



Registration of a Charge

Company Name: **STONEWATER FUNDING PLC**

Company Number: **08190978**



Received for filing in Electronic Format on the: **29/07/2021**

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Details of Charge

Date of creation: **26/07/2021**

Charge code: **0819 0978 0007**

Persons entitled: **LAW DEBENTURE TRUST CORPORATION P.L.C.(THE)**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Chargor acting as a bare trustee for the property.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **LALE ALI**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8190978

Charge code: 0819 0978 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th July 2021 and created by STONEWATER FUNDING PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th July 2021 .

Given at Companies House, Cardiff on 30th July 2021

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**



Dated 26 July 2021

STONEWATER FUNDING PLC
THE LAW DEBENTURE TRUST CORPORATION P.L.C.

NOTE TRUST DEED
relating to the £1,000,000,000
Note Programme

We hereby certify
this to be a true copy
of the original

Devonshires Solicitors LLP
28/07/21

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This Deed is made on 26 July 2021

Between:

- (1) **Stonewater Funding plc**, a public limited company incorporated under the laws of England and Wales with company 08190978 whose registered office is at Suite C Lancaster House, Grange Business Park, Enderby Road, Whetstone, Leicester, Leicestershire LE8 8EP (the **Issuer**); and
- (2) **The Law Debenture Trust Corporation p.l.c.**, a public limited company incorporated under the laws of England and Wales with registered number 1675231 and with its offices at 8th Floor, 100 Bishopsgate, London EC2N 4AG (the **Note Trustee**, which expression shall, wherever the context so admits, include such company and all other persons or companies for the time being the trustee or trustees of these presents) as trustee for the Noteholders the Receipholders and the Couponholders (each as defined below).

Whereas:

- (A) By a resolution of the Finance Challenge and Assurance Panel of the Issuer passed on 20 July 2021 (acting under delegated authority from the board of directors of the Issuer) the Issuer has resolved to establish a Note Programme pursuant to which the Issuer may from time to time issue Notes as set out herein. Notes up to a maximum principal amount (calculated in accordance with Clause 3.5 of the Programme Agreement (as defined below)) from time to time outstanding of £1,000,000,000 (subject to increase as provided in the Programme Agreement) (the **Programme Limit**) may be issued pursuant to the Programme.
- (B) The Note Trustee has agreed to act as trustee of these presents for the benefit of the Noteholders, the Receipholders and the Couponholders upon and subject to the terms and conditions of these presents.

It is agreed:

1 Definitions

- 1.1 In these presents unless there is anything in the subject or context inconsistent therewith the following expressions shall have the following meanings:

Agency Agreement means the agreement dated 26 July 2021, as amended and/or supplemented and/or restated from time to time, pursuant to which the Issuer has appointed the Principal Paying Agent, the other Paying Agents and the Agent Bank in relation to all or any Series of the Notes and any other agreement for the time being in force appointing further or other Paying Agents, another Principal Paying Agent or another Agent Bank in relation to all or any Series of the Notes, or in connection with their duties, the terms of which have previously been approved in writing by the Note Trustee, together with any agreement for the time being in force amending or modifying with the prior written approval of the Note Trustee any of the aforesaid agreements;

Appointee means any attorney, manager, agent, delegate, nominee, custodian, receiver or other person appointed by the Note Trustee under these presents;

Auditors means the independent auditors for the time being of the Issuer or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of these presents, such other firm of accountants or such financial advisers as

may be selected by the Issuer and approved by the Note Trustee after due consultation with the Issuer for the purposes of these presents;

Basic Terms Modification means any proposal to:

- (a) reduce or cancel the amount payable or, where applicable, modify, except where such modification is in the opinion of the Note Trustee bound to result in an increase, the method of calculating the amount payable or modify the date of payment or, where applicable, the method of calculating the date of payment in respect of any principal or interest in respect of the Notes;
- (b) alter the currency in which payments under the Notes and Coupons are to be made;
- (c) amend the Asset Cover Test in any Secured Loan Agreement or the Unencumbered Assets Test in any Unsecured Loan Agreement;
- (d) alter the majority required to pass an Extraordinary Resolution;
- (e) sanction any such scheme or proposal or substitution as is described in paragraphs 21(i) and 21(j) of Schedule 3 (*Provisions for Meetings of Noteholders*); or
- (f) alter the proviso to paragraph 8 of Schedule 3 or the proviso to paragraph 11 of Schedule 3 (*Provisions for Meetings of Noteholders*);

CGN means a Temporary Global Note in the form set out in Part 1 (*Form of Temporary Global Note*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) or a Permanent Global Note in the form set out in Part 2 (*Form of Permanent Global Note*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*), in either case where the applicable Pricing Supplement specifies that the Notes are not in New Global Note form;

Clearing System has the meaning set out in paragraph 1 of Schedule 3 (*Provisions for Meetings of Noteholders*);

Clearstream, Luxembourg means Clearstream Banking S.A.;

Conditions means, in relation to the Notes of any Series, the terms and conditions endorsed on or incorporated by reference into the Note or Notes constituting such Series, such terms and conditions being in or substantially in the form set out in Schedule 1 (*Conditions of the Notes*) or in such other form, having regard to the terms of the Notes of the relevant Series, as may be agreed between the Issuer, the Note Trustee and the relevant Dealer(s) as modified and supplemented by the Pricing Supplement applicable to the Notes of the relevant Series, in each case as from time to time modified in accordance with the provisions of these presents and any reference in these presents to a particular specified Condition or paragraph of a Condition shall in relation to such Series of Notes be construed accordingly;

Coupon means an interest coupon appertaining to the Notes, such coupon being in the form or substantially in the form set out in Part 5 (*Form of Coupon*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) or in such other form, having regard to the terms of issue of the Notes of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent, the Note Trustee and the relevant Dealer(s) and includes, where applicable, the Talon(s) appertaining thereto and any replacements for Coupons and Talons issued pursuant to Condition 13 (*Replacement of Notes, Receipts, Coupons and Talons*);

Couponholders means the several persons who are for the time being holders of the Coupons and includes, where applicable, the Talonholders;

Dealers means those entities named as such in the Programme Agreement and any other entity which the Issuer may appoint as a Dealer and notice of whose appointment has been given to the Principal Paying Agent and the Note Trustee by the Issuer in accordance with the provisions of the Programme Agreement but excluding any entity whose appointment has been terminated in accordance with the provisions of the Programme Agreement and notice of such termination has been given to the Principal Paying Agent and the Note Trustee by the Issuer in accordance with the provisions of the Programme Agreement and references to a **relevant Dealer** or the **relevant Dealer(s)** mean, in relation to any Tranche or Series of Notes, the Dealer or Dealers with whom the Issuer has agreed the issue of the Notes of such Tranche or Series and **Dealer** means any one of them;

Definitive Note means a Note in definitive form issued or, as the case may require, to be issued by the Issuer in accordance with the provisions of the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s), the Agency Agreement and these presents in exchange for either a Temporary Global Note or part thereof or a Permanent Global Note (all as indicated in the applicable Pricing Supplement), such Note in definitive form being in the form or substantially in the form set out in Part 3 (*Form of Definitive Note*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Note Trustee and the relevant Dealer(s) and having the Conditions endorsed thereon or, if permitted by the relevant Stock Exchange, incorporating the Conditions by reference as indicated in the applicable Pricing Supplement and having the relevant information supplementing, replacing or modifying the Conditions appearing in the applicable Pricing Supplement endorsed thereon or attached thereto and having Receipts, Coupons and Talons (as applicable) attached thereto on issue;

Directors means the Board of Directors for the time being of the Issuer and **Director** means any one of them;

Euroclear means Euroclear Bank SA/NV;

Event of Default means any of the conditions, events or acts provided in Condition 12 (*Events of Default*) to be events upon the happening of which the Notes of any Series would, subject only to notice by the Note Trustee as therein provided, become immediately due and repayable;

Extraordinary Resolution has the meaning set out in paragraph 1 of Schedule 3 (*Provisions for Meetings of Noteholders*);

FSMA means the Financial Services and Markets Act 2000;

Global Note means a Temporary Global Note and/or a Permanent Global Note, as the context may require;

holding company means any company which is for the time being a holding company (within the meaning of Section 1159 of the Companies Act 2006);

Interest Commencement Date means, in respect of any Note, the date specified in the applicable Pricing Supplement from (and including) which such Note bears interest, which may or may not be the Issue Date;

ISM means the London Stock Exchange's International Securities Market;

Issue Date means, in respect of any Note, the date of issue and purchase of such Note pursuant to and in accordance with the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) being, in the case of any Definitive Note represented initially by a Global Note, the same date as the date of issue of the Global Note which initially represented such Note;

Issue Price means the price, generally expressed as a percentage of the principal amount of the Notes, at which the Notes will be issued;

Liability means any loss, damage, cost, fee, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis;

London Stock Exchange means the London Stock Exchange plc or such other body to which its functions have been transferred;

month means calendar month;

NGN means a Temporary Global Note in the form set out in Part 1 (*Form of Temporary Global Note*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) or a Permanent Global Note in the form set out in Part 2 (*Form of Permanent Global Note*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*), in either case where the applicable Pricing Supplement specifies that the Notes are in New Global Note form;

Note means a note issued pursuant to the Programme and denominated in the Specified Currency which has such maturity and denomination as may be agreed between the Issuer and the relevant Dealer(s) and issued or to be issued by the Issuer pursuant to the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and these presents and which shall either:

- (a) initially be represented by, and comprised in, a Temporary Global Note which may (in accordance with the terms of such Temporary Global Note) be exchanged for Definitive Notes or a Permanent Global Note which Permanent Global Note may (in accordance with the terms of such Permanent Global Note) in turn be exchanged for Definitive Notes; or
- (b) be represented by, and comprised in, a Permanent Global Note which may (in accordance with the terms of such Permanent Global Note) be exchanged for Definitive Notes;

all as indicated in the applicable Pricing Supplement, and includes any replacements for a Note issued pursuant to Condition 13 (*Replacement of Notes, Receipts, Coupons and Talons*);

Noteholders means the several persons who are for the time being holders of outstanding Notes (being the bearers thereof) save that, in respect of the Notes of any Series, for so long as such Notes or any part thereof are represented by a Global Note deposited with a common depository (in the case of a CGN) or common safekeeper (in the case of a NGN) for Euroclear, and Clearstream, Luxembourg or, in respect of Notes in definitive form held in an account with Euroclear or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an accountholder of Euroclear, and Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg) as the holder of a particular principal

amount of the Notes of such Series shall be deemed to be the holder of such principal amount of such Notes (and the holder of the relevant Global Note shall be deemed not to be the holder) for all purposes of these presents other than with respect to the payment of principal or interest on such principal amount of such Notes, the rights to which shall be vested, as against the Issuer and the Note Trustee, solely in such common depositary or common safekeeper and for which purpose such common depositary or common safekeeper shall be deemed to be the holder of such principal amount of such Notes in accordance with and subject to its terms and the provisions of these presents and the expressions **Noteholder**, **holder** and **holder of Notes** and related expressions shall (where appropriate) be construed accordingly;

outstanding means, in relation to the Notes of all or any Series, all the Notes of such Series issued other than:

- (a) those Notes which have been redeemed pursuant to these presents;
- (b) those Notes in respect of which the date (including, where applicable, any deferred date) for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest payable thereon) have been duly paid to the Note Trustee or to the Principal Paying Agent (as applicable) in the manner provided in the Agency Agreement (and where appropriate notice to that effect has been given to the relevant Noteholders in accordance with Condition 16 (Notices)) and remain available for payment in accordance with the Conditions;
- (c) those Notes which have been purchased and cancelled in accordance with Conditions 9.10 (*Purchase of Notes by the Borrowers*) and 9.12 (*Cancellation*) and those Retained Notes which the Issuer has elected or is required to surrender for cancellation pursuant to 9.12 (*Cancellation*);
- (d) those Notes which have become void or in respect of which claims have become prescribed, in each case under Condition 11 (*Prescription*);
- (e) those mutilated or defaced Notes which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Condition 13 (*Replacement of Notes, Receipts, Coupons and Talons*);
- (f) (for the purpose only of ascertaining the principal amount of the Notes outstanding and without prejudice to the status for any other purpose of the relevant Notes) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 13 (*Replacement of Notes, Receipts, Coupons and Talons*); and
- (g) any Global Note to the extent that it shall have been exchanged for Definitive Note or another Global Note pursuant to its provisions, the provisions of these presents and the Agency Agreement.

