change of Control Put Event Notice (as defined below) the Issuer has given notice of redemption under Condition 6(c), Condition 6(d), Condition 6(e) or Condition 6(f) above) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Change of Control Put Date (as defined below) at the Change of Control Redemption Amount specified in the applicable Final Terms together with (or, where purchased, together with an amount equal to) interest accrued to (but excluding) the Change of Control Put Date.

A "**Change of Control Put Event**" will be deemed to occur if:

- (i) the appointment of the Guarantor (the "**Appointment**") as the water undertaker and sewerage undertaker for the areas described in the Instrument of Appointment dated 1 September 1989 made by the Secretary of State under Sections 11 and 14 of the Water Act 1989 (as in effect on 1 September 1989) as varied and modified from time to time is terminated; or
- (ii) a Restructuring Event (as defined below) occurs and, within the Restructuring Period (as defined below), either (a) if at the time the relevant Restructuring Event occurs there are Rated Securities, a Rating Downgrading (both as defined below) in respect of that Restructuring Event also occurs; or (b) if at such time there are no Rated Securities, the Issuer or the Guarantor fails to obtain (whether by failing to seek a rating or otherwise) a rating of the Notes or any other unsecured and unsubordinated debt of the Issuer or the Guarantor having an initial maturity of five years or more, from a Rating Agency (as defined below) of at least investment grade (BBB-/Baa3, or its equivalent for the time being) (a "**Negative Rating Event**"), and in the case of either (a) or (b), such Restructuring Event is certified in writing by an Independent Financial Adviser as being in its opinion materially prejudicial to the interests of the Noteholders (a "**Negative Certification**") (that Restructuring Event and the relevant Rating Downgrading or, as the case may be, Negative Rating Event and, in each case, the Negative Certification together constituting the Change of Control Put Event); or
- (iii) any Subsidiary (as defined below) of the Guarantor being, at the date of issue of the Notes, a Material Subsidiary (as defined below) ceases to be wholly-owned by the Guarantor.

Promptly upon becoming aware that a Change of Control Put Event has occurred, and in any event not later than 21 days after the occurrence of the Change of Control Put Event, the Issuer shall, and at any time upon the Trustee having express notice thereof, the Trustee may, and if so requested by the holders of at least one quarter in outstanding principal amount of the Notes then outstanding (provided in either case it shall have been indemnified and/or secured and/or pre-funded to its satisfaction), shall, give notice (a **"Put Event Notice"**) to the Noteholders in accordance with Condition 17, specifying the nature of the Change of Control Put Event and the procedure for exercising the option contained in this Condition 6(h). Any Negative Certification shall, in the absence of manifest error, be conclusive. The Trustee will be under no duty to monitor whether there has been the occurrence of a Change of Control Put Event.

To exercise the option to require the Issuer to redeem or purchase or procure the purchase of a Note under this Condition 6(h), the Noteholder must deliver such Note, on any business day (as defined in Condition 7) falling within the period (the **"Put Period"**) of 45 days after a Put Event Notice is given, at the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a **"Put Notice"**). The Note must be delivered to the Paying Agent together with all Coupons appertaining thereto maturing after the date (the **"Put Date"**) being the seventh day after the date of expiry of the Put Period, failing which such redemption or purchase, as the case may be, shall be made only against such indemnity as the Issuer may reasonably require. The Paying Agent to which such Note and Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt (a **"Receipt"**) in respect of the Note so delivered. Payment by the Issuer in respect of any Note so delivered shall be made, if the holder duly specified in the Put Notice a bank account to which payment is to be made, by transfer to that bank account on the Put Date, and in every other case, on or after the Put Date against presentation and surrender of such Receipt at the specified office of any Paying Agent. A Put Notice, once given, shall be irrevocable. For the purposes of Conditions 10, 11, 12 and 16 and certain other purposes specified in the Trust Deed, Receipts issued pursuant to this Condition 6(h) shall be treated as if they were Notes.

In these Conditions:

**"Rated Securities"** means the Notes, if at any time and for so long as they shall have a rating from a Rating Agency, and otherwise any other unsecured and unsubordinated debt of the Guarantor having an initial maturity of five years or more which is rated by a Rating Agency.

**"Rating Agencies"** means S&P Global Ratings UK Limited, Moody's Investors Service Limited and Fitch Ratings Limited or any of their respective successors, or any rating agency substituted for S&P Global Ratings UK Limited, Moody's Investors Service Limited or Fitch Ratings Limited (or any permitted substitute of either of them) and **"Rating Agency"** means any one of them.

A **"Rating Downgrading"** shall be deemed to have occurred in respect of a Restructuring Event if the current rating assigned to the Rated Securities by any Rating Agency (whether provided by a Rating Agency at the invitation of the Issuer or by its own volition) is withdrawn or reduced from an investment grade rating (BBB-/Baa3, or its equivalent for the time being, or better) to a non-investment grade rating (BB+/Ba1, or its equivalent for the time being, or worse), or, if the Rating Agency shall have already rated the Rated Securities below investment grade (as described above), the rating is withdrawn or lowered one full rating category.

**"Restructuring Event"** means either (i) the modification of any material rights, benefits or obligations of the Guarantor as a water undertaker or sewerage undertaker arising under the Appointment or the Water Industry Act 1991 or (ii) any material modification made to the Appointment or the Scheme (being a scheme made under Schedule 2 of the Water Industry Act 1991 pursuant to which property,

rights and liabilities of the water authority to which the Guarantor is the successor were transferred to the Guarantor), regardless of whether or not such modification is made with the consent of the Guarantor and whether pursuant to the Water Industry Act 1991 or otherwise or (iii) any legislation (whether primary or subordinate) is enacted removing, reducing or qualifying the duties or powers of the Secretary of State for the Environment, Food and Rural Affairs and/or the Water Services Regulation Authority (or any successor) (including without limitation any such legislation removing, reducing or qualifying such duties or powers under or pursuant to Sections 2, 9 or 24 of the Water Industry Act 1991) in each case as compared to those in force on the Issue Date.

**“Restructuring Period”** means, whether or not there are Rated Securities at the time a Restructuring Event occurs, the period of 45 days starting from and including the day on which a Restructuring Event occurs.

**“Subsidiary”** means, in relation to any entity, a subsidiary of such entity within the meaning of Section 1159 of the Companies Act 2006, and **“Material Subsidiary”** means any Subsidiary of the Guarantor (not being an Excluded Subsidiary as defined in Condition 11) (a) whose profits on ordinary activities before tax or whose net assets (in each case consolidated in respect of a Subsidiary which itself has Subsidiaries, and in each case attributable to the Guarantor) all as shown in the latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary represent 20 per cent. or more of the consolidated profits on ordinary activities before tax or, as the case may be, consolidated net assets (in each case attributable to the shareholders of the Guarantor) of the Guarantor and its Subsidiaries (other than Excluded Subsidiaries, as defined in Condition 11) all as shown in the latest audited accounts of the Guarantor (as adjusted); or (b) to which is transferred all or substantially all of the business, undertaking or assets of a Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon the transferor Subsidiary shall immediately cease to be a Material Subsidiary and the transferee Subsidiary shall become a Material Subsidiary until publication of its next audited accounts when whether or not it shall continue to be a Material Subsidiary shall be determined pursuant to sub-paragraph (a). A certificate signed by two directors for the time being of the Guarantor that in their opinion a Subsidiary is or is not or was or was not at any particular time a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

- (i) **Purchases:** Each of the Issuer, the Guarantor and their Subsidiaries as defined in the Trust Deed may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

The Issuer will purchase (or procure the purchase of) any Retained Notes on the Issue Date.