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of the holders of the Notes of any Series, an Extraordinary Resolution in writing or an Extraordinary Resolution by way of electronic consents through the relevant Clearing System(s) as envisaged by paragraph 1 of Schedule 3 (*Provisions for Meetings of Noteholders*) and any direction or request by the holders of the Notes of any Series;

- (ii) the determination of how many and which Notes of any Series are for the time being outstanding for the purposes of Clause 10.2 (*Proceedings, action and indemnification*), Condition 12 (*Events of Default*), Condition 18 (*Meetings of Noteholders, Modification and Waiver*) and paragraphs 2, 6, 8 and 11 of Schedule 3 (*Provisions for Meetings of Noteholders*);
- (iii) any discretion, power or authority (whether contained in these presents or vested by operation of law) which the Note Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the holders of the Notes of any Series; and
- (iv) the determination by the Note Trustee whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the holders of the Notes of any Series;

those Notes of the relevant Series (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer, any Borrower or any other member of the Group (including, for the avoidance of doubt, the Retained Notes for so long as they are held by or on behalf of the Issuer), in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

Paying Agents means, in relation to all or any Series of the Notes, the several institutions (including, where the context permits, the Principal Paying Agent) at their respective specified offices initially appointed as paying agents in relation to such Notes by the Issuer pursuant to the Agency Agreement and/or, if applicable, any Successor paying agents at their respective specified offices;

Permanent Global Note means a global note in the form or substantially in the form set out in Part 2 (*Form of Permanent Global Note*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Note Trustee and the relevant Dealer(s), together with the copy of the applicable Pricing Supplement annexed thereto, comprising some or all of the Notes of the same Series, issued by the Issuer pursuant to the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and these presents either on issue or in exchange for the whole or part of any Temporary Global Note issued in respect of such Notes;

Potential Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Event of Default;

Pricing Supplement has the meaning set out in the Programme Agreement;

Principal Paying Agent means, in relation to all or any Series of the Notes, The Bank of New York Mellon, London Branch at its office at One Canada Square, London E14 5AL or, if applicable, any Successor agent in relation to all or any Series of the Notes;

Programme means the £1,000,000,000 Note Programme established by, or otherwise contemplated in, the Programme Agreement;

Programme Admission Particulars means the programme admission particulars prepared in connection with the Programme as revised, supplemented or amended from time to time by the Issuer;

Programme Agreement means the agreement of even date herewith between the Issuer, and the Dealers named therein (or deemed named therein) concerning the purchase of Notes to be issued pursuant to the Programme together with any agreement for the time being in force amending, replacing, novating or modifying such agreement and any accession letters and/or agreements supplemental thereto;

Receipt means a principal receipt appertaining to the Notes, such receipt being in the form or substantially in the form set out in Part 4 (*Form of Receipt*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) or in such other form, having regard to the terms of issue of the Notes of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent, the Note Trustee and the relevant Dealer(s) and includes, where applicable, any replacements for Receipts issued pursuant to Condition 13 (*Replacement of Notes, Receipts, Coupons and Talons*);

Receiptholders means the several persons who are for the time being holders of the Receipts;

Receiver includes a receiver, a receiver and manager and an administrative receiver;

repay, redeem and pay shall each include both of the others and cognate expressions shall be construed accordingly;

Series means a Tranche of Notes together with any further Tranche or Tranches of Notes which:

- (a) are expressed to be consolidated and form a single series; and
- (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue,

and the expressions **Notes of the relevant Series, holders of Notes of the relevant Series** and related expressions shall (where appropriate) be construed accordingly;

Series Charged Property means:

- (a) in respect of each Series of Partly Secured Notes, the property which is charged and assigned pursuant to these presents in respect of such Series of Partly Secured Notes; and
- (b) in respect of each Series of Fully Secured Notes, the property which is charged and assigned pursuant to these presents in respect of such Series of Fully Secured Notes and the property which is charged and assigned pursuant to the Security Documents and allocated for the benefit of the Series Secured Parties of such Series of Fully Secured Notes;

Series Secured Obligations means, in respect of each Series, all moneys and other liabilities payable or owing (whether present, future, contingent or prospective) by the Issuer to the Series Secured Parties under these presents and the other Programme Documents;

Series Security means:

- (a) in respect of each Series of Partly Secured Notes, the security constituted by or pursuant to these presents for the benefit of the Series Secured Parties of such Series of Partly Secured Notes; and

- (b) In respect of each Series of Fully Secured Notes, the security constituted by or pursuant to these presents and the Security Documents for the benefit of the Series Secured Parties of such Series of Fully Secured Notes;

Specified Currency means, in respect of any Note, the currency specified in the applicable Pricing Supplement;

Stock Exchange means the ISM and/or any other or further stock exchange or securities market on which any Notes may from time to time be listed, and references in these presents to the relevant **Stock Exchange** shall, in relation to any Notes, be references to the Stock Exchange on which such Notes are, from time to time, or are intended to be, listed;

Subsidiary means, in relation to any entity, any company which is for the time being a subsidiary (within the meaning of Section 1159 of the Companies Act 2006, as amended or re-enacted from time to time) of such entity;

Successor means, in relation to the Principal Paying Agent and the other Paying Agents, any successor to any one or more of them in relation to the Notes which shall become such pursuant to the provisions of these presents and/or the Agency Agreement (as the case may be) and/or such other or further principal paying agent or paying agents (as the case may be) in relation to the Notes as may (with the prior approval of, and on terms previously approved by, the Note Trustee in writing) from time to time be appointed as such, and/or, if applicable, such other or further specified offices as may from time to time be nominated, in each case by the Issuer and (except in the case of the initial appointments and specified offices made under and specified in the Conditions and/or the Agency Agreement, as the case may be) notice of whose appointment or, as the case may be, nomination has been given to the Noteholders by the Issuer pursuant to Clause 15.1(m) (Covenants) in accordance with Condition 16 (Notices);

SBM means the London Stock Exchange's Sustainable Bond Market;

Talon means a talon (if any) appertaining to, and exchangeable in accordance with the provisions therein contained for further Coupons appertaining to, the Definitive Notes, such talons being in the form or substantially in the form set out in Part 6 (*Form of Talon*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) or in such other form as may be agreed between the Issuer, the Principal Paying Agent, the Note Trustee and the relevant Dealer(s) and includes any replacements for Talons issued pursuant to Condition 13 (*Replacement of Notes, Receipts, Coupons and Talons*);

Talonholders means the several persons who are for the time being holders of the Talons;

Temporary Global Note means a Temporary Global Note in the form or substantially in the form set out in Part 1 (*Form of Temporary Global Note*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) together with the copy of the applicable Pricing Supplement annexed thereto with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Note Trustee and the relevant Dealer(s), comprising some or all of the Notes of the same Series, issued by the Issuer pursuant to the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and these presents;

these presents means this Deed and the Schedules and any trust deed supplemental hereto and the Schedules (if any) thereto and the Notes, the Receipts, the Coupons, the Talons, the Conditions and, unless the context otherwise requires, the Pricing Supplement, all as from time to time modified in accordance with the provisions herein or therein contained;

Tranche means all Notes which are identical in all respects (including as to listing and admission to trading);

Trust Corporation means a corporation entitled by rules made under the Public Trustee Act 1906 of Great Britain or entitled pursuant to any other comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee;

Trustee Acts means the Trustee Act 1925 and the Trustee Act 2000;

Unencumbered Assets Test has the meaning given to it in the Unsecured Loan Agreements;

words denoting the singular shall include the plural and vice versa;

words denoting one gender only shall include the other genders; and

words denoting persons only shall include firms and corporations and vice versa;

- 1.2 Terms defined in the Conditions or used in the applicable Pricing Supplement and not otherwise defined in these presents shall have the same meaning in these presents and, in the event of inconsistency between the Conditions and the applicable Pricing Supplement, the applicable Pricing Supplement shall prevail.

1.3

(a) All references in these presents to:

- (i) principal and/or principal amount and/or interest in respect of the Notes or to any moneys payable by the Issuer under these presents shall, unless the context otherwise requires, be construed in accordance with Condition 8.6 (*Interpretation of principal and interest*);
- (ii) **Sterling, pounds and £** shall be construed as references to the lawful currency for the time being of the United Kingdom;
- (iii) **U.S. Dollars, dollars or \$** shall be construed as references to the lawful currency for the time being of the United States of America;
- (iv) **euro or €** shall be construed as references to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;
- (v) any statute or any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under any such modification or re-enactment;
- (vi) any action, remedy or method of proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than England, references to such action, remedy or method of proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate to such action, remedy or method of proceeding described or referred to in these presents;
- (vii) Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits (but not in the case of any NGN), be deemed to include references to any additional or alternative clearing system as is approved by the Issuer, the

Principal Paying Agent and the Note Trustee or as may otherwise be specified in the applicable Pricing Supplement; and

- (viii) 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.
- (b) Unless the context otherwise requires words or expressions used in these presents shall bear the same meanings as in the Companies Act 2006 (as amended or re-enacted from time to time).
- (c) In this Deed references to Schedules, Clauses and paragraphs shall be construed as references to the schedules to, and to the clauses and paragraphs of, this Deed, respectively.
- (d) In these presents tables of contents and Clause headings are included for ease of reference and shall not affect the construction of these presents.
- (e) All references in these presents to taking proceedings against the Issuer shall be deemed to include references to proving in the winding up of the Issuer.
- (f) All references in these presents involving compliance by the Note Trustee with a test of reasonableness shall be deemed to include a reference to a requirement that such reasonableness shall be determined by reference solely to the interests of the Noteholders of the relevant one or more Series as a class, save that, so long as any Notes (including, for the avoidance of doubt, any Retained Notes) are held by or on behalf of the Issuer, the Note Trustee shall have no regard to the interests of the Issuer.
- (g) Any reference in these presents to a written notice, consent or approval being given by the Note Trustee shall, for the avoidance of doubt, be deemed to include such notice, consent or approval being given by e-mail.

1.4 All references in these presents to **listing or **having a listing** shall:**

- (a) in relation to the London Stock Exchange, be construed to mean that such Notes have been admitted to trading on the ISM (and, where applicable in respect of any Notes which constitute Sustainable Bonds, the SBM);
- (b) in relation to any other Stock Exchange which is a regulated market in a jurisdiction within the European Economic Area, be construed to mean that such Notes have been admitted to trading on a regulated market within that jurisdiction; and
- (c) in relation to any other securities market, be construed to mean that such Notes have been admitted to trading on such securities market.

and all references in these presents to **listing** and **listed** shall include references to **admission to trading** and **admitted to trading**, respectively.

2 Amount and issue of the Notes

2.1 Amount of the Notes, Pricing Supplement and Legal Opinions

The Notes will be issued in Series in an aggregate principal amount from time to time outstanding not exceeding the Programme Limit from time to time and for the purpose of

determining such aggregate principal amount Clause 3.2(c) of the Programme Agreement shall apply.

By not later than 3.00 p.m. (London time) on the third Business Day preceding each proposed Issue Date, the Issuer shall deliver or cause to be delivered to the Note Trustee a copy of the applicable Pricing Supplement and drafts of all legal opinions to be given in relation to the relevant issue and shall notify the Note Trustee in writing without delay of the relevant Issue Date and the principal amount of the Notes to be issued. Upon the issue of the relevant Notes, such Notes shall become constituted by these presents without further formality.

Before the first issue of Notes occurring after each anniversary of this Deed and on such other occasions as the Note Trustee so requests (on the basis that the Note Trustee (in consultation with the Issuer) considers it necessary in view of a change (or proposed change) in English law affecting the Issuer, these presents or any other Programme Document or the Note Trustee has other grounds), the Issuer will procure that (a) further legal opinion(s) (relating, if applicable, to any such change or proposed change) in such form and with such content as the Note Trustee may require from the legal advisers specified in the Programme Agreement or such other legal advisers as the Note Trustee may require is/are delivered to the Note Trustee. Whenever such a request is made with respect to any Notes to be issued, the receipt of such opinion in a form satisfactory to the Note Trustee shall be a further condition precedent to the issue of those Notes.

2.2 Covenant to repay principal and to pay interest

The Issuer covenants with the Note Trustee that it will, as and when the Notes of any Series or any of them become due to be redeemed in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Note Trustee in the Specified Currency in immediately available funds the principal amount in respect of the Notes of such Series and shall in the meantime and until redemption in full of the Notes of such Series (both before and after any judgment or other order of a court of competent jurisdiction) unconditionally pay or procure to be paid to or to the order of the Note Trustee as aforesaid interest (which shall accrue from day to day) on the principal amount of the Notes outstanding of such Series at such rates and/or in such amounts calculated from time to time in accordance with, or specified in, and on the dates provided for in, the Conditions, provided that:

- (a) every payment of principal or interest or other sum due in respect of the Notes made to or to the order of the Principal Paying Agent in the manner provided in the Agency Agreement shall be in satisfaction *pro tanto* of the relative covenant by the Issuer in this Clause contained in relation to the Notes of such Series except to the extent that there is a default in the subsequent payment thereof in accordance with the Conditions to the relevant Noteholders, Receipholders or Couponholders (as the case may be);
- (b) in the case of any payment of principal which is not made to the Note Trustee or the Principal Paying Agent on or before the due date, interest shall continue to accrue on the principal amount of the relevant Notes (both before and after any judgment or other order of a court of competent jurisdiction) at the rates aforesaid (or, if higher, the rate of interest on judgment debts for the time being provided by English law) up to and including the date which the Note Trustee determines to be the date on and after which payment is to be made in respect thereof as stated in a notice given to the holders of such Notes (such date to be not later than 30 days after the day on which the whole of such principal amount, together with an amount equal to the interest which has accrued and is to accrue pursuant to this proviso up to and including that date, has been received by the Note Trustee or the Principal Paying Agent); and

- (c) in any case where payment of the whole or any part of the principal amount of any Note is improperly withheld or refused (other than in circumstances contemplated by (b) above) interest shall accrue on the principal amount of such Note payment of which has been so withheld or refused (both before and after any judgment or other order of a court of competent jurisdiction) at the rates aforesaid (or, if higher, the rate of interest on judgment debts for the time being provided by English law) from and including the date of such withholding or refusal up to and including the date on which payment of the full amount (including interest as aforesaid) in the relevant currency payable in respect of such Note is made or (if earlier) the fifth day after notice is given to the relevant Noteholder(s) (whether individually or in accordance with Condition 16 (Notices)) that the full amount (including interest as aforesaid) in the Specified Currency in respect of such Note is available for payment, provided that such payment is made.

The Note Trustee will hold the benefit of this covenant and the other covenants in this Deed on trust for the Noteholders, the Receiptholders and the Couponholders and itself in accordance with these presents.

2.3 Trustee's requirements regarding Paying Agents etc

At any time after an Event of Default shall have occurred and be continuing or the Notes of all or any Series shall otherwise have become due and repayable or the Note Trustee shall have received any money which it proposes to pay under Clause 11 (*Application of moneys*) to the relevant Noteholders and/or Receiptholders and/or Couponholders, the Note Trustee may:

- (a) by notice in writing to the issuer, the Principal Paying Agent, the other Paying Agents, the Agent Bank, the Account Bank and the Custodian require the Principal Paying Agent, the other Paying Agents, the Agent Bank, the Account Bank and the Custodian pursuant to the Agency Agreement:
- (i) to act thereafter as Principal Paying Agent, other Paying Agents, Agent Bank, Account Bank and Custodian respectively of the Note Trustee in relation to payments to be made by or on behalf of the Note Trustee under the terms of these presents *mutatis mutandis* on the terms provided in the Agency Agreement, the Account Agreement and the Custody Agreement, respectively, (save that the Note Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Principal Paying Agent, the other Paying Agents, the Agent Bank, the Account Bank and the Custodian shall be limited to the amounts for the time being held by the Note Trustee on the trusts of these presents relating to the Notes of the relevant Series and available for such purpose) and thereafter to hold all Notes, Receipts and Coupons and all sums, documents and records held by them in respect of Notes, Receipts and Coupons on behalf of the Note Trustee; and/or
 - (ii) to deliver up all Notes, Receipts and Coupons and all sums, documents and records held by them in respect of Notes, Receipts and Coupons to the Note Trustee or as the Note Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any documents or records which the Principal Paying Agent, other Paying Agent, Agent Bank, Account Bank or Custodian is obliged not to release by any law or regulation; and/or
- (b) by notice in writing to the issuer require them to make all subsequent payments in respect of the Notes, Receipts and Coupons to or to the order of the Note Trustee and not to the Principal Paying Agent and with effect from the issue of any such notice to

the Issuer and until such notice is withdrawn Clause 2.2(a) relating to the Notes shall cease to have effect.

2.4 Currency of payments

All payments in respect of, under and in connection with these presents and the Notes of any Series to the relevant Noteholders, Receiptholders and Couponholders shall be made in the Specified Currency.

2.5 Further Notes

The Issuer shall be at liberty from time to time (but subject always to the provisions of these presents) without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further Notes having terms and conditions the same as the Notes of any Series (and backed by the same assets) (or the same in all respects save for the amount and date of the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding Notes of a particular Series.

2.6 Separate Series

The Notes of each Series shall form a separate Series of Notes and accordingly, unless for any purpose the Note Trustee in its absolute discretion shall otherwise determine, the provisions of this Clause and of Clauses 3 (*Forms of the Notes*) to 23 (*Currency indemnity*) (both inclusive) and 24.2 (*Separate and Co-Note Trustees*) and Schedule 3 (*Provisions for Meetings of Noteholders*) shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses and Schedule the expressions **Notes**, **Noteholders**, **Receipts**, **Receiptholders**, **Coupons**, **Couponholders**, **Talons** and **Talonholders** shall (where appropriate) be construed accordingly.

3 Forms of the Notes

3.1 Global Notes

- (a) The Notes of each Tranche will initially be represented by a single Temporary Global Note or a single Permanent Global Note, as indicated in the applicable Pricing Supplement. Each Temporary Global Note shall be exchangeable, upon a request as described therein, for either Definitive Notes together with, where applicable, Receipts, Coupons and Talons attached, or a Permanent Global Note in each case in accordance with the provisions of such Temporary Global Note. Each Permanent Global Note shall be exchangeable for Definitive Notes together with, where applicable, Receipts, Coupons and Talons attached, in accordance with the provisions of such Permanent Global Note. All Global Notes shall be prepared, completed and delivered to a common depositary (in the case of a CGN) or common safekeeper (in the case of a NGN) for Euroclear and Clearstream, Luxembourg in accordance with the provisions of the Programme Agreement or to another appropriate depositary in accordance with any other agreement between the Issuer and the relevant Dealer(s) and, in each case, the Agency Agreement.
- (b) Each Temporary Global Note shall be printed or typed in the form or substantially in the form set out in Part 1 (*Form of Temporary Global Note*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) and may be a facsimile. Each Temporary Global Note shall have annexed thereto a copy of the applicable Pricing Supplement and shall be signed on behalf of the Issuer manually or in facsimile by a person duly authorised by the Issuer, and shall be authenticated by or on behalf of the

Principal Paying Agent and shall, in the case of a Eurosystem-eligible NGN or in the case of a Non-eligible NGN in respect of which effectuation is to be applicable, be effectuated by the common safekeeper acting on the instructions of the Principal Paying Agent. Each Temporary Global Note so executed and authenticated shall be a binding and valid obligation of the Issuer and title thereto shall pass by delivery.

- (c) Each Permanent Global Note shall be printed or typed in the form or substantially in the form set out in Part 2 (*Form of Permanent Global Note*) of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*) and may be a facsimile. Each Permanent Global Note shall have annexed thereto a copy of the applicable Pricing Supplement and shall be signed on behalf of the Issuer manually or in facsimile by a person duly authorised by the Issuer, and shall be authenticated by or on behalf of the Principal Paying Agent and shall, in the case of a Eurosystem-eligible NGN or in the case of a Non-eligible NGN in respect of which effectuation is to be applicable, be effectuated by the common safekeeper acting on the instructions of the Principal Paying Agent. Each Permanent Global Note so executed and authenticated shall be a binding and valid obligation of the Issuer and title thereto shall pass by delivery.

3.2 Definitive Notes

- (a) The Definitive Notes, the Receipts, the Coupons and the Talons shall be issued in the respective forms or substantially in the respective forms set out in Part 3 (*Form of Definitive Note*), Part 4 (*Form of Receipt*), Part 5 (*Form of Coupon*) and Part 6 (*Form of Talon*), respectively, of Schedule 2 (*Forms of Global and Definitive Notes, Receipts, Coupons and Talons*). The Definitive Notes, the Receipts, the Coupons and the Talons shall be serially numbered and, if listed or quoted, shall be security printed in accordance with the requirements (if any) from time to time of the relevant Stock Exchange and the relevant Conditions may be incorporated by reference into such Definitive Notes unless not so permitted by the relevant Stock Exchange (if any), or the Definitive Notes shall be endorsed with or have attached thereto the relevant Conditions, and, in either such case, the Definitive Notes shall have endorsed thereon or attached thereto a copy of the applicable Pricing Supplement (or the relevant provisions thereof). Title to the Definitive Notes, the Receipts, the Coupons and the Talons shall pass by delivery.
- (b) The Definitive Notes shall be signed on behalf of the Issuer manually or in facsimile by a person duly authorised by the Issuer and shall be authenticated by or on behalf of the Principal Paying Agent. The Definitive Notes so executed and authenticated, and the Receipts, Coupons and Talons, upon execution and authentication of the relevant Definitive Notes, shall be binding and valid obligations of the Issuer. The Receipts, the Coupons and the Talons shall not be signed. No Definitive Note and none of the Receipts, Coupons or Talons appertaining to such Definitive Note shall be binding or valid until such Definitive Note shall have been executed and authenticated as aforesaid.

3.3 Facsimile signatures

The Issuer may use the facsimile signature of any person who at the date such signature is affixed to a Note is duly authorised by the Issuer notwithstanding that at the time of issue of any of the Notes he may have ceased for any reason to be so authorised.

3.4 Persons to be treated as Noteholders

Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Note Trustee, the Principal Paying Agent and the other Paying Agents (in each case whether or not overdue and notwithstanding any notation of ownership or writing thereon or notice of any previous loss or theft or change of ownership thereof) may:

- (a) for the purpose of making payment thereon or on account thereof deem and treat the bearer of any Global Note, Definitive Note, Receipt, Coupon or Talon as the absolute owner thereof free from all encumbrances, and shall not be required to obtain proof of such ownership or as to the identity of the bearer; and
- (b) for all other purposes deem and treat:
 - (i) the bearer of any Definitive Note, Receipt, Coupon or Talon; and
 - (ii) each person for the time being shown in the records of Euroclear or Clearstream, Luxembourg or such other additional or alternative clearing system approved by the Issuer, the Note Trustee and the Principal Paying Agent, as having a particular principal amount of Notes credited to his securities account,

as the absolute owner thereof free from all encumbrances and shall not be required to obtain proof of such ownership or as to the identity of the bearer of any Global Note, Definitive Note, Receipt, Coupon or Talon.

3.5 Reliance on Certification of a Clearing System

The Note Trustee may call for any certificate or other document to be issued by Euroclear or Clearstream, Luxembourg as to the principal amount of Notes represented by a Global Note standing to the account of any person. 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 Creation Online system) in accordance with its usual procedures and in which the holder of a particular principal amount of Notes is clearly identified together with the amount of such holding. The Note 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 and subsequently found to be forged or not authentic.

4 Security

4.1 The Issuer with full title guarantee for the payment or discharge of the Series Secured Obligations in respect of each Series of Partly Secured Notes:

- (a) assigns absolutely by way of security the Issuer's rights, title and interest arising under the Loan Agreements, the Agency Agreement and the Account Agreement, in each case to the extent that they relate to such Series;
- (b) charges by way of first fixed charge over all moneys from time to time standing to the credit of the Series Transaction Account in respect of such Series, and all debts represented thereby and any other bank or other accounts in which the Issuer may at any time have an interest in relation to such Series; and

- (c) charges by way of first fixed charge over all rights of the Issuer in respect of any sums held from time to time by the Paying Agents for the payment of principal or interest in respect of such Series.

in each case on terms that the Note Trustee shall hold the proceeds of such security for itself and on trust for the Series Secured Parties of such Series, subject to the provisions of, and the order of priority provided for in, Clause 11 (*Application of moneys*).

provided always that, unless and until such security has become enforceable in accordance with these presents (but subject to the terms of the Programme Documents), the Issuer shall be entitled to exercise all its rights and claims under or in connection with the Programme Documents.

4.2 The Issuer with full title guarantee for the payment or discharge of the Series Secured Obligations in respect of each Series of Fully Secured Notes:

- (a) assigns absolutely by way of security the Issuer's rights, title and interest arising under the Loan Agreements, the Security Trust Deed, the Legal Mortgages, the Agency Agreement, the Account Agreement and the Custody Agreement, in each case to the extent that they relate to such Series;
- (b) charges by way of first fixed charge over all moneys and/or securities from time to time standing to the credit of the Series Transaction Account, the Series Ongoing Cash Security Account, the Series Initial Cash Security Account (if any) and the Series Custody Account, in each case of such Series, and all debts represented thereby and any other bank or other accounts in which the Issuer may at any time have an interest in relation to such Series; and
- (c) charges by way of first fixed charge over all rights of the Issuer in respect of any sums held from time to time by the Paying Agents for the payment of principal or interest in respect of such Series;

in each case on terms that the Note Trustee shall hold the proceeds of such security for itself and on trust for the Series Secured Parties of such Series, subject to the provisions of, and the order of priority provided for in, Clause 11 (*Application of moneys*).

provided always that, unless and until such security has become enforceable in accordance with these presents (but subject to the terms of the Programme Documents), the Issuer shall be entitled to exercise all its rights and claims under or in connection with the Programme Documents.

4.3 Prior to the enforcement of the Series Security constituted by or created pursuant to these presents, the Note Trustee shall have no obligation to sell, liquidate or otherwise realise any of the Series Charged Property. Notwithstanding the foregoing, the Note Trustee undertakes to release at the expense of the Issuer from the Series Security created by and pursuant to these presents the Series Charged Property (or the relevant part thereof) against the payment to or to the order of the Note Trustee of the net proceeds of any sale or realisation of the Series Charged Property (or such part thereof) if the Issuer or any other person acting on behalf of any of them is, pursuant to and in accordance with these presents, selling, liquidating or otherwise realising the Series Charged Property in order to (and only to the extent necessary to do so) make payments in respect of the Notes and all other payments (if any) due from the Issuer under these presents and any other Programme Document.

- 4.4 If, for any reason, the purported assignment by way of security or charge of any of the Series Charged Property is found to be ineffective, the Issuer will hold the benefit of such Series Charged Property and any sums received in respect of such Series Charged Property or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure the Series Charged Property on trust for the Note Trustee until such time as the Issuer's obligations in respect of the relevant Series of Notes are fully paid and discharged and will:
- (a) account to the Note Trustee for or otherwise apply all such sums as the Note Trustee may direct;
 - (b) exercise any rights it may have in respect of the Series Charged Property at the direction of the Note Trustee; and
 - (c) at its own cost take such action and execute such documents in connection with the foregoing as the Note Trustee may in its sole discretion require.
- 4.5 Subject as provided in Clause 4.1, the Issuer shall, promptly after a request by the Note Trustee, serve notice on any person referred to in Clause 4.1 upon whom the Issuer can be required to serve notice pursuant thereto, in such form as the Note Trustee may require.
- 4.6 The Note Trustee shall not be responsible for, nor shall it have any liability with respect to, any loss, diminution in value or theft of all or any part of the Series Charged Property and shall not be obliged to insure or to procure the insurance of all or any part of the Series Charged Property and shall have no responsibility or liability arising from the fact that all or any part of the Series Charged Property is registered in its name or held by it or on its behalf by any bank or custodian whether selected by the Issuer or by the Note Trustee.
- 4.7 In respect of any Series of Notes, the Series Security constituted by Clauses 4.1 and 4.2 shall become enforceable upon:
- (a) the Notes of such Series becoming due and repayable pursuant to Condition 12 (*Events of Default*);
 - (b) any failure for any reason of the Issuer to redeem or repay the Notes of such Series in full after having become obliged to do so pursuant to Condition 9.2 (*Redemption for tax reasons*), 9.3 (*Redemption at the option of the Borrowers (Borrower Call)*), 9.4 (*Mandatory Call Par Option*), 9.5 (*Residual Call Option*) or 9.6 (*Mandatory Early Redemption*).
- 4.8 At any time after all or part of the Series Security shall have become enforceable in accordance with Clause 4.7, the Note Trustee may in its discretion and shall, if so requested in writing by the holders of at least one fourth in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution, but without any liability as to the consequence of such action and without having regard to the effect of such action on individual Noteholders, Receiptholders or Couponholders, take possession of the Series Charged Property or the relevant part thereof and may at the like discretion sell, call in, collect and convert into money, and enforce any rights it may have in respect of, the Series Charged Property or the relevant part thereof in such manner and upon such terms as the Note Trustee shall think fit and so that the power of sale conferred by Section 101 of the Law of Property Act 1925 (but free from the restrictions imposed by Sections 93 and 103 of such Act) shall apply and have effect on the basis that these presents constitute a mortgage within the meaning of that Act and the Note Trustee is a mortgagee exercising the power of sale conferred upon mortgagees by that Act, provided always that the Note Trustee shall not be required to take any action without first being indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it

may thereby render itself liable or which it may incur by so doing and subject as provided in Condition 12.2 (*Enforcement*).