- (j) **Cancellation:** All Notes (other than Retained Notes) purchased by or on behalf of the Issuer, the Guarantor or any of their Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Notes shall be discharged.

The Issuer may cancel (or procure the cancellation of) any Retained Notes held by it or on its behalf at any time.

## 7 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of

all other payments of principal and, in the case of interest, as specified in Condition 7(f)(v)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. “Bank” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the T2.

(b) **Registered Notes:**

- (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
  - (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “Record Date”). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the holder with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments subject to Laws:** Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law implementing an intergovernmental agreement or approach thereto.
- (e) **Appointment of Agents:** The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require and (v) such other agents as may be required by any other stock exchange on which the Notes may be listed and/or admitted to trading in each case, as approved by the Trustee.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and unexchanged Talons:**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10).
  - (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
  - (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
  - (iv) Where any Bearer Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
  - (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).
- (h) **Non-Business Days:** If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” in the applicable Final Terms and:
- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign

exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or

- (ii) (in the case of a payment in euro) which is a TARGET Business Day.

## 8 Indexation

This Condition 8 is applicable only if the relevant Final Terms specifies the Notes as Index Linked Notes.

### 8.1 Definitions

For the purposes of Conditions 8.1 to 8.6, unless the context otherwise requires, the following defined terms shall have the following meanings:

**“Base Index Figure”** means (subject to Condition 8.3(i)) the base index figure as specified in the relevant Final Terms;

**“CPI”** means the UK Consumer Prices Index (for all items) published by the Office for National Statistics (January 2015 = 100) or any comparable index which may replace the UK Consumer Prices Index for the purpose of calculating the amount payable on repayment of the Indexed Benchmark Gilt (if any);

**“CPIH”** means the all items consumer prices index including owner occupiers’ housing costs and council tax for the United Kingdom published by the Office for National Statistics (January 2015 = 100) or any comparable index which may replace the all items consumer prices index including owner occupiers’ housing costs and council tax for the United Kingdom for the purpose of calculating the amount payable on repayment of the Indexed Benchmark Gilt (if any);

**“Expert”** means a gilt-edged market maker, an independent bank or other expert in London appointed by the Issuer;

**“His Majesty’s Treasury”** means His Majesty’s Treasury or any officially recognised party performing the function of a calculation agent (whatever such party’s title), on its or its successor’s behalf, in respect of the Reference Gilt;

**“Index”** or **“Index Figure”** means, subject as provided in Conditions 8.3, 8.5 and 8.6, either RPI, CPI or CPIH as specified in the relevant Final Terms;

Any reference to the "Index Figure applicable" to:

- (i) a particular month (“**m**”) shall, subject as provided in Conditions 8.3, 8.5 and 8.6, be construed as a reference to the Index Figure (RPI, CPI or CPIH, as applicable) published in the month falling N months prior to month m and relating to the month before that of publication, where “N” is specified in the applicable Final Terms (or, if not so specified, seven); or
- (ii) a particular date (“**d**”) in a particular month (“**m**”), shall, subject as provided in Conditions 8.3, 8.5 and 8.6, be construed as a reference to the Index Figure (RPI, CPI or CPIH as applicable) calculated in accordance with the following formula:

$$IFA_d = IF_{m-N} + \left[ \left( \frac{D_1}{D_2} \right) (IF_{m-(N-1)} - IF_{m-N}) \right]$$

Where:

$IFA_d$  is the Index Figure applicable to date d;

N is the figure specified in the applicable Final Terms (or, if not so specified, two);

$IF_{m-N}$  is the Index Figure (RPI, CPI or CPIH, as applicable) published in the month falling N months prior to month m and relating to the month before that of publication;

$IF_{m-(N-1)}$  is the Index Figure (RPI, CPI, or CPIH, as applicable) published in the month falling (N-1) months prior to month m and relating to the month before that of publication;

$D_1$  is the actual number of days from (and including) the first calendar day of month m to (but excluding) date d in that month (provided that if d is the first calendar day of the month,  $D_1$  shall be zero); and

$D_2$  is the actual number of days in month m;

**“Indexed Benchmark Gilt”** means the index-linked sterling obligation of the United Kingdom Government listed on the Official List of the Financial Conduct Authority (in its capacity as competent authority under the Financial Services and Markets Act 2000, as amended) and traded on the London Stock Exchange whose average maturity most closely matches that of the Notes as a gilt-edged market maker or other adviser selected by the Issuer (an **“Indexation Adviser”**) shall determine to be appropriate;

**“Index Ratio”** applicable to any month or date, as the case may be, means the Index Figure applicable to such month or date, as the case may be, divided by the Base Index Figure and rounded to the nearest fifth decimal place;

**“Limited Index Ratio”** means (a) in respect of any month or date, as the case may be, prior to the relevant Issue Date, the Index Ratio for that month or date, as the case may be, (b) in respect of any Limited Indexation Date after the relevant Issue Date, the product of the Limited Indexation Factor for that month or date, as the case may be, and the Limited Index Ratio as previously calculated in respect of the month or date, as the case may be, twelve months prior thereto; and (c) in respect of any other month, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month;

**“Limited Indexation Date”** means any date falling during the period specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

**“Limited Indexation Factor”** means, in respect of a Limited Indexation Month or Limited Indexation Date, as the case may be, the ratio of the Index Figure applicable to that month or date, as the case may be, divided by the Index Figure applicable to the month or date, as the case may be, twelve months prior thereto, provided that (a) if such ratio is greater than the Maximum Indexation Factor specified in the relevant Final Terms, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor specified in the relevant Final Terms, it shall be deemed to be equal to such Minimum Indexation Factor;

**“Limited Indexation Month”** means any month specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

**“Limited Index Linked Notes”** means Index Linked Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the relevant Final Terms) applies;

**“Redemption Date”** means any date on which the Notes are redeemed in accordance with Condition 8.6, Condition 6(a), Condition 6(b), Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f), Condition 6(g) or Condition 6(h);

**“Reference Gilt”** means the index-linked Treasury Stock/Treasury Gilt specified as such in the relevant Final Terms for so long as such gilt is in issue, and thereafter such issue of index-linked Treasury Stock/Treasury Gilt determined to be appropriate by an Indexation Adviser; and

**“RPI”** means the UK Retail Prices Index (for all items) published by the Office for National Statistics (January 1987 = 100) or any comparable index which may replace the UK Retail Prices Index for the purpose of calculating the amount payable on repayment of the Reference Gilt.

## 8.2 Application of the Index Ratio

Each payment of interest and principal in respect of the Notes shall be the amount provided in, or determined in accordance with, Conditions 5(a) and 5(f), multiplied by the Index Ratio or Limited Index Ratio in the case of Limited Index Linked Notes applicable to the month or date, as the case may be, in or on which such payment falls to be made and rounded in accordance with Condition 5(e).

### 8.3 Changes in Circumstances Affecting the Index

- (i) Change in base: If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be, (1) the definition of “Index” and “Index Figure” in Condition 8.1 shall be deemed to refer to the new date, or month or year (as applicable) in substitution for January 1987 (where RPI is specified as the Index in the relevant Final Terms) or 2015 (where CPI or CPIH is specified as the Index in the relevant Final Terms) (or, as the case may be, to such other date, month or year as may have been substituted therefor), and (2) the new Base Index Figure shall be the product of the existing Base Index Figure and the Index Figure for the date on which such substitution takes effect, divided by the Index Figure for the date immediately preceding the date on which such substitution takes effect.
- (ii) Delay in publication of relevant Index: If the Index Figure relating to any month (the “**calculation month**”) which is required to be taken into account for the purposes of the determination of the Index Figure applicable for any date is not published on or before the fourteenth business day before the date on which such payment of interest, principal or any other amount is due (the “**date for payment**”), the Index Figure applicable to the calculation month in which the date for payment falls shall be (1) such substitute index figure (if any) as the Indexation Adviser considers to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, (or such other body designated by the UK Government for such purpose) for the purposes of indexation of payments on the Reference Gilt or the Index Benchmark Gilt (as applicable) or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser or (2) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 8.3(i)) before the date for payment.