- 4.9 Upon any such sale, calling in, collection, conversion or enforcement as aforesaid and upon any other dealing or transaction under the provisions contained in these presents, the receipt by the Note Trustee of the purchase money for the assets sold and for any other moneys paid to it shall effectually discharge the purchaser or other person paying the same and such purchaser or other person shall not be responsible for the application of such moneys.
- 4.10 The Note Trustee may raise and borrow money on the security of the Series Charged Property or any part thereof for the purpose of defraying any moneys, costs, charges, losses and expenses paid or incurred by it (including, without limitation, any registration taxes or any similar charges payable in connection with enforcement of the Series Security created by these presents, the costs of realisation of any security and the remuneration of the Note Trustee) or in the exercise of any of the powers contained in these presents. The Note Trustee may raise and borrow such money at such rate of interest and generally on such terms and conditions as it shall think fit and may secure the repayment of the money so raised or borrowed with interest on the same by mortgaging or otherwise charging the Series Charged Property or any part thereof and either in priority to the Security or otherwise generally in such manner and form as the Note Trustee shall think fit and for such purposes may execute and do all such assurances, acts and things as it shall think fit.
- 4.11 The Issuer by way of security irrevocably appoints the Note Trustee and every Receiver of the Series Charged Property or any part thereof appointed pursuant to these presents to be its attorney severally on its behalf and in its name to execute and to do any assurances, acts and things which the Issuer ought to execute or do under the covenants and provisions contained in these presents and generally on its behalf and in its name to exercise all or any of the powers, authorities or discretions conferred by or pursuant to these presents or otherwise on the Note Trustee or any such Receiver. The Issuer hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause.
- 4.12 None of the Note Trustee, any Receiver and any Appointee shall by reason of taking possession of any Series Charged Property or any part thereof or any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever be liable to account for anything except actual receipts or be liable for any loss or damage arising from realisation of, or enforcement of rights in respect of, the Series Charged Property or any part thereof or from any act, default or omission in relation to the Series Charged Property or any part thereof or from any exercise or non-exercise by it of any power, authority or discretion conferred upon it in relation to the Series Charged Property or any part thereof by or pursuant to these presents or otherwise unless such loss or damage shall be caused by its own wilful default, gross negligence or fraud.
- 4.13 The powers conferred by these presents in relation to the Series Charged Property or any part thereof on the Note Trustee or on any Receiver of such property or any part thereof shall be in addition to and not in substitution for the powers conferred on mortgagees or Receivers under the Law of Property Act 1925 and where there is any ambiguity or conflict between the powers contained in such Act and those conferred by these presents the terms of these presents shall prevail.
- 4.14 No person dealing with the Note Trustee or with any Receiver of the Series Charged Property or any part thereof appointed by the Note Trustee shall be concerned to enquire whether any event has happened upon which any of the powers, authorities and discretions conferred by or

pursuant to these presents in relation to such property or such part thereof are or may be exercisable by the Note Trustee or by any such Receiver or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers, authorities or discretions and all the protections to purchasers contained in Sections 104 to 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with the Note Trustee or any such Receiver in like manner as if the statutory powers of sale and of appointing a Receiver in relation to the Series Charged Property had not been varied or extended by these presents.

4.15 Without prejudice to the generality of Clauses 4.1 and 4.2, the Series Security contained in or granted pursuant to these presents shall remain in force as continuing security for the Note Trustee (for itself and as trustee for the Series Secured Parties) notwithstanding any settlement of account or the existence at any time of a credit balance on any current or other account or any other act, event or matter whatsoever.

4.16 Where any discharge (whether in respect of the obligations of the Issuer or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise without limitation, the liability of the Issuer under these presents shall continue as if the discharge or arrangement had not occurred. The Note Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

4.17 The Issuer waives any right it may have of first requiring the Note Trustee or any other Series Secured Party (or any person on its behalf) to proceed against or enforce any other rights or security or claim payment from any other person before enforcing the security constituted by these presents.

4.18 The security constituted by these presents is in addition to and is not in any way prejudiced by any other guarantee or security now or hereafter held by the Note Trustee or any of the other Series Secured Parties.

4.19 The Note Trustee hereby declares itself trustee of all the Series Security made or given or to be made or given under or pursuant to these presents on trust for itself and the other Series Secured Parties in respect of the Series Secured Obligations owed to each of them respectively upon and subject to the terms and conditions of these presents.

4.20 The Issuer shall at its own expense execute and do all such assurances, acts and things as the Note Trustee may require for perfecting or protecting the security intended to be created by or pursuant to these presents over the Series Charged Property or any part thereof or for facilitating the realisation of, or enforcement of rights in respect of, the Series Charged Property or any part thereof and the exercise of all powers, authorities and discretions vested in the Note Trustee or any Receiver of the Series Charged Property or any part thereof or in any delegate or sub-delegate thereof. To that intent, the Issuer shall in particular execute all transfers, conveyances, assignments and assurances of such property whether to the Note Trustee or to its nominees and give all notices, orders and directions and make all registrations which the Note Trustee may think expedient. A certificate from the Note Trustee to the effect that a particular action is required by it shall be conclusive evidence of that fact.

5 Fees, duties and taxes

The Issuer will pay any stamp, issue, registration, documentary and other fees, duties and taxes, including interest and penalties, payable on or in connection with:

- (a) the execution and delivery of these presents;
- (b) the constitution and issue of the Notes, the Receipts and the Coupons; and
- (c) any action taken by or on behalf of the Note Trustee or (where permitted under these presents so to do) any Noteholder, Receiptholder or Couponholder to enforce, or to resolve any doubt concerning, or for any other purpose in relation to, these presents.

6 Covenant of compliance

The Issuer covenants with the Note Trustee that it will comply with and perform and observe all the provisions of these presents which are expressed to be binding on it. The Conditions shall be binding on the Issuer, the Noteholders, the Receiptholders and the Couponholders. The Note Trustee shall be entitled to enforce the obligations of the Issuer under the Notes, the Receipts and the Coupons as if the same were set out and contained in this Deed, which shall be read and construed as one document with the Notes, the Receipts and the Coupons. The Note Trustee shall hold the benefit of this covenant upon trust for itself and the Noteholders, the Receiptholders and the Couponholders according to its and their respective interests.

7 Cancellation of Notes and records

7.1 The Issuer shall procure that all Notes issued by it which are (a) redeemed or (b) purchased by or on behalf of any Borrower or any other member of the Group and surrendered for cancellation or (c) which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 13 (*Replacement of Notes, Receipts, Coupons and Talons*) (together in each case, in the case of Definitive Notes, with all unmatured Receipts and Coupons attached thereto or delivered therewith) or (d) exchanged as provided in these presents; or (e) in the case of Retained Notes, elected or required to be cancelled in accordance with Condition 9.12 (*Cancellation*), and all Receipts and Coupons paid in accordance with the relevant Conditions or which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 13 (*Replacement of Notes, Receipts, Coupons and Talons*), shall forthwith be cancelled by or on behalf of the Issuer and a certificate stating:

- (a) the aggregate principal amount of Notes which have been redeemed and the aggregate amounts in respect of Receipts and Coupons which have been paid;
- (b) the serial numbers of such Notes in definitive form;
- (c) the total numbers (where applicable, of each denomination) by maturity date of such Receipts and Coupons;
- (d) the aggregate amount of interest paid (and the due dates of such payments) on Global Notes;
- (e) the aggregate principal amount of Notes (if any) which have been purchased by or on behalf of any Borrower or any other member of the Group and cancelled, the aggregate principal amount of any Retained Notes which have been cancelled (subject to delivery of the Notes to the Principal Paying Agent) and the serial numbers of such Notes in definitive form and, in the case of Definitive Note, the total number (where applicable, of each denomination) by maturity date of the Receipts, Coupons and Talons attached thereto or surrendered therewith;
- (f) the aggregate principal amounts of Notes and the aggregate amounts in respect of Receipts and Coupons which have been so surrendered and replaced and the serial

numbers of such Notes in definitive form and the total number (where applicable, of each denomination) by maturity date of such Receipts, Coupons and Talons;

- (g) the total number (where applicable, of each denomination) by maturity date of the unmaturing Coupons missing from Definitive Notes which have been redeemed or surrendered and replaced and the serial numbers of the Definitive Notes to which such missing unmaturing Coupons appertain; and
- (h) the total number (where applicable, of each denomination) by maturity date of Talons which have been exchanged for further Coupons;

shall be given to the Note Trustee by or on behalf of the Issuer as soon as possible and in any event within one month after the end of each calendar quarter during which any such redemption, purchase, payment, exchange or replacement (as the case may be) takes place. The Note Trustee may accept such certificate as conclusive evidence of redemption, purchase, payment, exchange or replacement *pro tanto* of the Notes or payment of principal or interest thereon or exchange of the relative Talons respectively and of cancellation of the relative Notes, Receipts and Coupons.

7.2 The Issuer shall procure that:

- (a) the Principal Paying Agent shall keep a full and complete record of all Notes, Receipts, Coupons and Talons issued by it (other than serial numbers of Coupons) and of their redemption, any cancellation or any payment (as the case may be) and of all replacement notes, coupons or talons issued in substitution for lost, stolen, mutilated, defaced or destroyed Notes, Receipts, Coupons or Talons;
- (b) the Principal Paying Agent shall in respect of the Receipts and Coupons of each maturity retain (in the case of Coupons other than Talons) until the expiry of ten years from the Relevant Date in respect of such Receipts or Coupons and (in the case of Talons indefinitely) either all paid or exchanged Receipts or Coupons of that maturity or a list of the serial numbers of Receipts or Coupons of that maturity still remaining unpaid or unexchanged; and
- (c) such records and Receipts and Coupons (if any) shall be made available to the Note Trustee at all times.

8 Certificates and reports by Auditors, Valuers and other experts

Any certificate or report given by the Auditors, Valuers or other experts approved by the Note Trustee at any particular time under any provision of these presents shall (in the absence of manifest error) be conclusive and binding for all the purposes of these presents on the Issuer, the Note Trustee, the Noteholders and all other persons.

9 Non-Payment

Proof that as regards any specified Note, Receipt or Coupon the Issuer have made default in paying any amount due in respect of such Note, Receipt or Coupon shall (unless the contrary be proved) be sufficient evidence that the same default has been made as regards all other Notes, Receipts or Coupons (as the case may be) in respect of which the relevant amount is due and payable.

10 Proceedings, action and indemnification

10.1 The Note Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) as it may think fit against or in relation to the Issuer to enforce its obligations under these presents or otherwise.

10.2 The Note Trustee shall not be bound to take any steps, action or proceedings mentioned in sub-Clause 10.1 or Condition 12.2 (*Enforcement*)) or any other steps or action in relation to these presents unless respectively directed or requested to do so:

- (a) by an Extraordinary Resolution; or
- (b) in writing by the holders of at least one-fourth in principal amount of the Notes then outstanding.

and, in either case, then only if it shall be indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing.

10.3 The Note Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Note Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

10.4 Only the Note Trustee may enforce the provisions of these presents. No Noteholder or Couponholder shall be entitled:

- (a) to proceed directly against the Issuer to enforce the performance of any of the provisions of these presents; or
- (b) to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer.

in each case unless the Note Trustee having become bound as aforesaid to take any such action, steps or proceedings fails or is unable to do so within a reasonable period and such failure or inability is continuing.

11 Application of moneys

All moneys received by the Note Trustee (including any moneys which represent principal or interest in respect of the Notes, Receipts or Coupons which have become void under Condition 11 (*Prescription*)) shall be held by the Note Trustee upon trust to apply them (subject to Clause 13 (*Investment by Note Trustee*)):

- (a) in accordance with Condition 5.1 (*Order of Payments – Pre-enforcement*) prior to the enforcement of the Series Security; and
- (b) in accordance with Condition 5.2 (*Order of Payments – Post-enforcement*) following the enforcement of the Series Security.

Without prejudice to this Clause 11, if the Note Trustee holds any moneys which represent principal or interest in respect of Notes which have become void or in respect of which claims have been prescribed under Condition 11 (*Prescription*), the Note Trustee will hold such moneys on the above trusts.

12 Notice of payments

The Note Trustee shall give notice to the relevant Noteholders in accordance with Condition 16 (*Notices*) of the day fixed for any payment to them under Clause 11 (*Application of moneys*). Such payment may be made in accordance with Condition 8 (*Payments*) and any payment so made shall be a good discharge to the Note Trustee.

13 Investment by Note Trustee

13.1 The Note Trustee may at its discretion and pending payment invest moneys at any time available for the payment of principal and interest on the Notes of any Series in some or one of the investments hereinafter authorised for such periods as it may consider expedient with power from time to time at the like discretion to vary such investments and to accumulate such investments and the resulting interest and other income derived therefrom. The accumulated investments shall be applied under Clause 11 (*Application of moneys*). All interest and other income deriving from such investments shall be applied first in payment or satisfaction of all amounts then due and unpaid under Clause 16 (*Remuneration and indemnification of Note Trustee*) to the Note Trustee and/or any Appointee and otherwise held for the benefit of and paid to the Noteholders of such Series or the holders of the related Receipts and/or Coupons, as the case may be.

13.2 Any moneys which under the trusts of these presents ought to or may be invested by the Note Trustee may be invested in the name or under the control of the Note Trustee in any investments or other assets in any part of the world whether or not they produce income or by placing the same on deposit in the name or under the control of the Note Trustee at such bank or other financial institution and in such currency as the Note Trustee may think fit. If that bank or institution is the Note Trustee or a subsidiary, holding or associated company of the Note Trustee, it need only account for an amount of interest equal to the amount of interest which would, at then current rates, be payable by it on such a deposit to an independent customer. The Note Trustee may at any time vary any such investments for or into other investments or convert any moneys so deposited into any other currency and shall not be responsible for any loss resulting from any such investments or deposits, whether due to depreciation in value, fluctuations in exchange rates or otherwise.