### 8.4 Application of Changes

Where the provisions of Condition 8.3(ii) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall be conclusive and binding. If, an Index Figure having been applied pursuant to Condition 8.3(ii)(2), the Index Figure relating to the relevant month or relevant calculation month, as the case may be, is subsequently published while a Note is still outstanding, then:

- (i) in relation to a payment of principal or interest in respect of such Note other than upon final redemption of such Note, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced, as the case may be, by an amount equal to the shortfall or excess, as the case may be, of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 8.3(ii)(2) below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and
- (ii) in relation to a payment of principal or interest upon final redemption, no subsequent adjustment to amounts paid will be made.

### 8.5 Material Changes to or Cessation of the Index

If the Index ceases to be published or any changes are made to it which, in the opinion of the Expert, constitute a fundamental change in the rules governing the Index and the change would, in the opinion of the Expert, be materially prejudicial to the interests of the Issuer or the Noteholders and if, within 30 business days after its appointment, the Expert recommends for the purposes of the Index Linked Notes one or more adjustments to the Index or substitute index (with or without adjustments), then provided that such adjustments or substitute index (as the case may be) are not materially detrimental (in the opinion of the Expert) either to the interests of the Issuer or the interests of the Noteholders, as compared to the interests of the Issuer and the Noteholders (as the case may be) as they would have been had the Index continued to be published or such fundamental change in the rules governing the Index had not been made, the Index shall be adjusted as so recommended or (as the case may be) shall be replaced by the substitute index so recommended (as so adjusted, if so recommended) and references in these Conditions to the Index shall be construed accordingly and the Issuer shall notify the Noteholders of the adjustments to the Index or the introduction of the substitute index (with or without adjustments) in accordance with Condition 17.

If any payment in respect of the Index Linked Notes is due to be made after the cessation or changes referred to in the preceding paragraph but before any such adjustment to, or replacement of, the Index takes effect, the Issuer or the Guarantor shall (if the Index Figure applicable (or deemed applicable) to the date of payment is not available in accordance with the provisions of Condition 8.1) make a provisional payment on the basis that the Index Figure applicable to the date for payment is the Index last published. In that event or in the event of any payment on the Index Linked Notes having been made on the basis of an index deemed applicable under Condition 8.3(ii)(1) above (also referred to below as a “**provisional payment**”) the Expert subsequently determines that the relevant circumstances fall within this Condition 8.5, then:

- (i) except in the case of a payment on redemption of the Index Linked Notes, if the sum which would have been payable if such adjustments or such substitute index had been in effect on the due date for such provisional payment is greater or less than the amount of such provisional payment, the interest payable on the Index Linked Notes on the Interest Payment Date next succeeding the date on which the Issuer and the Trustee receive such recommendation shall be increased or reduced to reflect the amount by which such provisional payment of interest fell short or, (as the case may be) exceeded, the interest which would have been payable on the Notes if such adjustments or such substituted index had been in effect on that date; or
- (ii) in the case of a payment of principal or interest on redemption of the Notes, no subsequent adjustment to amounts paid will be made.

## **8.6 Redemption for Index Reasons**

If either (i) the Index Figure for three consecutive months is required to be determined on the basis of an Index Figure previously published as provided in Condition 8.3(ii)(2) and the Trustee has been notified by the Calculation Agent that publication of the Index has ceased or (ii) notice is published by His Majesty's Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt or the Indexed Benchmark Gilt (as applicable), and (in either case) no amendment or substitution of the Index shall have been designated by His Majesty's Treasury in respect of the Reference Gilt or the Indexed Benchmark Gilt (as applicable) to the Issuer and such circumstances are continuing, the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) in accordance with Condition 17, redeem all, but not some only, of the Notes at their principal amount together with interest accrued but unpaid up to and including the date of redemption (in each case adjusted in accordance with Condition 8.2).

## 9 Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or any political subdivision or any authority or agency thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of such holder having some connection with the United Kingdom other than the mere holding of the Note or Coupon or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day.

Notwithstanding any other provision contained herein, any amounts to be paid by the Issuer or any Guarantor on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (or any law implementing such an intergovernmental agreement) (a “**FATCA Withholding Tax**”), and neither the Issuer nor any Guarantor nor any other person will be required to pay additional amounts on account of any FATCA Withholding Tax.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if the full amount of the money payable has not been duly paid on or prior to such due date) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment in full will be made, provided that payment is in fact made upon such presentation.

References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Change of Control Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition or any similar undertaking given in addition to or in substitution for it under the Trust Deed.

## 10 Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 11 Events of Default

If any of the following events ("**Events of Default**") occurs, the Trustee at its discretion may, and if so requested by holders of at least one quarter in nominal amount of the Notes (excluding Retained Notes) then outstanding or if so directed by an Extraordinary Resolution shall, subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction, give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

- (a) **Non-Payment:** default is made for more than 15 days in the payment on the due date of interest or principal in respect of any of the Notes; or
- (b) **Breach of Other Obligations:** the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee such default is capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been given to the Issuer or the Guarantor by the Trustee; or
- (c) **Cessation of Business:** if the Issuer, the Guarantor or any Principal Subsidiary stops or threatens to stop payment generally or ceases or threatens to cease to carry on its business or (in the opinion of the Trustee) a substantial part of its business (except, in the case of a Principal Subsidiary, a cessation or threatened cessation for the purpose of a reconstruction or amalgamation the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution, or in connection with the transfer of all or the major part of the business, undertaking and assets of such company to the Issuer, the Guarantor or another of their respective Subsidiaries (not being an Excluded Subsidiary)); or
- (d) **Winding-up:** if (a) a petition is presented (and is not dismissed within 60 days) or an order is made or an effective resolution passed for the appointment of an administrator or the winding-up of the Issuer, the Guarantor or any Principal Subsidiary (as defined below) (except, in the case of a Principal Subsidiary, a winding-up for the purposes of a reconstruction or amalgamation, the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed), or voluntary solvent winding-up in connection with the transfer of all or the major part of the business, undertaking and assets of such Principal Subsidiary to the Issuer, the Guarantor or another Subsidiary Undertaking (as defined below) of the Issuer or the Guarantor (not being an Excluded Subsidiary)); or (b) a petition is presented (and is not dismissed within 60 days) or an order is made in respect of the Guarantor pursuant to Section 24 of the Water Industry Act 1991; or
- (e) **Administration:** if an encumbrancer takes possession or an administrative or other receiver is appointed of the whole or any material part of the undertaking or assets of the Issuer, the Guarantor or any Principal Subsidiary or if a distress, execution or any similar proceedings is levied or enforced upon or sued out against the whole or any material part of the property of the Issuer, the Guarantor or any Principal Subsidiary and in any such case is not removed, paid out or discharged within 21 days; or
- (f) **Payment of Debts:** if the Issuer, the Guarantor or any Principal Subsidiary is unable to pay its debts generally as they fall due or suspends making payments (whether of principal or interest) with respect to all or any class of its debts or announces an intention to do so; or
- (g) **Creditors:** if any kind of composition, scheme of arrangement, compromise or other similar arrangement involving the Issuer, the Guarantor or any Principal Subsidiary and the creditors of any of them generally (or any class of such creditors) is entered into or made; or
- (h) **Indebtedness:** if any indebtedness for Moneys Borrowed (as defined below) having an aggregate outstanding principal amount equal to or greater than the Threshold Amount (as defined below) of the Issuer, the Guarantor or any of their respective Subsidiaries becomes or is validly declared to be due