13.3 The Note Trustee may at its discretion accumulate such deposits and the resulting interest and other income derived thereon. The accumulated deposits shall be applied under Clause 11 (*Application of moneys*). All interest and other income deriving from such deposits shall be applied first in payment or satisfaction of all amounts then due and unpaid under Clause 16 (*Remuneration and indemnification of Note Trustee*) to the Note Trustee and/or any Appointee and otherwise held for the benefit of and paid to the Noteholders or the holders of the related Receipts and/or Coupons, as the case may be.

14 Partial payments

Upon any payment under Clause 11 (*Application of moneys*) (other than payment in full against surrender of a Note, Receipt or Coupon) the Note, Receipt or Coupon in respect of which such payment is made shall be produced to the Note Trustee or the Paying Agent by or through whom such payment is made and the Note Trustee shall or shall cause the Paying Agent to enface thereon a memorandum of the amount and the date of payment but the Note Trustee

may in any particular case dispense with such production and enforcement upon such indemnity being given as it shall think sufficient.

15 Covenants

15.1 The Issuer covenants with the Note Trustee that, so long as any of the Notes remains outstanding (or, in the case of paragraphs (h), (i), (m), (n) and (o) so long as any of such Notes or the relative Coupons remains liable to prescription) it shall:

- (a) at all times carry on and conduct its affairs in a proper and efficient manner;
- (b) give or procure to be given to the Note Trustee such opinions, certificates, information and evidence as it shall require and in such form as it shall require (including without limitation the procurement by the Issuer of all such certificates called for by the Note Trustee pursuant to Clause 17(c) (*Supplement to Trustee Acts*)) for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in it under these presents or by operation of law;
- (c) cause to be prepared by its Auditors in respect of each annual financial accounting period accounts in such form as will comply with all relevant legal and accounting requirements and all requirements for the time being of the relevant Stock Exchange;
- (d) at all times keep proper books of account and allow the Note Trustee and any person appointed by the Note Trustee to whom the Issuer shall have no reasonable objection free access to such books of account at all reasonable times (on reasonable notice) during normal business hours;
- (e) send to the Note Trustee (in addition to any copies to which it may be entitled as a holder of any securities of the Issuer) two copies in English of every balance sheet, profit and loss account, report, circular and notice of general meeting and every other document issued or sent to its shareholders together with any of the foregoing, and every document issued or sent to holders of securities other than its shareholders (including the Noteholders) as soon as practicable after the issue or despatch thereof and, in the case of every balance sheet, profit and loss account and report prepared in connection with the end of a financial year, not later than 180 days after the end of such financial year;
- (f) forthwith give notice in writing to the Note Trustee of the occurrence of any Event of Default or any Potential Event of Default;
- (g) give to the Note Trustee:
 - (i) within seven days after demand by the Note Trustee therefor; and
 - (ii) (without the necessity for any such demand) promptly and in any event not later than 180 days after the end of each such financial year of the Issuer,

a certificate in or substantially in the form set out in Schedule 4 (*Form of Director's Certificate*) signed by a Director of the Issuer to the effect that, to the best of their knowledge, information and belief (having made all prudent enquiries), as at a date not more than seven days before delivering such certificate (**relevant certification date**), there did not exist and had not existed since the relevant certification date of the previous certificate (or, in the case of the first such certificate, the date hereof) any Event of Default or any Potential Event of Default (or if such exists or existed specifying

the same) and that during the period from and including the relevant certification date of the last such certificate (or, in the case of the first such certificate, the date hereof) to and including the relevant certification date of such certificate that the Issuer has complied with all its obligations contained in these presents or (if such is not the case) specifying the respects in which they have not complied. Such certificates shall either (x) be accompanied in each case by an up-to-date list of the directors of the Issuer and each of their specimen signatures or (y) contain a statement that the list of directors most recently delivered to the Note Trustee remains up-to-date as at the date of that certificate. The Note Trustee shall be entitled to rely conclusively upon such certificates and shall not be liable to any person by reason thereof;

- (h) at all times execute and do all such further documents, acts and things as may be necessary at any time or times in the opinion of the Note Trustee to give effect to these presents;
- (i) at all times maintain a Principal Paying Agent, other Paying Agents and an Agent Bank in accordance with the Conditions;
- (j) procure the Principal Paying Agent to notify the Note Trustee forthwith in the event that it does not, on or before the due date for any payment in respect of the Notes or any of the relative Receipts or Coupons, receive unconditionally pursuant to the Agency Agreement payment of the full amount in the requisite currency of the moneys payable on such due date on all such Notes, Receipts or Coupons as the case may be;
- (k) in the event of the unconditional payment to the Principal Paying Agent or the Note Trustee of any sum due in respect of the Notes or any of them or any of the relative Coupons being made after the due date for payment thereof forthwith give or procure to be given notice to the relevant Noteholders in accordance with Condition 16 (Notices) that such payment has been made;
- (l) use its reasonable endeavours to maintain the listing on the relevant Stock Exchange of those of the Notes which are listed on a Stock Exchange or, if it is unable to do so having used its reasonable endeavours or if the Note Trustee considers that the maintenance of such listing is unduly onerous and the Note Trustee is of the opinion that to do so would not be materially prejudicial to the interests of the Noteholders, use its reasonable endeavours to obtain and maintain a listing of such Notes on such other stock exchange or exchanges or securities market or markets as the Issuer may (with the prior written approval of the Note Trustee) decide and also, upon obtaining a listing of such Notes issued by it on such other stock exchange or exchanges or securities market or markets, enter into a trust deed supplemental to this Deed to effect such consequential amendments to these presents as the Note Trustee may require or as shall be requisite to comply with the requirements of any such stock exchange or securities market;
- (m) give notice to the Noteholders in accordance with Condition 16 (Notices) of any appointment, resignation or removal of any Paying Agent (other than the appointment of the initial Paying Agents) after having obtained the prior written approval of the Note Trustee thereto or any change of any Paying Agent's specified office and (except as provided by the Agency Agreement or the Conditions) at least 30 days prior to such event taking effect; provided always that so long as any of the Notes, Receipts or Coupons remains liable to prescription in the case of the termination of the appointment of the Principal Paying Agent no such termination shall take effect until a new Principal

Paying Agent has been appointed on terms previously approved in writing by the Note Trustee;

- (n) send to the Note Trustee, not less than seven days (or such shorter period as the Note Trustee agrees) prior to which any such notice is to be given, the form of every notice to be given to Noteholders in accordance with Condition 16 (Notices) and obtain the prior written approval of the Note Trustee to, and promptly give to the Note Trustee a copy of, the final form of every notice to be given to the Noteholders in accordance with Condition 16 (Notices) (such approval, unless so expressed, not to constitute approval for the purposes of Section 21 of the FSMA of a communication within the meaning of Section 21 of the FSMA);
- (o) comply with all its obligations under the other Programme Documents and use all reasonable endeavours to procure that the Paying Agents, the Agent Bank, the Account Bank, the Custodian and the Retained Bond Custodian comply with and perform all their respective obligations hereunder and any notice given by the Note Trustee pursuant to Clause 2.3(a) (*Trustee's requirements regarding Paying Agents etc*) and not make any amendment or modification to the Programme Documents without the prior written approval of the Note Trustee and use reasonable endeavours to make such amendments to the Programme Documents as the Note Trustee may require;
- (p) in order to enable the Note Trustee to ascertain the principal amount of the Notes of each Series for the time being **outstanding** for any of the purposes referred to in the proviso to the definition of outstanding in Clause 1 (Definitions), deliver to the Note Trustee as soon as practicable upon being so requested in writing by the Note Trustee a certificate in writing signed by a Director of the Issuer setting out the total number and aggregate principal amount of the Notes of each Series issued which:
 - (i) up to and including the date of such certificate have been purchased by the Issuer, any Borrower and any other member of the Group and cancelled; and
 - (ii) are at the date of such certificate held by, for the benefit of, or on behalf of the Issuer, any Borrower or any other member of the Group;
- (q) use reasonable endeavours to procure that each Paying Agent makes available for inspection by Noteholders, Receiptholders and Couponholders at its specified office copies of these presents and each other document which are expressed to be held by them in the Programme Admission Particulars;
- (r) give prior notice to the Note Trustee of any proposed redemption pursuant to Condition 9 (*Redemption and Purchase*) and, if it shall have given notice to the Noteholders of its intention to redeem any Notes pursuant to Conditions 9.2 (*Redemption for tax reasons*), 9.3 (*Redemption at the option of the Borrowers (Borrower Call)*), 9.4 (*Mandatory Call Par Option*), 9.5 (*Residual Call Option*) or 9.6 (*Mandatory Early Redemption*), duly proceed to make drawings (if appropriate) and to redeem Notes accordingly;
- (s) promptly provide the Note Trustee with copies of all supplements and/or amendments and/or restatements of the Programme Agreement;
- (t) prior to making any modification or amendment or supplement to these presents, procure the delivery of (a) legal opinion(s) as to English and any other relevant law, addressed to the Note Trustee, dated the date of such modification or amendment or

supplement, as the case may be, and in a form acceptable to the Note Trustee from legal advisers acceptable to the Note Trustee;

- (u) not, without the prior consent in writing of the Note Trustee, engage in any activity or do anything other than:
 - (i) carry out the business of a company which has as its purpose raising finance and on-lending such finance to or for the benefit of the members of the Group (including, without limitation, as envisaged by the Programme Documents); and
 - (ii) perform any act incidental to or necessary in connection with Clause 15.1(u)(i);
- (v) not create or permit to subsist over any of the security constituted by or created pursuant to these presents any mortgage or charge or any other security interest ranking in priority to, or *pari passu* with, the security created by or pursuant to these presents;
- (w) send to the Note Trustee and make available, upon request by any Noteholder to the Issuer, to such Noteholder, at the registered office of the Issuer during normal business hours (or, for long as any Global Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, by delivery to Euroclear and/or Clearstream, Luxembourg):
 - (i) a copy of each Compliance Certificate promptly upon receipt of the same from each Borrower pursuant to the terms of their respective Loan Agreements; and
 - (ii) a copy of the annual financial statements of each Borrower (consolidated if available) promptly upon publication of the same by each Borrower;
- (x) at the request of Noteholders holding not less than 33 per cent. in principal amount of the Notes of any Series for the time being outstanding, convene a meeting of the Noteholders to discuss the financial position of the Issuer and the Group in accordance with Condition 6.2(b) (*Covenants - Information Covenants*);
- (y) at all times use all reasonable endeavours to minimise taxes and any other costs arising in connection with its payment obligations in respect of the Notes;
- (z) use all reasonable endeavours to procure that Euroclear and/or Clearstream, Luxembourg, as the case may be, issue(s) any record, certificate or other document requested by the Note Trustee under Clause 17(mm) (*Supplement to Trustee Acts*) or otherwise as soon as practicable after such a request;
- (aa) waive, or procure the waiver of, its rights to receive payments in respect of any Retained Notes for so long as such Retained Notes are held by it or on its behalf and procure that, in respect of any waiver of principal, such waiver is reflected in the records of the Euroclear and/or Clearstream, Luxembourg, as the case may be, such that the principal amount of such Retained Notes is reduced accordingly; and
- (bb) immediately prior to a sale of any Retained Notes which are Fully Secured Notes by the Issuer, deliver to the Note Trustee a certificate (in the form set out in Schedule 5 (*Form of Retained Note Issuer's Certificate*)) in writing signed by a Director of the Issuer addressed to the Note Trustee confirming that, immediately following the sale of such Retained Notes, the Issuer will be in compliance with the Asset Cover Test (a **Retained Note Issuer's Certificate**).

15.2 The Issuer hereby agrees, in respect of each Series of Fully Secured Notes, that:

- (a) prior to the enforcement of the Series Security, payments from the Series Initial Cash Security Account in respect of such Series may only be made to fund:
 - (i) the Commitments (as defined in the Secured Loan Agreement Standard Terms) pursuant to, and in accordance with the terms of, the Series Loan Agreements (as defined in the Secured Loan Agreement Standard Terms);
 - (ii) payment to a Borrower or another member of the Group (other than the Issuer) in respect of any Notes of such Series surrendered for cancellation in accordance with a Secured Loan Agreement entered into in connection with such Series;
 - (iii) the purchase of Permitted Investments pursuant to the Custody Agreement; or
 - (iv) redemptions of the Notes of such Series in accordance with the Conditions;
- (b) it shall sell or otherwise dispose of all Permitted Investments standing to the credit of each Series Initial Cash Security Custody Sub-Account and shall transfer all moneys standing to the credit of the corresponding Initial Cash Security Cash Sub-Account (if any) to the Series Transaction Account of such Series, in each case, on or prior to the date falling five Business Days prior to the Loan Maturity Date (as defined in the Series Loan Agreements in respect of such Series);
- (c) prior to the enforcement of the Series Security, payments from the Series Ongoing Cash Security Account in respect of such Series may only be made to a Borrower pursuant to, and in accordance with the terms of, a Loan Agreement entered into in connection with such Series or to purchase Permitted Investments pursuant to, and in accordance with, the Custody Agreement; and
- (d) no payments from a Series Transaction Account will be made other than in accordance with the Conditions of the Notes of the relevant Series and it undertakes to procure that amounts are paid into and out of each Series Transaction Account only in accordance with the Conditions, the Account Agreement and the Agency Agreement.

15.3 The Issuer hereby agrees, in respect of each Series of Partly Secured Notes, that no payments from the Series Transaction Account in respect of such Series will be made other than:

- (a) to fund:
 - (i) the Commitments (as defined in the Unsecured Loan Agreement Standard Terms) pursuant to, and in accordance with the terms of, the Series Loan Agreements (as defined in the Unsecured Loan Agreement Standard Terms);
 - (ii) payment to a Borrower or any other member of the Group (other than the Issuer) in respect of any Notes of such Series surrendered for cancellation in accordance with an Unsecured Loan Agreement entered into in connection with such Series; or
 - (iii) redemptions of the Notes of such Series in accordance with the Conditions; and

(b) otherwise, in accordance with the Conditions of the Notes of such Series; and

and it undertakes to procure that amounts are paid into and out of each Series Transaction Account only in accordance with the Conditions of the Notes of such Series, the Account Agreement and the Agency Agreement.

16 Remuneration and indemnification of Note Trustee

16.1 The Issuer shall pay to the Note Trustee, by way of remuneration for its services as trustee of these presents, such amount and at such times as shall be agreed from time to time by exchange of letters between the Issuer and the Note Trustee. Such remuneration shall accrue from day to day and be payable (in priority to payments to Noteholders, Receiptholders and Couponholders) up to and including the date when, all the Notes having become due for redemption, the redemption moneys and interest thereon to the date of redemption have been paid to the Principal Paying Agent or the Note Trustee provided that if upon due presentation of any Note, Receipt or Coupon or any cheque payment of the moneys due in respect thereof is improperly withheld or refused, remuneration will be deemed not to have ceased to accrue and will continue to accrue until payment to such Noteholder, Receiptholder or Couponholder is duly made.

16.2 In the event of the occurrence of an Event of Default or any Potential Event of Default, the Issuer hereby agrees that the Note Trustee shall be entitled to be paid additional remuneration, which may be calculated at its normal hourly rates in force from time to time. In any other case, if the Note Trustee considers it expedient or necessary or is requested by the Issuer to undertake duties which the Note Trustee and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Note Trustee under these presents the Issuer shall pay to the Note Trustee such additional remuneration as shall be agreed between them (and which may be calculated by reference to the Note Trustee's normal hourly rates in force from time to time).

16.3 The Issuer shall in addition pay to the Note Trustee an amount equal to the amount of any value added tax or similar tax chargeable in respect of its remuneration under these presents.

16.4 In the event of the Note Trustee and the Issuer failing to agree:

- (a) in a case to which Clause 16.1 above applies, upon the amount of the remuneration; or
- (b) in a case to which Clause 16.2 above applies, upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Note Trustee under these presents, or upon such additional remuneration.

such matters shall be determined by a person (acting as an expert and not as an arbitrator) selected by the Note Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Note Trustee) by the President for the time being of The Law Society of England and Wales (the expenses involved in such nomination and the fees of such person being payable by the Issuer) and the determination of any such person shall be final and binding upon the Note Trustee and the Issuer.

16.5 Without prejudice to the right of indemnity by law given to trustees, the Issuer shall indemnify the Note Trustee and every Appointee and keep it or him indemnified against all Liabilities to which it or he may be or become subject or which may be incurred by it or him in the preparation and execution or purported execution of any of its or his trusts, powers, authorities and discretions under these presents or its or his functions under any such appointment or in respect

of any other matter or thing done or omitted in any way relating to these presents or any such appointment (including all Liabilities incurred in disputing or defending any of the foregoing).

- 16.6 The Issuer shall also pay or discharge all Liabilities incurred by the Note Trustee and every Appointee in relation to the preparation and execution of the exercise of its powers and the performance of its duties under, and in any other manner in relation to, these presents, including but not limited to travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Note Trustee in connection with any action taken or contemplated by or on behalf of the Note Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, these presents.
- 16.7 Where any amount which would otherwise be payable by the Issuer under Clause 16.5 or Clause 16.6 has instead been paid by any person or persons other than the Issuer (each, an **Indemnifying Party**), the Issuer shall pay to the Note Trustee an equal amount for the purpose of enabling the Note Trustee to reimburse the Indemnifying Parties.
- 16.8 All amounts payable pursuant to Clauses 16.5 and 16.6 shall be payable by the Issuer on the date specified in a demand by the Note Trustee and in the case of payments actually made by the Note Trustee prior to such demand shall carry interest at the rate of two per cent. per annum above the base rate (on the date on which payment was made by the Note Trustee) of The Royal Bank of Scotland plc (or its successors) from the date such demand is made and in all other cases shall (if not paid within 30 days after the date of such demand or, if such demand specifies that payment is to be made on an earlier date, on such earlier date) carry interest at such rate from such thirtieth day of such other date specified in such demand. All remuneration payable to the Note Trustee shall carry interest at such rate from the due date therefor.
- 16.9 The Issuer hereby further undertakes to the Note Trustee that all monies payable by the Issuer to the Note Trustee under this Clause shall be made without set-off, counterclaim, deduction or withholding unless compelled by law in which event the Issuer will pay such additional amounts as will result in the receipt by the Note Trustee of the amounts which would otherwise have been payable by the Issuer to the Note Trustee under this Clause in the absence of any such set-off, counterclaim, deduction or withholding.
- 16.10 Unless otherwise specifically stated in any discharge of these presents the provisions of this Clause 16 shall continue in full force and effect notwithstanding such discharge.
- 16.11 The Note Trustee shall be entitled in its absolute discretion to determine in respect of which Series of Notes any Liabilities incurred under these presents have been incurred or to allocate any such Liabilities between the Notes of any Series.

17 Supplement to Trustee Acts

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Note Trustee in relation to the trusts constituted by these presents. Where there are any inconsistencies between the Trustee Acts and the provisions of these presents, the provisions of these presents shall, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of these presents shall constitute a restriction or exclusion for the purposes of that Act. The Note Trustee shall have all the powers conferred upon trustees by the Trustee Acts and by way of supplement thereto it is expressly declared as follows:

- (a) The Note Trustee may in relation to these presents act on the advice or opinion of or any information (whether addressed to the Note Trustee or not and regardless of any limitation of liability or scope) obtained from any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert whether obtained by the Issuer, the Note

Trustee or otherwise and shall not be responsible for any Liability occasioned by so acting.

- (b) Any such advice, opinion or information may be sent or obtained by letter, facsimile transmission or electronic mail and the Note Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, facsimile transmission or electronic mail although the same shall contain some error or shall not be authentic.
- (c) The Note Trustee may call for and shall be at liberty to accept as sufficient evidence of any fact or matter or the expediency of any transaction or thing a certificate signed by any Director of the Issuer, a Compliance Certificate or a certificate signed by any two Authorised Signatories of any Borrower or a certificate of any Series Secured Party and the Note Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by it or any other person acting on such certificate.
- (d) The Note Trustee shall be at liberty to hold these presents and any other documents relating thereto or to deposit them in any part of the world with any banker or banking company or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Note Trustee to be of good repute and the Note Trustee shall not be responsible for or required to insure against any Liability incurred in connection with any such holding or deposit and may pay all sums required to be paid on account of or in respect of any such deposit.
- (e) The Note Trustee shall not be responsible for the receipt or application of the proceeds of the issue of any of the Notes by the Issuer, the exchange of any Global Note for another Global Note or Definitive Note or the delivery of any Global Note or Definitive Notes to the person(s) entitled to it or them.
- (f) The Note Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in these presents or to take any steps to ascertain whether any Event of Default or any Potential Event of Default has occurred and, until it shall have actual knowledge or express notice pursuant to these presents to the contrary, the Note Trustee shall be entitled to assume that no Event of Default or any Potential Event of Default has occurred and that the Issuer is observing and performing all its obligations under these presents.
- (g) Save as expressly otherwise provided in these presents, the Note Trustee shall have absolute and uncontrolled discretion as to the exercise or non-exercise of its trusts, powers, authorities and discretions under these presents (the exercise or non-exercise of which as between the Note Trustee and the Noteholders, Receiptholders, Couponholders and other Series Secured Parties shall be conclusive and binding on the Noteholders, Receiptholders, Couponholders and other Series Secured Parties) and shall not be responsible for any Liability which may result from their exercise or non-exercise and in particular the Note Trustee shall not be bound to act at the request or direction of the Noteholders or otherwise under any provision of these presents or to take at such request or direction or otherwise any other action under any provision of these presents, without prejudice to the generality of Clause 10.2 (*Proceedings, action and indemnification*), unless it shall first be indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities to which it may render itself liable or which it may incur by so doing and the Note Trustee shall incur no liability for refraining to act in such circumstances.

- (h) The Note Trustee shall not be liable to any person by reason of having acted upon any Extraordinary Resolution in writing or any Extraordinary Resolution or other resolution purporting to have been passed at any meeting of the holders of Notes of all or any Series in respect whereof minutes have been made and signed or any Extraordinary Resolution passed by way of electronic consents received through the relevant Clearing System(s) in accordance with these presents or any direction or request of the holders of the Notes of all or any Series even though subsequent to its acting it may be found that there was some defect in the constitution of the meeting or the passing of the resolution or (in the case of an Extraordinary Resolution in writing or a direction or a request) it was not signed by the requisite number of Noteholders or (in the case of an Extraordinary Resolution passed by electronic consents received through the relevant Clearing System(s)) it was not approved by the requisite number of Noteholders or that for any reason the resolution, direction or request was not valid or binding upon such Noteholders and the relative Receiptholders and Couponholders.
- (i) The Note Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any Note, Receipt or Coupon purporting to be such and subsequently found to be forged or not authentic.
- (j) Any consent or approval given by the Note Trustee for the purposes of these presents may be given on such terms and subject to such conditions (if any) as the Note Trustee thinks fit and notwithstanding anything to the contrary in these presents may be given retrospectively. The Note Trustee may give any consent or approval, exercise any power, authority or discretion or take any similar action (whether or not such consent, approval, power, authority, discretion or action is specifically referred to in these presents) if it is satisfied that the interests of the Noteholders will not be materially prejudiced thereby. For the avoidance of doubt, the Note Trustee shall not have any duty to the Noteholders in relation to such matters other than that which is contained in the preceding sentence.
- (k) The Note Trustee shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Noteholder, Receiptholder, Couponholder or other Series Secured Party any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available to the Note Trustee by the Issuer or any other person in connection with these presents and no Noteholder, Receiptholder, Couponholder or other Series Secured Party shall be entitled to take any action to obtain from the Note Trustee any such information.
- (l) Where it is necessary or desirable for any purpose in connection with these presents to convert any sum from one currency to another it shall (unless otherwise provided by these presents or required by law) be converted at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be agreed by the Note Trustee in consultation with the Issuer and any rate, method and date so agreed shall be binding on the Issuer, the Noteholders, the Receiptholders, the Couponholders and the other Series Secured Parties.
- (m) The Note Trustee may certify that any of the conditions, events and acts set out in paragraphs (b), (c) and (j) of Condition 12.1 (*Events of Default*) (each of which conditions, events and acts shall, unless in any case the Note Trustee in its absolute discretion shall otherwise determine, for all the purposes of these presents be deemed to include the circumstances resulting therein and the consequences resulting therefrom) is in its opinion materially prejudicial to the interests of the Noteholders and

any such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Receiptholders and the Couponholders.

- (n) The Note Trustee as between itself and the Noteholders, the Receiptholders, the Couponholders and the other Series Secured Parties may determine all questions and doubts arising in relation to any of the provisions of these presents. Every such determination, whether or not relating in whole or in part to the acts or proceedings of the Note Trustee, shall be conclusive and shall bind the Note Trustee and the Noteholders, the Receiptholders, the Couponholders and the other Series Secured Parties.
- (o) In connection with the exercise by it of any of its trusts, powers, authorities and discretions under these presents (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Note Trustee shall have regard to the general interests of the Noteholders as a class and shall not have regard to any interests arising from circumstances particular to individual Noteholders, Receiptholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders, Receiptholders or Couponholders (whatever their number) 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 any political sub-division thereof and the Note Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer, the Note Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 10 (Taxation) and/or any undertaking given in addition thereto or in substitution therefor under these presents.
- (p) Any trustee of these presents being a lawyer, accountant, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his firm in connection with the trusts of these presents and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with these presents.
- (q) The Note Trustee may whenever it thinks fit delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons (whether being a joint trustee of these presents or not) all or any of its trusts, powers, authorities and discretions under these presents. Such delegation may be made upon such terms (including power to sub-delegate) and subject to such conditions and regulations as the Note Trustee may in the interests of the Noteholders think fit. The Note Trustee shall not be under any obligation to supervise the proceedings or acts of any such delegate or sub-delegate or be in any way responsible for any Liability incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate. The Note Trustee shall within a reasonable time after any such delegation or any renewal, extension or termination thereof give notice thereof to the Issuer.
- (r) The Note Trustee may in the conduct of the trusts of these presents instead of acting personally employ and pay an agent (whether being 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 in connection with these presents (including the receipt and payment of money). The Note Trustee shall not be in any way responsible for any Liability incurred by reason of any misconduct or default

on the part of any such agent or be bound to supervise the proceedings or acts of any such agent provided that the Note Trustee has exercised reasonable care in the selection of such agent.

- (s) The Note Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trusts constituted by these presents as the Note Trustee may determine, including for the purpose of depositing with a custodian these presents or any document relating to the trusts constituted by these presents and the Note Trustee shall not be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of such person; the Note Trustee is not obliged to appoint a custodian if the Note Trustee invests in securities payable to bearer.
- (t) The Note Trustee shall not be responsible for the execution, delivery, legality, effectiveness, sufficiency, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of these presents (including any security created thereby), any Programme Document, any security or document the subject of any security created by these presents or any other document relating or expressed to be supplemental thereto and shall not be liable for any failure to obtain any licence, consent or other authority for the execution, delivery, legality, effectiveness, sufficiency, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of these presents (including any security created thereby), any Programme Document, any security or document the subject of any security created by these presents or any other document relating or expressed to be supplemental thereto.
- (u) The Note Trustee shall accept without investigation, requisition or objection such right, benefit, interest and title as the Issuer has to any of the Series Charged Property and shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to the Series Charged Property or any part thereof whether such defect or failure was known to the Note Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not.
- (v) The Note Trustee shall have no responsibility whatsoever to the Issuer, the Noteholders, the Receiptholders, the Couponholders or any other Series Secured Party as regards any deficiency which might arise because the Note Trustee, any Appointee or any custodian of the Note Trustee is subject to any tax in respect of the Series Charged Property, income therefrom or the proceeds thereof.
- (w) The Note Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to the Notes or the Programme Documents or for checking or commenting upon the content of any such legal opinion and shall not be responsible for any Liability incurred thereby.
- (x) Subject to the requirements, if any, of the relevant Stock Exchange, any corporation into which the Note Trustee shall be merged or with which it shall be consolidated or any company resulting from any such merger or consolidation shall be a party hereto and shall be the Note Trustee under these presents without executing or filing any paper or document or any further act on the part of the parties thereto.
- (y) The Note Trustee shall not be bound to take any action in connection with these presents or any obligations arising pursuant thereto, including, without prejudice to the generality of the foregoing, forming any opinion or employing any financial adviser,

where it is not satisfied that the Issuer will be able to indemnify it against all Liabilities which may be incurred in connection with such action and may demand prior to taking any such action that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it and on such demand being made the Issuer shall be obliged to make payment of all such sums in full.