and payable prior to the date on which the same would otherwise become due and payable by reason of the occurrence of an event of default in relation thereto or any indebtedness for Moneys Borrowed of the Issuer, the Guarantor or any of their respective Subsidiaries having an aggregate outstanding principal amount equal to or greater than the Threshold Amount is not paid at the maturity thereof or at the expiry of any originally applicable grace period or any guarantee or indemnity in respect of any such indebtedness given by the Issuer, the Guarantor or any of their respective Subsidiaries shall not be paid when due and called upon or at the expiry of any originally applicable grace period save in any such case where there is a bona fide dispute as to whether payment is due; or

- (i) **Other Obligations:** if any of the obligations of the Guarantor under the Trust Deed are not (or are claimed by the Guarantor not to be) in full force and effect,

provided that in the case of any such event as is referred to in (b), the Trustee shall first have certified in writing that such event is, in its opinion, materially prejudicial to the interests of the Noteholders

In these Conditions:

**“ABF Scheme”** means the asset-backed funding arrangement to fund the Northumbrian Water Pension Scheme.

**“Excluded Subsidiary”** means any Subsidiary (as defined in Condition 6(h)) or Subsidiary Undertaking of the Guarantor (a) which is a single purpose company whose principal assets and business are constituted by a project, (b) none of whose liabilities in respect of the financing of such project are directly or indirectly the subject of security or a guarantee, indemnity or any other form of assurance, undertaking or support from the Guarantor or any of its Subsidiaries or Subsidiary Undertakings and (c) which has been designated as such by the Guarantor by written notice to the Trustee; provided that the Guarantor may give written notice to the Trustee at any time that any Excluded Subsidiary is no longer an Excluded Subsidiary, whereupon it shall cease to be an Excluded Subsidiary. Additionally, Reiver Holdings Limited, Reiver Finance Limited, Bakethin Holdings Limited, Bakethin Finance PLC and any Subsidiary or Subsidiary Undertaking (and, for these purposes, any undertaking of which a Subsidiary Undertaking is its General Partner is to be regarded as a Subsidiary Undertaking of the Guarantor) of the Guarantor established for the purposes of implementing the ABF Scheme shall be Excluded Subsidiaries notwithstanding that they may otherwise not have been by virtue of the other provisions of this paragraph.

**“Group”** means the Guarantor and its Subsidiary Undertakings.

**“Moneys Borrowed”** means (a) borrowed moneys, and (b) liabilities under any bond, note, bill, debenture, loan stock or other security in each case issued (i) as consideration for assets or services (but excluding such liabilities incurred in relation to the acquisition of assets or services in the ordinary course of trading) or (ii) for cash or (iii) under acceptance credit facilities.

**“Net Tangible Assets”** at any time means the aggregate at such time of:

- (a) the nominal share capital of the Guarantor for the time being issued and paid up or credited as paid up;
- (b) any credit balance on the consolidated or, if at such time the Guarantor only produces non-consolidated accounts, the non-consolidated profit and loss account of the Guarantor; and
- (c) any other consolidated or, if at such time the Guarantor only produces non-consolidated accounts, non-consolidated capital and revenue reserves of the Guarantor (which, for the avoidance of doubt shall not include any provision for deferred tax);

less the aggregate of:

- (a) any debit balance on the consolidated or, if at such time the Guarantor only produces non-consolidated accounts, non-consolidated profit and loss account of the Guarantor;

- (b) any amounts shown in the consolidated or, if at such time the Guarantor only produces non-consolidated accounts, non-consolidated balance sheet of the Guarantor in respect of goodwill or other intangible assets of the Guarantor;
- (c) any amounts credited to any consolidated or, if at such time the Guarantor only produces non-consolidated accounts, non-consolidated revaluation reserves as a result of any writing up of book values of any assets of the Group after the date of the financial statements for the year ended 31 March 2022, other than in respect of any revaluation of any freehold or leasehold interest in real property or any plant or machinery, but only to the extent that such valuation is based on a professional valuation by a reputable valuer; and
- (d) any amounts required to be set aside for taxation payable by the Guarantor and its Subsidiaries or for any distribution declared, recommended or made by the Guarantor or any of its Subsidiaries (other than to another member of the Group), in each such case to the extent that the same is not provided for in the accounts of the Guarantor.

A certificate signed by two directors for the time being of the Guarantor as to the amount of the Net Tangible Assets at any given time shall, in the absence of manifest error, be conclusive and binding on all parties.

**“Principal Subsidiary”** means any Subsidiary Undertaking of the Guarantor (a) whose profits on ordinary activities before tax or whose net assets (in each case consolidated in respect of a Subsidiary Undertaking which itself has Subsidiary Undertakings, and in each case attributable to the Guarantor) all as shown in the latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary Undertaking represent 10 per cent. or more of the consolidated profits on ordinary activities before tax or, as the case may be, consolidated net assets (in each case attributable to the shareholders of the Guarantor) of the Guarantor and its Subsidiary Undertakings (other than Excluded Subsidiaries) either (i) if the latest audited accounts of the Guarantor are consolidated accounts, as shown in such accounts or (ii) if the latest audited accounts of the Guarantor are non-consolidated accounts, as would be shown in the latest audited accounts of the Guarantor had such accounts been consolidated accounts, in each case, as adjusted; or (b) to which is transferred all or substantially all of the business, undertaking or assets of a Subsidiary Undertaking which immediately prior to such transfer is a Principal Subsidiary, whereupon the transferor Subsidiary Undertaking shall immediately cease to be a Principal Subsidiary and the transferee Subsidiary Undertaking shall become a Principal Subsidiary until publication of its next audited accounts when whether or not it shall continue to be a Principal Subsidiary shall be determined pursuant to sub-paragraph (a). A certificate signed by two directors for the time being of the Guarantor that in their opinion a Subsidiary Undertaking is not or was or was not at any particular time a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties. Additionally, Reiver Holdings Limited, Reiver Finance Limited, Bakethin Holdings Limited, Bakethin Finance PLC and any Subsidiary or Subsidiary Undertaking (and, for these purposes, any undertaking of which a Subsidiary Undertaking is its General Partner is to be regarded as a Subsidiary Undertaking of the Guarantor) of the Guarantor established for the purposes of implementing the ABF Scheme shall not be Principal Subsidiaries notwithstanding that they may otherwise have been by virtue of the other provisions of this paragraph.

**“Subsidiary Undertaking”** means, in relation to any entity, a subsidiary undertaking of such entity within the meaning of Section 1162 of the Companies Act 2006.

**“Threshold Amount”** means the higher of (a) £15,000,000 (or its equivalent in any other currency or currencies on the relevant date) and (b) 2 per cent. of Net Tangible Assets of the Guarantor.

## **12 Meetings of Noteholders, Modification, Waiver and Substitution**

### **(a) Meetings of Noteholders:**

- (i) The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including proposals to modify by Extraordinary Resolution these Conditions or the provisions of the Trust Deed or the Agency Agreement. The quorum at any

such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing a majority in outstanding principal amount of the Notes for the time being outstanding or, at any adjourned meeting, two or more persons being or representing Noteholders whatever the outstanding principal amount of the Notes so held or represented, except that, at any meeting the business of which includes the modification of certain material terms and conditions of the Notes and provisions of the Trust Deed (as set out therein, including the maturity date of the Notes and the dates for payments of interest thereon, the status of the Notes, the outstanding principal amount of, and interest and any premium payable on, the Notes, the currency of the Notes, the Guarantee and the quorum requirements for meetings of Noteholders), the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than three-quarters, or at any such adjourned meeting not less than one-quarter, of the outstanding principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of Noteholders will be binding on all Noteholders, whether or not they are present at the meeting, and on all Couponholders.

- (ii) The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of (except as mentioned in the Trust Deed), or to any waiver or authorisation of any breach or proposed breach of, any of these Conditions or any provision of the Trust Deed or the Agency Agreement which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders, or to any modification which is in its opinion of a formal, minor or technical nature or made to correct a manifest error.
- (iii) Any such modification, waiver or authorisation shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders as soon as practicable thereafter.
- (iv) The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in principal amount of the Notes for the time being outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.
- (v) The Trustee may agree to the substitution at any time or times of any successor company (as defined in the Trust Deed) of the Issuer or any Subsidiary or any holding company (as defined in the Trust Deed) of the Issuer or the Guarantor or any successor company of the Guarantor, as the principal debtor under the Trust Deed and the Notes. Such agreement shall also be subject to the relevant provisions of the Trust Deed, including (other than where the substitute obligor is the Guarantor or any successor company of the Guarantor) the irrevocable and unconditional guarantee in respect of the Notes by the Guarantor. In the case of any proposed substitution, the Trustee may agree without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Coupons and/or the Trust Deed provided that such change would not, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders.
- (vi) In connection with the exercise of its powers, trusts, authorities and discretions (including, but not limited to, those in relation to any proposed substitution or change of law as aforesaid), the Trustee shall not have regard to the consequences and, in particular, the tax consequences of such exercise for individual Noteholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

In addition, the Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Amendments in the circumstances set out in Condition 5(j) without the consent of the Noteholders or Couponholders.

- (b) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

### **13 Enforcement**

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Notes outstanding (excluding any Retained Notes), and (b) it shall have been indemnified and/or prefunded and/or secured to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

### **14 Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee may rely without liability to Noteholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Noteholders.

### **15 Replacement of Notes, Certificates, Coupons and Talons**

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

### **16 Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for

the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with an outstanding Series. References in these Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to this Condition and forming a single series with the Notes.

## 17 Notices

Notices required to be given to the holders of Registered Notes pursuant to the Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices required to be given to the holders of Bearer Notes pursuant to the Conditions shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). So long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading. If in the opinion of the Trustee any such publication is not practicable, notice required to be given pursuant to the Conditions shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

## 18 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

## 19 Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed, the Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.
- (b) **Jurisdiction:** The Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Coupons or Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Notes, Coupons or Talons or the Guarantee ("**Proceedings**") may be brought in such courts. Each of the Issuer and the Guarantor have in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

**Schedule 2**  
**Part D**  
**Form of Coupon**

On the front:

NORTHUMBRIAN WATER FINANCE PLC

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

Coupon for [[set out amount due, if known]/the amount] due on [the Interest Payment Date falling in]\* [●],[●].

[Coupon relating to Note in the nominal amount of [●]]\*\*

This Coupon is payable to bearer (subject to the Conditions endorsed on the Note to which this Coupon relates, which shall be binding upon the holder of this Coupon whether or not it is for the time being attached to such Note) at the specified offices of the Issuing and Paying Agent and the Paying Agents set out on the reverse hereof (or any other Issuing and Paying Agent or further or other Paying Agents or specified offices duly appointed or nominated and notified to the Noteholders).

[If the Note to which this Coupon relates shall have become due and payable before the maturity date of this Coupon, this Coupon shall become void and no payment shall be made in respect of it.]\*\*\*

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.<sup>8</sup>

**NORTHUMBRIAN WATER FINANCE PLC**

By:

[Cp. No.]      [Denomination]      [ISIN]      [Series]      [Certif. No.]

---

<sup>8</sup> Include for a C Rules Note or a D Rules Note.

On the back:

**ISSUING AND PAYING AGENT**

HSBC BANK PLC

**PAYING AGENT**

HSBC BANK PLC

[\*Only necessary where Interest Payment Dates are subject to adjustment in accordance with a Business Day Convention otherwise the particular Interest Payment Date should be specified.]

[\*\*Only required for Coupons relating to Floating Rate or Index Linked Interest Notes that are issued in more than one denomination.]

[\*\*\*Delete if Coupons are not to become void upon early redemption of Note.]

**Schedule 2**  
**Part E**  
**Form of Talon**

On the front:

**NORTHUMBRIAN WATER FINANCE PLC**

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

Talon for further Coupons falling due on [the Interest Payment Dates falling in]\*[●][●].

[Talon relating to Note in the nominal amount of [●]]\*\*

After all the Coupons relating to the Note to which this Talon relates have matured, further Coupons (including if appropriate a Talon for further Coupons) shall be issued at the specified office of the Issuing and Paying Agent set out on the reverse hereof (or any other Issuing and Paying Agent or specified office duly appointed or nominated and notified to the Noteholders) upon production and surrender of this Talon.

If the Note to which this Talon relates shall have become due and payable before the original due date for exchange of this Talon, this Talon shall become void and no exchange shall be made in respect of it.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.<sup>9</sup>

**NORTHUMBRIAN WATER FINANCE PLC**

By:

[Talon No.]

[ISIN]

[Series]

[Certif. No.]

On the back:

**ISSUING AND PAYING AGENT**

HSBC BANK PLC

[\* The maturity dates of the relevant Coupons should be set out if known, otherwise reference should be made to the months and years in which the Interest Payment Dates fall due.]

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<sup>9</sup> Include for a C Rules Note or a D Rules Note.

[\*\* Only required where the Series comprises Notes of more than one denomination.]

**Schedule 2**  
**Part F**  
**Form of Receipt**

**NORTHUMBRIAN WATER FINANCE PLC**

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

Receipt for the sum of [●] being the instalment of principal payable in accordance with the Terms and Conditions endorsed on the Note to which this Receipt relates (the “**Conditions**”) on [●].

This Receipt is issued subject to and in accordance with the Conditions which shall be binding upon the holder of this Receipt (whether or not it is for the time being attached to such Note) and is payable at the specified office of any of the Paying Agents set out on the reverse of the Note to which this Receipt relates (and/or any other or further Paying Agents and/or specified offices as may from time to time be duly appointed and notified to the Noteholders).

This Receipt must be presented for payment together with the Note to which it relates. If the Note to which this Receipt appertains shall have become due and payable on or before the maturity date of this Receipt, this Receipt shall become void and no payment shall be made in respect of it. The Issuer shall have no obligation in respect of this Receipt if it is presented without the Note to which it relates.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.<sup>10</sup>

**NORTHUMBRIAN WATER FINANCE PLC**

By:

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<sup>10</sup> Include for a C Rules Note or a D Rules Note.