- (z) No provision of these presents shall require the Note Trustee to do anything which may:
 - (i) be illegal or contrary to applicable law or regulation; or
 - (ii) cause it to expend or risk its own funds or otherwise incur any Liability in the performance of any of its duties or in the exercise of any of its rights, powers or discretions (including obtaining any advice which it might otherwise have thought appropriate or desirable to obtain), if it shall have grounds for believing that repayment of such funds or adequate indemnity against such risk or Liability is not assured to it.
- (aa) Unless notified to the contrary, the Note Trustee shall be entitled to assume without enquiry (other than requesting a certificate pursuant to Clause 15.1(p) (Covenants)) that no Notes (other than the Retained Notes) are held by, for the benefit of, or on behalf of, the Issuer, any Borrower or any other member of the Group and that any Retained Notes are held by or for the benefit of the Issuer.
- (bb) The Note Trustee shall have no responsibility whatsoever to the Issuer, any Noteholder, Receipholder or Couponholder or any other person for the maintenance of or failure to maintain any rating of any of the Notes by any rating agency.
- (cc) Any certificate, advice, opinion or report of the Auditors of the Issuer or any other expert or professional adviser called for by or provided to the Note Trustee (whether or not addressed to the Note Trustee) in accordance with or for the purposes of these presents may be relied upon by the Note Trustee as sufficient evidence of the facts stated therein notwithstanding that such certificate, advice, opinion or report and/or any engagement letter or other document entered into by the Note Trustee in connection therewith contains a monetary or other limit on the liability of the Auditors of the Issuer or such other expert or professional adviser in respect thereof and notwithstanding that the scope and/or basis of such certificate, advice, opinion or report may be limited by any engagement or similar letter or by the terms of the certificate, advice, opinion or report itself.
- (dd) The Note Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in these presents, or any other agreement or document relating to the transactions contemplated in these presents or under such other agreement or document.
- (ee) The Note Trustee shall not be liable or responsible for any Liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of these presents.
- (ff) The Note Trustee shall not be liable for any failure, omission or defect in perfecting the security intended to be constituted hereby including, without prejudice to the generality of the foregoing:

- (i) failure to obtain any licence, consent or other authority for the execution of the same;
 - (ii) failure to register the same in accordance with the provisions of any of the documents of title of the Issuer to any of the Series Charged Property; and
 - (iii) failure to effect or procure registration of or otherwise protect any of the Programme Documents or any security created thereby or otherwise by registering the same under any registration laws in any territory, or by registering any notice, caution or other entry prescribed by or pursuant to the provisions of the said laws.
- (gg) The Note Trustee shall not be bound to take any step or action in connection with these presents or obligations arising pursuant thereto or pursuant to any other Programme Document, where it is not satisfied that it is indemnified and/or secured and/or pre-funded against all its liabilities and costs incurred in connection with such step or action and may demand, prior to taking any such step or action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so as to indemnify it.
- (hh) The Note Trustee shall have no responsibility for the validity, sufficiency or enforceability of the Series Security. The Note Trustee shall not be responsible for monitoring the compliance by any of the other Programme Parties with their obligations under the Programme Documents, neither shall the Note Trustee be responsible for monitoring the compliance by the Borrowers or any Eligible Group Members of their obligations under the Legal Mortgages, the Security Trust Deed or any other document.
- (ii) Without prejudice to the generality of the foregoing, the Note Trustee shall not be responsible for the genuineness, validity or effectiveness of any of the Programme Documents or any other documents entered into in connection therewith or any other document or any obligations or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted by or pursuant to these presents or any of the other Programme Documents, nor shall it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decisions of any court and (without prejudice to the generality of the foregoing) the Note Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
- (i) the registration, filing, protection or perfection of any security relating to the these presents or the Programme Documents comprised within the Series Charged Property or the priority of the security thereby created whether in respect of any initial advance or any subsequent advance or any other sums or liabilities;
 - (ii) the performance or observance by the Issuer or any other person with any provisions of these presents or any other Programme Document comprised within the Series Charged Property or in each case in any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained therein or relating thereto or as to the existence or occurrence at any time of any default, event of default or similar event contained therein or any waiver or consent which has at any time been granted in relation to any of the foregoing;

- (iii) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection with the Series Charged Property;
 - (iv) the failure to effect or procure registration of or to give notice to any person in relation to or otherwise protect the security created or purported to be created by or pursuant to these presents or other documents entered into in connection therewith;
 - (v) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, charges or other further assurances in relation to any of the assets the subject matter of any of these presents or any other Programme Document or other document; or
 - (vi) any other matter or thing relating to or in any way connected with these presents or the Series Charged Property or any document entered into in connection therewith whether or not similar to the foregoing.
- (jj) The Note Trustee shall not incur any liability to the Issuer, Noteholders or any other person in connection with any approval given by it pursuant to Clause 15.1(n) (Covenants) to any notice to be given to Noteholders by the Issuer; the Note Trustee shall not be deemed to have represented, warranted, verified or confirmed that the contents of any such notice are true, accurate or complete in any respects or that it may be lawfully issued or received in any jurisdiction.
- (kk) When determining whether an indemnity or any security or pre-funding is satisfactory to it, the Note 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.
- (ll) The Note Trustee shall be entitled to require that any indemnity or security given to it by the Noteholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security.
- (mm) The Note Trustee may call for and shall rely on any records, certificate or other document of or to be issued by Euroclear or Clearstream, Luxembourg in relation to any determination of the principal amount of Notes represented by a NGN. Any such records, certificate or other document shall be conclusive and binding for all purposes. The Note Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any such records, certificate or other document to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg and subsequently found to be forged or not authentic.
- (nn) The Note Trustee shall not be responsible for monitoring whether any notices to Noteholders are given in compliance with the requirements of the relevant Stock Exchange or with any other legal or regulatory requirements.

18 Note Trustee's liability

18.1 Nothing in these presents shall exempt the Note Trustee from or indemnify it against any liability for breach of trust in relation to its duties under these presents where the Note Trustee has failed to show the degree of care and diligence required of it as trustee having regard to the provisions of these presents conferring on it any trusts, powers, authorities or discretions.

18.2 Notwithstanding any provision of these presents to the contrary, the Note Trustee shall not in any event be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits, business, goodwill or opportunity), whether or not foreseeable, even if the Note Trustee has been advised of the likelihood of such loss or damage, unless the claim for loss or damage is made in respect of fraud on the part of the Note Trustee.

19 Note Trustee contracting with the Issuer and the Borrowers

Neither the Note Trustee nor any director or officer or holding company, Subsidiary or associated company of a corporation acting as a trustee under these presents shall by reason of its or his fiduciary position be in any way precluded from:

- (a) entering into or being interested in any contract or financial or other transaction or arrangement with the Issuer, any Borrower or any person or body corporate associated with the Issuer or any Borrower (including without limitation any contract, transaction or arrangement of a banking or insurance nature or any contract, transaction or arrangement in relation to the making of loans or the provision of financial facilities or financial advice to, or the purchase, placing or underwriting of or the subscribing or procuring subscriptions for or otherwise acquiring, holding or dealing with, or acting as paying agent in respect of, the Notes or any other notes, bonds, stocks, shares, debenture stock, debentures or other securities of, the Issuer or any person or body corporate associated as aforesaid); or
- (b) accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to the Issuer, any Borrower or any such person or body corporate so associated or any other office of profit under the Issuer, any Borrower or any such person or body corporate so associated,

and shall be entitled to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such contract, transaction or arrangement as is referred to in (a) above or, as the case may be, any such trusteeship or office of profit as is referred to in (b) above without regard to the interests of the Noteholders and notwithstanding that the same may be contrary or prejudicial to the interests of the Noteholders and shall not be responsible for any Liability occasioned to the Noteholders thereby and shall be entitled to retain and shall not be in any way liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

Where any holding company, subsidiary or associated company of the Note Trustee or any director or officer of the Note Trustee acting other than in his capacity as such a director or officer has any information, the Note Trustee shall not thereby be deemed also to have knowledge of such information and, unless it shall have actual knowledge of such information, shall not be responsible for any loss suffered by Noteholders resulting from the Note Trustee's failing to take such information into account in acting or refraining from acting under or in relation to these presents.

20 Waiver, authorisation, determination and modification

20.1 Waiver, Authorisation and Determination

The Note Trustee may without the consent or sanction of the Noteholders, the Receiptholders or the Couponholders or any other Series Secured Party and without prejudice to its rights in respect of any subsequent breach, Event of Default or Potential Event of Default from time to time and at any time but only if and in so far as in its opinion the interests of the Noteholders shall not be materially prejudiced thereby waive or authorise any breach or proposed breach of any of the covenants or provisions contained in these presents or the other Programme Documents or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of these presents, provided that the Note Trustee shall not exercise any powers conferred on it by this Clause in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 12 (*Events of Default*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Note Trustee may determine, shall be binding on the Noteholders, the Receiptholders, the Couponholders and the Series Secured Parties and, if, but only if, the Note Trustee shall so require, shall be notified by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter.

20.2 Modification

The Note Trustee may without the consent or sanction of the Noteholders, the Receiptholders, the Couponholders, the Receiptholders at any time and from time to time concur with the Issuer in making any modification:

- (a) to these presents or any other Programme Document (other than any Basic Terms Modification) which in the opinion of the Note Trustee it may be proper to make provided that the Note Trustee is of the opinion that such modification is not materially prejudicial to the interests of the Noteholders; or
- (b) to these presents or any other Programme Document if in the opinion of the Note Trustee such modification is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Note Trustee, proven.

Any such modification pursuant to this Clause 20.2 may be made on such terms and subject to such conditions (if any) as the Note Trustee may determine, shall be binding upon the Noteholders, Receiptholders, the Couponholders and the Series Secured Parties and, unless the Note Trustee agrees otherwise, shall be notified by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter.

20.3 Breach

Any breach of or failure to comply by the Issuer with any such terms and conditions as are referred to in Clauses 20.1 and 20.2 shall constitute a default by the Issuer in the performance or observance of a covenant or provision binding on it under or pursuant to these presents.

21 Substitution

- 21.1 The Note Trustee may without the consent of the Noteholders, Receiptholders or Couponholders at any time agree with the Issuer to the substitution in place of the Issuer (or of the previous substitute under this Clause) as the principal debtor under these presents of

another company, registered society or other entity (such substituted company being hereinafter called the **New Company**) provided that a note trust deed is executed or some other form of undertaking is given by the New Company in form and manner satisfactory to the Note Trustee, agreeing to be bound by the provisions of these presents with any consequential amendments which the Note Trustee may deem appropriate as fully as if the New Company had been named in these presents as the principal debtor in place of the Issuer (or of the previous substitute under the Clause).

21.2 The following further conditions shall apply to Clause 21.1 above:

- (a) the New Company shall assume all rights, obligations and liabilities in relation to the Series Charged Property of the Issuer, acknowledge the security created in respect thereof pursuant to these presents and (in respect of each Series of Fully Secured Notes) the Security Documents and take all such action as the Note Trustee may require so that the security constitutes a valid charge, pledge or other security interest as was originally created by the Issuer for the obligations of the New Company;
- (b) the Issuer and the New Company shall comply with such other requirements as the Note Trustee may direct in the interests of the Noteholders;
- (c) the Issuer, the New Company and any previous substitute under this Clause shall execute such other deeds, documents and instruments (if any) and provide such information as the Agents, the Account Bank, the Custodian and the Retained Note Custodian may reasonably require (including, without limitation, satisfying the Agents', the Account Bank's, the Custodian's and the Retained Note Custodian's "know your client" requirements);
- (d) the Loan Agreements shall be novated or assigned to the New Company or other arrangements satisfactory to the Note Trustee are put in place to ensure that the New Company will be able to meet its obligations to pay interest and principal on the Note;
- (e) without prejudice to the rights of reliance of the Note Trustee under the immediately following paragraph (f), the Note Trustee is satisfied that the relevant transaction is not materially prejudicial to the interests of the Noteholders;
- (f) If two directors or board members of the New Company (or other officers acceptable to the Note Trustee) shall certify that the New Company is solvent both at the time at which the relevant transaction is proposed to be effected and immediately thereafter (which certificate the Note Trustee may rely upon absolutely) the Note Trustee shall not be under any duty to have regard to the financial condition, profits or prospects of the New Company or to compare the same with those of the Issuer or the previous substitute under this Clause as applicable;
- (g) the Note Trustee shall be satisfied (if it requires, by reference to legal opinions) that:
 - (i) all necessary governmental and regulatory approvals and consents necessary for or in connection with the assumption by the New Company of liability as principal debtor in respect of, and of its obligations under, these presents have been obtained; and
 - (ii) such approvals and consents are at the time of substitution in full force and effect; and

- (h) a legal opinion satisfactory to the Note Trustee shall be provided concerning any proposed substitution.

21.3 Any such trust deed or undertaking shall, if so expressed, operate to release the Issuer or the previous substitute as aforesaid from all of its obligations as principal debtor under these presents. Not later than 14 days after the execution of such documents and compliance with such requirements, the New Company shall give notice thereof in a form previously approved by the Note Trustee to the Noteholders in the manner provided in Condition 16 (Notices). Upon the execution of such documents and compliance with such requirements, the New Company shall be deemed to be named in these presents as the principal debtor in place of the Issuer (or in place of the previous substitute under this Clause) under these presents and these presents shall be deemed to be modified in such manner as shall be necessary to give effect to the above provisions and, without limitation, references in these presents to the Issuer shall, unless the context otherwise requires, be deemed to be or include references to the New Company.