### Schedule 3 Provisions for Meetings of Noteholders

#### Interpretation

- 1** In this Schedule:
- 1.1** references to a meeting are to a physical meeting, a virtual meeting or a hybrid meeting of Noteholders of a single series of Notes and include, unless the context otherwise requires, any adjournment;
- 1.2** references to “**Notes**” and “**Noteholders**” are only to the Notes of the Series in respect of which a meeting has been, or is to be, called, and to the holders of these Notes, respectively;
- 1.3** “**agent**” means a holder of a voting certificate or a proxy for, or representative of, a Noteholder;
- 1.4** “**Alternative Clearing System**” means any clearing system other than Euroclear or Clearstream, Luxembourg;
- 1.5** “**block voting instruction**” means an instruction issued in accordance with paragraphs 9 to 15;
- 1.6** “**Electronic Consent**” has the meaning set out in paragraph 32.1;
- 1.7** “**electronic platform**” means any form of telephony or electronic platform or facility and includes, without limitation, telephone and video conference call and application technology systems;
- 1.8** “**Extraordinary Resolution**” means a resolution passed (a) at a meeting duly convened and held in accordance with this Trust Deed by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;
- 1.9** “**hybrid meeting**” means a combined physical meeting and virtual meeting convened pursuant to this Schedule by the Issuer, or the Guarantor or the Trustee at which persons may attend either at the physical location specified in the notice of such meeting or via an electronic platform;
- 1.10** “**meeting**” means a meeting convened pursuant to this Schedule by the Issuer, or the Guarantor or the Trustee and whether held as a physical meeting or as a virtual meeting or as a hybrid meeting;
- 1.11** “**physical meeting**” means any meeting attended by persons present in person at the physical location specified in the notice of such meeting;
- 1.12** “**present**” means physically present in person at a physical meeting or a hybrid meeting, or able to participate in or join a virtual meeting or a hybrid meeting held via an electronic platform;
- 1.13** “**virtual meeting**” means any meeting held via an electronic platform;
- 1.14** “**voting certificate**” means a certificate issued in accordance with paragraphs 6 to 8;
- 1.15** “**Written Resolution**” means a resolution in writing signed by the holders of not less than 90 per cent. in nominal amount of the Notes outstanding;

- 1.16** references to persons representing a proportion of the Notes are to Noteholders or agents holding or representing in the aggregate at least that proportion in nominal amount of the Notes for the time being outstanding; and
- 1.17** where Notes are held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, references herein to the deposit or release or surrender of Notes shall be construed in accordance with the usual practices (including in relation to the blocking of the relevant account) of Euroclear or Clearstream, Luxembourg or such Alternative Clearing System.

### **Powers of meetings**

- 2** A meeting shall, subject to the Conditions and without prejudice to any powers conferred on other persons by this Trust Deed, have power by Extraordinary Resolution:
- 2.1** to sanction any proposal by the Issuer, the Guarantor or the Trustee for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders and/or the Couponholders against the Issuer or the Guarantor, whether or not those rights arise under this Trust Deed;
- 2.2** to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer, the Guarantor or any other entity;
- 2.3** to assent to any modification of this Trust Deed, the Agency Agreement, the Notes, the Receipts, the Talons or the Coupons proposed by the Issuer, the Guarantor or the Trustee;
- 2.4** to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- 2.5** to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- 2.6** to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders' interests and to confer on them any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;
- 2.7** to approve a proposed new Trustee and to remove a Trustee;
- 2.8** to approve the substitution of any entity for the Issuer or the Guarantor (or any previous substitute) as principal debtor or guarantor under this Trust Deed; and
- 2.9** to discharge or exonerate the Trustee from any liability in respect of any act or omission for which it may become responsible under this Trust Deed, the Agency Agreement, the Notes, the Receipts, the Talons or the Coupons,

provided that the special quorum provisions in paragraph 20 shall apply to any Extraordinary Resolution (a "**special quorum resolution**") for the purpose of sub-paragraph 2.2 or 2.8 or for the purpose of making a modification to this Trust Deed, the Agency Agreement or the Notes which would have the effect of:

- (i) amending the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes;
- (ii) reducing or cancelling the nominal amount of, or any premium payable on redemption of, the Notes;

- (iii) reducing the rate or rates of interest in respect of the Notes or varying the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes;
- (iv) changing the currency of payment of the Notes or the Coupon;
- (v) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown thereon, reducing any such Minimum and/or Maximum;
- (vi) varying any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount;
- (vii) modifying the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution;
- (viii) amending the Guarantee; or
- (ix) amending this provision.

### **Convening a meeting**

- 3** The Issuer, the Guarantor or the Trustee may at any time convene a meeting. If it receives a written request by Noteholders holding at least 10 per cent in nominal amount of the Notes of any Series for the time being outstanding and is indemnified and/or secured and/or prefunded to its satisfaction against all costs and expenses, the Trustee shall convene a meeting of the Noteholders of that Series. Every physical meeting shall be held at a time and place approved by the Trustee. Every virtual meeting shall be held via an electronic platform and at a time approved by the Trustee. Every hybrid meeting shall be held at a time and place and via an electronic platform approved by the Trustee.
- 4** At least 21 days' notice (exclusive of the day on which the notice is given and of the day of the meeting) shall be given to the Noteholders. A copy of the notice shall be given by the party convening the meeting to the other parties. The notice shall specify the day and time of the meeting and manner in which it is to be held, and if a physical meeting or hybrid meeting is to be held, the place of the meeting and, unless the Trustee otherwise agrees, the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives, obtain voting certificates and use block voting instructions and the details of the time limits applicable. With respect to a virtual meeting or a hybrid meeting, each such notice shall set out such other and further details as are required under paragraph 35.

### **Cancellation of meeting**

- 5** A meeting that has been validly convened in accordance with paragraph 3 above, may be cancelled by the person who convened such meeting by giving at least 7 days' notice (exclusive of the day on which the notice is given and of the day of the meeting) to the Noteholders (with a copy to the Trustee where such meeting was convened by the Issuer or to the Issuer where such meeting was convened by the Trustee). Any meeting cancelled in accordance with this paragraph 5 shall be deemed not to have been convened.

### **Arrangements for voting on Notes (whether in definitive form or represented by a Global Note and whether held within or outside a Clearing System) – Voting Certificates**

- 6** If a holder of a Bearer Note wishes to obtain a voting certificate in respect of it for a meeting, he must deposit such Bearer Note for that purpose at least 48 hours before the time fixed

for the meeting with a Paying Agent or to the order of a Paying Agent with a bank or other depositary nominated by the Paying Agent for the purpose. The Paying Agent shall then issue a voting certificate in respect of it.

- 7** A voting certificate shall:
  - 7.1** be a document in the English language;
  - 7.2** be dated;
  - 7.3** specify the meeting concerned and the serial numbers (if applicable) of the Notes deposited;
  - 7.4** entitle, and state that it entitles, its bearer to attend and vote at that meeting in respect of those Notes; and
  - 7.5** specify details of evidence of the identity of the bearer of such voting certificate.
- 8** Once a Paying Agent has issued a voting certificate for a meeting in respect of a Note, it shall not release the Note until either:
  - 8.1** the meeting has been concluded; or
  - 8.2** the voting certificate has been surrendered to the Paying Agent.

**Arrangements for voting on Notes (whether in definitive form or represented by a Global Note and whether held within or outside a Clearing System) – Block Voting Instructions**

- 9** If a holder of a Bearer Note wishes the votes attributable to it to be included in a block voting instruction for a meeting, then, at least 48 hours before the time fixed for the meeting, (i) the holder must deposit the Note for that purpose with a Paying Agent or to the order of a Paying Agent with a bank or other depositary nominated by the Paying Agent for the purpose and (ii) the holder or a duly authorised person on their behalf must direct the Paying Agent how those votes are to be cast. The Paying Agent shall issue a block voting instruction in respect of the votes attributable to all Notes so deposited.
- 10** A block voting instruction shall:
  - 10.1** be a document in the English language;
  - 10.2** be dated;
  - 10.3** specify the meeting concerned;
  - 10.4** list the total number and serial numbers (if applicable) of the Notes deposited, distinguishing with regard to each resolution between those voting for and those voting against it;
  - 10.5** certify that such list is in accordance with Notes deposited and directions received as provided in paragraphs 9, 12 and 15; and
  - 10.6** appoint one or more named persons (each a “**proxy**”) to vote at that meeting in respect of those Notes and in accordance with that list.

A proxy need not be a Noteholder.

- 11** Once a Paying Agent has issued a block voting instruction for a meeting in respect of the votes attributable to any Notes:
  - 11.1** it shall not release the Notes, except as provided in paragraph 12, until the meeting has been concluded; and

- 11.2** the directions to which it gives effect may not be revoked or altered during the 48 hours before the time fixed for the meeting.
- 12** If the receipt for a Note deposited with or to the order of a Paying Agent in accordance with paragraph 9 is surrendered to the Paying Agent at least 48 hours before the time fixed for the meeting, the Paying Agent shall release the Note and exclude the votes attributable to it from the block voting instruction.
- 13** Each block voting instruction shall be deposited at least 24 hours before the time fixed for the meeting at such place or delivered by another method as the Trustee shall designate or approve, and in default the block voting instruction shall not be valid unless the chairperson of the meeting decides otherwise before the meeting proceeds to business. If the Trustee requires, a certified copy of each block voting instruction shall be produced by the proxy at the meeting or delivered to the Trustee prior to the meeting but the Trustee need not investigate or be concerned with the validity of the proxy's appointment.
- 14** A vote cast in accordance with a block voting instruction shall be valid even if it or any of the Noteholders' instructions pursuant to which it was executed has previously been revoked or amended, unless written intimation of such revocation or amendment is received from the relevant Paying Agent by the Issuer or the Trustee at its registered office or by the chairperson of the meeting in each case at least 24 hours before the time fixed for the meeting.
- 15** No Note may be deposited with or to the order of a Paying Agent at the same time for the purposes of both paragraph 6 and paragraph 9 for the same meeting.

**Arrangements for voting on Registered Notes (whether in definitive form or represented by a Global Certificate) and whether held within or outside a Clearing System) – Appointment of Proxy or Representative**

- 16** A proxy or representative may be appointed in the following circumstances:
- 16.1** *Proxy:* A holder of Registered Notes may, by an instrument in writing in the English language (a "**form of proxy**") signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Registrar or the Principal Paying Agent not less than 48 hours before the time fixed for the relevant meeting, appoint one or more persons (each a "**proxy**") to act on his or its behalf in connection with any meeting of the Noteholders and any adjourned such meeting.
- 16.2** *Representative:* Any holder of Registered Notes which is a corporation may, by delivering to the Registrar or the Principal Paying Agent not later than 48 hours before the time fixed for any meeting a resolution of its directors or other governing body, authorise any person to act as its representative (a "**representative**") in connection with any meeting of the Noteholders and any adjourned such meeting.
- 16.3** *Other Proxies:* If the holder of a Registered Note is an Alternative Clearing System or a nominee of an Alternative Clearing System and the rules or procedures of such Alternative Clearing System so require, such nominee or Alternative Clearing System may appoint proxies in accordance with, and in the form used, by such Alternative Clearing System as part of its usual procedures from time to time in relation to meetings of Noteholders. Any proxy so appointed may, by an instrument in writing in the English language in the form available from the specified office of the Registrar or the Principal Paying Agent, or in such other form as may have been approved by the Trustee at least seven days before the date

fixed for a meeting, signed by the proxy or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the Registrar or the Principal Paying Agent not later than 48 hours before the time fixed for any meeting, appoint any person or the Principal Paying Agent or any employee(s) of it nominated by it (the “**sub-proxy**”) to act on his or its behalf in connection with any meeting or proposed meeting of Noteholders. All references to “proxy” or “proxies” in this Schedule other than in this sub-paragraph 16.3 shall be read so as to include references to “sub-proxy” or “sub-proxies”.

- 16.4** *Record Date:* For so long as the Notes are eligible for settlement through an Alternative Clearing System’s book-entry settlement system and the rules or procedures of such Alternative Clearing System so require, the Issuer may fix a record date for the purpose of any meeting, provided such record date is no more than 10 days prior to the date fixed for such meeting which shall be specified in the notice convening the meeting.
- 16.5** Any proxy or sub-proxy appointed pursuant to sub-paragraph 16.1, 16.3 or 16.5 above or representative appointed pursuant to sub-paragraph 16.2 above shall, so long as such appointment remains in full force, be deemed, for all purposes in connection with the relevant meeting or adjourned meeting of the Noteholders, to be the holder of the Notes to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder or owner, respectively.

#### **Chairperson**

- 17** The chairperson of a meeting shall be such person as the Trustee may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders or agents present shall choose one of their number to be chairperson, failing which the Issuer may appoint a chairperson. The chairperson need not be a Noteholder or agent. The chairperson of an adjourned meeting need not be the same person as the chairperson of the original meeting.

#### **Attendance**

- 18** The following may attend and speak at a meeting:
- 18.1** Noteholders and agents;
- 18.2** the chairperson;
- 18.3** the Issuer, the Guarantor and the Trustee (through their respective representatives) and their respective financial and legal advisers; and
- 18.4** the Dealers and their advisers.

No-one else may attend, participate and/or speak.

#### **Quorum and Adjournment**

- 19** No business (except choosing a chairperson) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders or if the Issuer and the Trustee agree, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place or manner in which it is to be held as the chairperson may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.

- 20** Two or more Noteholders or agents present at the meeting shall be a quorum:
- 20.1** in the cases marked “No minimum proportion” in the table below, whatever the proportion of the Notes which they represent; and
- 20.2** in any other case, only if they represent the proportion of the Notes shown by the table below.

<b>COLUMN 1</b>	<b>COLUMN 2</b>	<b>COLUMN 3</b>
Purpose of meeting	Any meeting except one referred to in column 3	Meeting previously adjourned through want of a quorum
	Required proportion	Required proportion
To pass a special quorum resolution	at least three-quarters of outstanding principal amount of Notes	at least one-quarter of outstanding principal amount of Notes
To pass any other Extraordinary Resolution	A clear majority	No minimum proportion
Any other purpose	10 per cent	No minimum proportion

- 21** The chairperson may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place and alternate manner. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 19.
- 22** At least 10 days’ notice (exclusive of the day on which the notice is given and of the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

### **Voting**

- 23** At a meeting which is held only as a physical meeting, each question submitted to such meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairperson, the Issuer, the Guarantor, the Trustee or one or more persons representing not less than 2 per cent of the Notes.
- 24** Unless a poll is demanded a declaration by the chairperson that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
- 25** If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairperson directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.

- 26** A poll demanded on the election of a chairperson or on a question of adjournment shall be taken at once.
- 27** On a show of hands every person who is present in person and who produces a Note, a Certificate of which he is the registered holder or a voting certificate or is a proxy or representative has one vote. On a poll every such person has one vote in respect of each integral currency unit of the Specified Currency of such Series of Notes so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
- 28** In case of equality of votes the chairperson shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.
- 29** At a virtual meeting or a hybrid meeting, a resolution put to the vote of the meeting shall be decided on a poll in accordance with paragraph 37, and any such poll will be deemed to have been validly demanded at the time fixed for holding the meeting to which it relates.

### **Effect and Publication of an Extraordinary Resolution**

- 30** An Extraordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and on all the Couponholders and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to Noteholders within 14 days but failure to do so shall not invalidate the resolution.

### **Minutes**

- 31** Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairperson of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

### **Written Resolution and Electronic Consent**

- 32** Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

For so long as the Notes are in the form of a Global Note held on behalf of, or a Global Certificate registered in the name of any nominee for, one or more of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, then, in respect of any resolution proposed by the Issuer, the Guarantor or the Trustee:

- 32.1** *Electronic Consent:* where the terms of the resolution proposed by the Issuer, the Guarantor or the Trustee (as the case may be) have been notified to the Noteholders through the relevant clearing system(s), as provided in sub-paragraphs (i) and/or (ii) below, each of the Issuer, the Guarantor and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Paying Agent or another specified agent and/or the Trustee in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes

outstanding (the “**Required Proportion**”) (“**Electronic Consent**”) by close of business on the Relevant Date. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. None of the Issuer, the Guarantor or the Trustee shall be liable or responsible to anyone for such reliance;

- (i) when a proposal for a resolution to be passed as an Electronic Consent has been made, at least 10 days’ notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing systems(s). The notice shall specify in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the “**Relevant Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).
- (ii) if, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall, if the party proposing such resolution (the “**Proposer**”) so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform the Noteholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph (i) above. For the purpose of such further notice, references to “**Relevant Date**” shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer or the Guarantor or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with paragraph 3 above, unless that meeting is or shall be cancelled or dissolved; and

**32.2** *Written Resolution:* where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer, the Guarantor and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer, the Guarantor and/or the Trustee, as the case may be, (a) by accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer, the Guarantor and/or the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, “**commercially reasonable evidence**” includes any certificate or other document issued by Euroclear, Clearstream Luxembourg or any relevant clearing system, and/ or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of

interests in the Notes. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. None of the Issuer, the Guarantor and the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders and holders of Coupons, Talons and Receipts, whether or not they participated in such Written Resolution and/or Electronic Consent.

### **Trustee's Power to Prescribe Regulations**

- 33** Subject to all other provisions in this Trust Deed the Trustee may without the consent of the Noteholders prescribe or approve such further regulations regarding the holding of meetings and attendance and voting at them as it in its sole discretion determines or as proposed by the Issuer or the Guarantor if the Trustee, is of the opinion that such regulations are not materially prejudicial to the interests of Noteholders including (without limitation) such requirements as the Trustee thinks reasonable to satisfy itself that the persons who purport to make any requisition in accordance with this Trust Deed are entitled to do so and as to the form of voting certificates or block voting instructions so as to satisfy itself that persons who purport to attend or vote at a meeting are entitled to do so.
- 34** The foregoing provisions of this Schedule shall have effect subject to the following provisions:
- 34.1** meetings of Noteholders of separate Series will normally be held separately. However, the Trustee may from time to time determine that meetings of Noteholders of separate Series shall be held together;
- 34.2** a resolution that in the opinion of the Trustee affects one Series alone shall be deemed to have been duly passed if passed at a separate meeting of the Noteholders of the Series concerned;
- 34.3** a resolution that in the opinion of the Trustee affects the Noteholders of more than one Series but does not give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed if passed at a single meeting of the Noteholders of the relevant Series provided that for the purposes of determining the votes a Noteholder is entitled to cast pursuant to paragraph 27, each Noteholder shall have one vote in respect of each £1,000 nominal amount of Notes held, converted, if such Notes are not denominated in Sterling, in accordance with sub-Clause 11.13;
- 34.4** a resolution that in the opinion of the Trustee affects the Noteholders of more than one Series and gives or may give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed only if it shall be duly passed at separate meetings of the Noteholders of the relevant Series; and

- 34.5** to all such meetings as aforesaid all the provisions of this Schedule shall *mutatis mutandis* apply as though references therein to Notes and to Noteholders were references to the Notes and Noteholders of the Series concerned.

### **Additional provisions applicable to Virtual and/or Hybrid Meetings**

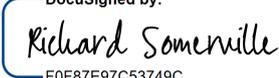
- 35** The Issuer, the Guarantor (in each case, with the Trustee's prior approval) or the Trustee in its sole discretion may decide to hold a virtual meeting or a hybrid meeting and, in such case, shall provide details of the means for Noteholders or their proxies or representatives to attend, participate in and/or speak at the meeting, including the electronic platform to be used.
- 36** Without prejudice to paragraph 18, the Issuer, or the Guarantor or the chairperson (in each case, with the Trustee's prior approval) or the Trustee in its sole discretion may make any arrangement and impose any requirement or restriction as is necessary to ensure the identification of those entitled to take part in the virtual meeting or hybrid meeting and the suitability of the electronic platform. All documentation that is required to be passed between persons at or for the purposes of the virtual meeting or persons attending the hybrid meeting via the electronic platform (in each case, in whatever capacity) shall be communicated by email (or such other medium of electronic communication as the Trustee may approve) provided that the Issuer or the Guarantor or its agent(s) shall be solely responsible for facilitating the distribution of all such documentation unless the meeting shall have been convened by the Trustee.
- 37** All resolutions put to a virtual meeting or a hybrid meeting shall be voted on by a poll in accordance with paragraphs 25-28 above (inclusive).
- 38** Persons seeking to attend, participate in, speak at or join a virtual meeting or a hybrid meeting via the electronic platform, shall be responsible for ensuring that they have access to the facilities (including, without limitation, IT systems, equipment and connectivity) which are necessary to enable them to do so.
- 39** In determining whether persons are attending, participating in or joining a virtual meeting or a hybrid meeting via the electronic platform, it is immaterial whether any two or more members attending it are in the same physical location as each other or how they are able to communicate with each other.
- 40** Two or more persons who are not in the same physical location as each other attend a virtual meeting or a hybrid meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.
- 41** The chairperson of the meeting reserves the right to take such steps as the chairperson shall determine in its absolute discretion to avoid or minimise disruption at the meeting, which steps may include (without limitation), in the case of a virtual meeting or a hybrid meeting via the electronic platform only, muting the electronic connection to the meeting of the person causing such disruption for such period of time as the chairperson may determine.
- 42** A person is able to exercise the right to speak at a virtual meeting or a hybrid meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, as contemplated by the relevant provisions of this Schedule.
- 43** A person is able to exercise the right to vote at a virtual meeting or a hybrid meeting when:

- 43.1** that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- 43.2** that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting who are entitled to vote at such meeting.
- 44** If any person has connectivity or similar issues, the Chairperson may temporarily suspend the meeting until such time as the connectivity or similar issue is resolved.
- 45** The Trustee shall not be responsible or liable to the Issuer, or the Guarantor or any other person for the choice or security of the electronic platform used for any virtual meeting or hybrid meeting or for accessibility or connectivity or the lack of accessibility or connectivity to any virtual meeting or hybrid meeting notwithstanding any approval that may have been provided by the Issuer or the Guarantor.

**This deed is delivered on the date stated at the beginning.**

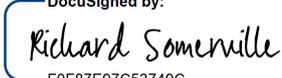
**NORTHUMBRIAN WATER FINANCE PLC**

Director:   
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Director/Secretary:   
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**NORTHUMBRIAN WATER LIMITED**

Director:   
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Company Secretary:   
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HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED

By:

*Sharad Khatri*

SHARAD KHATRI  
Authorised Signatory

Witnessed by:

*Mark Jones*

Witness Name: MARK JONES

Witness Address: .....

HSBC Bank Plc  
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