22 Receiptholders and Couponholders

22.1 Holder of Definitive Note assumed to be Receiptholder and Couponholder

Wherever in these presents the Note Trustee is required or entitled to exercise a power, trust, authority or discretion under these presents, except as ordered by a court of competent jurisdiction or as required by applicable law, the Note Trustee shall, notwithstanding that it may have express notice to the contrary, assume that each Noteholder is the holder of all Receipts and Coupons appertaining to each Definitive Note of which he is the holder.

22.2 No Notice to Receiptholders or Couponholders

Neither the Note Trustee nor the Issuer shall be required to give any notice to the Receiptholders or Couponholders for any purpose under these presents and the Receiptholders and Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with Condition 16 (Notices).

23 Currency Indemnity

The Issuer shall indemnify the Note Trustee, every Appointee, the Noteholders, the Receiptholders and the Couponholders and keep them indemnified against:

- (a) any Liability incurred by any of them arising from the non-payment by the Issuer of any amount due to the Note Trustee, the Noteholders, the Receiptholders and the Couponholders under these presents by reason of any variation in the rates of exchange between those used for the purposes of calculating the amount due under a judgment or order in respect thereof and those prevailing at the date of actual payment by the Issuer; and
- (b) any deficiency arising or resulting from any variation in rates of exchange between:
 - (i) the date as of which the local currency equivalent of the amounts due or contingently due under these presents (other than this clause) is calculated for the purposes of any bankruptcy, insolvency or liquidation of the Issuer; and
 - (ii) the final date for ascertaining the amount of claims in such bankruptcy, insolvency or liquidation.

The amount of such deficiency shall be deemed not to be reduced by any variation in rates of exchange occurring between the said final date and the date of any distribution of assets in connection with any such bankruptcy, insolvency or liquidation.

The above indemnities shall constitute obligations of the Issuer separate and independent from its other obligations under the other provisions of these presents and shall apply irrespective of any indulgence granted by the Note Trustee or the Noteholders, the Receiptholders or the Couponholders from time to time and shall continue in full force and effect notwithstanding the judgment or filing of any proof or proofs in any bankruptcy, insolvency or liquidation of the Issuer for a liquidated sum or sums in respect of amounts due under these presents (other than this Clause). Any such deficiency as aforesaid shall be deemed to constitute a loss suffered by the Noteholders, the Receiptholders and the Couponholders and no proof or evidence of any actual loss shall be required by the Issuer or their liquidator or liquidators.

24 New and Additional Note Trustees

24.1 New Note Trustees

The power to appoint a new trustee of these presents shall, subject as hereinafter provided, be vested in the Issuer but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution. One or more persons may hold office as trustee or trustees of these presents but such trustee or trustees shall be or include a Trust Corporation.

Whenever there shall be more than two trustees of these presents the majority of such trustees shall be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Note Trustee by these presents provided that a Trust Corporation shall be included in such majority. Any appointment of a new trustee of these presents shall as soon as practicable thereafter be notified by the Issuer to the Principal Paying Agent and the Noteholders.

24.2 Separate and Co-Note Trustees

Notwithstanding the provisions of Clause 24.1 above, the Note Trustee may, upon giving prior notice to the Issuer (but without the consent of the Issuer, the Noteholders, the Receiptholders or the Couponholders), appoint any person established or resident in any jurisdiction (whether a Trust Corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Note Trustee:

- (a) if the Note Trustee considers such appointment to be in the interests of the Noteholders;
- (b) for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts is or are to be performed; or
- (c) for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction of either a judgment already obtained or any of the provisions of these presents against the Issuer.

The Issuer irrevocably appoints the Note Trustee to be its attorney in its name and on its behalf to execute any such instrument of appointment. Such a person shall (subject always to the provisions of these presents) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Note Trustee by these presents) and such duties and obligations as shall be conferred or imposed by the instrument of appointment. The Note Trustee shall have power in like manner to remove any such person. Such reasonable remuneration as the Note Trustee may pay to any such person, together with any attributable

Liabilities incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of these presents be treated as Liabilities incurred by the Note Trustee.

25 Note Trustee's retirement and removal

A trustee of these presents may retire at any time on giving not less than 60 days' prior written notice to the Issuer without giving any reason and without being responsible for any Liabilities incurred by reason of such retirement. The Noteholders may by Extraordinary Resolution remove any trustee or trustees for the time being of these presents. The Issuer undertakes that in the event of the only trustee of these presents which is a Trust Corporation (for the avoidance of doubt, disregarding for this purpose any separate or co-trustee appointed under Clause 24.2 (*Separate and Co-Note Trustees*)) giving notice under this Clause or being removed by Extraordinary Resolution it will use its best endeavours to procure that a new trustee of these presents being a Trust Corporation is appointed as soon as reasonably practicable thereafter. The retirement or removal of any such trustee shall not become effective until a successor trustee being a Trust Corporation is appointed. If, in such circumstances, no appointment of such a new trustee has become effective within 60 days of the date of such notice or Extraordinary Resolution, the Note Trustee shall be entitled to appoint a Trust Corporation as trustee of these presents, but no such appointment shall take effect unless previously approved by an Extraordinary Resolution.

26 Note Trustee's powers to be additional

The powers conferred upon the Note Trustee by these presents shall be in addition to any powers which may from time to time be vested in the Note Trustee by the general law or as a holder of any of the Notes, Receipts or Coupons.

27 Notices

Any notice or demand to the Issuer or the Note Trustee to be given, made or served for any purposes under these presents shall be given, made or served by sending the same by pre-paid post (first class if inland, first class airmail if overseas), email or by delivering it by hand as follows:

to the Issuer:	Stonewater Funding plc Suite C Lancaster House Grange Business Park, Enderby Road Whetstone, Leicester LE8 6EP Attention: John Bruton and Anne Costain Email: Treasury.Reading@stonewater.org
to the Note Trustee:	The Law Debenture Trust Corporation p.l.c. 8th Floor 100 Bishopsgate London EC2N 4AG Attention: The Manager, Commercial Trusts Email: legal.notices@lawdeb.com

or to such other address or email address as shall have been notified (in accordance with this clause) to the other parties hereto and any notice or demand:

- (a) sent by post as aforesaid shall be deemed to have been given, made or served two days in the case of inland post or seven days in the case of overseas post after despatch; and
- (b) sent by email as aforesaid shall be deemed to have been given, made or served when delivered (subject to no delivery failure notification being received by the sender within 24 hours of the time of sending), provided always that any notice or demand to the Note Trustee delivered by email shall only be treated as having been received upon written confirmation of receipt by the Note Trustee and an automatically generated "read" or "received" receipt shall not constitute such confirmation.

28 Governing law

These presents and any non-contractual obligations arising out of or in connection with these presents are governed by, and shall be construed in accordance with, English law.

29 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to these presents has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these presents, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

30 Submission to jurisdiction

The Issuer irrevocably agrees for the benefit of the Note Trustee, the Noteholders, the Receiptholders and the Couponholders that the courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with these presents (including a dispute relating to any non-contractual obligations arising out of or in connection with these presents) and accordingly submit to the exclusive jurisdiction of the English courts. The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Note Trustee, the Noteholders, the Receiptholders and the Couponholders may take any suit, action or proceeding arising out of or in connection with these presents (including any suit, action or proceedings relating to any non-contractual obligations arising out of or in connection with these presents) (together referred to as Proceedings) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

31 Issuer's obligations

The obligations of the Issuer under these presents are solely the corporate obligations of the Issuer. No recourse for the payment of any obligations of the Issuer shall be had against any stockholder, employee, officer, director, affiliate, incorporator, manager or member of the Issuer, provided that this shall not apply if it would be in breach of any legal or regulatory requirement of England.

32 Counterparts

This Deed and any trust deed supplemental hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same deed and any party to this Deed or any trust deed supplemental hereto may enter into the same by executing and delivering a counterpart.

In witness whereof this Deed has been executed as a deed by the Issuer and the Note Trustee and delivered on the date first stated on page 1.

Schedule 1

Conditions of the Notes

This Note is one of a Series (as defined below) of Notes issued by Stonewater Funding plc (the **Issuer**) and constituted by a Note Trust Deed dated 26 July 2021 (as modified and/or supplemented and/or restated from time to time, the **Note Trust Deed**) between the Issuer and The Law Debenture Trust Corporation p.l.c. (the **Note Trustee**, which expression shall include any successor as Note Trustee).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note; and
- (c) any definitive Notes issued in exchange for a Global Note.

The Notes, Receipts (as defined below) and Coupons (as defined below) have the benefit of an Agency Agreement dated 26 July 2021 (as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) between the Issuer, the Note Trustee, The Bank of New York Mellon, London Branch as principal paying agent (the **Principal Paying Agent**, which expression shall include any successor principal paying agent), the other paying agents named therein (together with the Principal Paying Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents) and The Bank of New York Mellon, London Branch as agent bank (the **Agent Bank**, which expression shall include any duly appointed successor agent bank).

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached to or endorsed on this Note which supplement these Conditions (the **Conditions**). References to the applicable Pricing Supplement are, unless otherwise stated, to Part A of the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

Interest bearing definitive Notes have interest coupons (**Coupons**) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Where Instalment Redemption is specified as applicable in the applicable Pricing Supplement, definitive Notes will have receipts (**Receipts**) attached. Global Notes do not have Receipts, Coupons or Talons attached on issue.

The Note Trustee acts for the benefit of the Noteholders (which expression shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below), the holders of the Receipts (the **Receiptholders**) and the holders of the Coupons (the **Couponholders**, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Note Trust Deed.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which:

- (a) are expressed to be consolidated and form a single series; and

- (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The applicable Pricing Supplement shall specify whether the Notes of a Series of Notes are Fully Secured Notes or Partly Secured Notes.

Copies of the Note Trust Deed, the Agency Agreement, the Account Agreement, the Retained Note Custody Agreement, the Loan Agreements in respect of each Series and (in respect of Fully Secured Notes) the Custody Agreement, the Legal Mortgages and the Security Trust Deed (each as defined below) are available for inspection during normal business hours at the principal office for the time being of the Note Trustee being at 26 July 2021 at 8th Floor, 100 Bishopsgate, London EC2N 4AG and at the specified office of each of the Paying Agents. If the Notes are to be admitted to trading on the London Stock Exchange's International Securities Market, the applicable Pricing Supplement will be published on the website of the London Stock Exchange through a regulatory information service or published in any other manner permitted by the International Securities Market Rulebook effective as of 25 February 2019 (as may be modified and/or supplemented and/or restated from time to time). The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Note Trust Deed, the Agency Agreement and (in respect of Fully Secured Notes) the Legal Mortgages and the Security Trust Deed, and the applicable Pricing Supplement which is applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Note Trust Deed, the Agency Agreement and (in respect of Fully Secured Notes) the Legal Mortgages and the Security Trust Deed.

Words and expressions defined in the Note Trust Deed, the Agency Agreement and (in respect of Fully Secured Notes) the Legal Mortgages or the Security Trust Deed, or used in the applicable Pricing Supplement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Note Trust Deed, the Agency Agreement and (in respect of Fully Secured Notes) the Legal Mortgages and the Security Trust Deed, the Note Trust Deed will prevail and, in the event of inconsistency between the Note Trust Deed, the Agency Agreement and (in respect of Fully Secured Notes) the Legal Mortgages and the Security Trust Deed, and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

1 Definitions

Account Agreement means the Account Agreement dated 26 July 2021 between the Issuer, the Account Bank and the Note Trustee, as amended and/or supplemented and/or restated from time to time;

Account Bank means The Bank of New York Mellon, London Branch as account bank pursuant to the Account Agreement or any successor account bank appointed thereunder;

Accounting Profit means, in respect of each accounting period of the Issuer, the aggregate amount which the Issuer would be required to recognise for corporation tax purposes as profit in respect of its Permitted Investments and/or Retained Notes as a result of:

- (a) the movement in the fair value recognised in its accounts of such Permitted Investments and/or Retained Notes for that accounting period, plus
- (b) any further profit arising from the sale of Permitted Investments,

(ignoring, for this purpose, any Gift Aid Payment to be made pursuant to a Loan Agreement);

Additional Borrowers means each member of the Group, other than the Original Borrowers, that:

- (a) has charitable (or exempt charitable) status;
- (b) is a Registered Provider of Social Housing; and
- (c) in respect of any Secured Loan Agreement, has acceded to the Security Trust Deed as a borrower in respect of the Notes;

Appointee means any attorney, manager, agent, delegate, nominee, custodian, receiver or other person appointed by the Note Trustee under, or pursuant to, these Conditions or the Note Trust Deed;

Apportioned Properties has the meaning given to it in the Secured Loan Agreements;

Asset Cover Test has the meaning given to it in the Secured Loan Agreements;

Authorised Signatory means a director, the secretary or a senior executive officer of the Issuer;

Borrower Default has the meaning given to it in the Loan Agreements;

Borrowers means, in respect of each Series, the Original Borrower and/or any Additional Borrower, in each case for so long as it is a borrower under a Loan Agreement in respect of such Series and **Borrower** shall be interpreted accordingly;

Business Day means, for the purpose of Condition 9 (*Redemption and Purchase*), a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for general business in London;

Cancelled Retained Proceeds has the meaning given to it in the Loan Agreements;

Charged Cash means, in respect of each Series of Fully Secured Notes, at any time, the aggregate of all amounts (whether representing proceeds of disposal or other moneys) standing to the credit of the Series Ongoing Cash Security Account of such Series and, to the extent invested in Permitted Investments in accordance with the Custody Agreement, such Permitted Investments and any income received by the Issuer in respect of such Permitted Investments, provided however that, for the purpose of determining the compliance of the Borrowers with the Asset Cover Test, the value to be attributed to such Permitted Investments shall be the purchase price thereof;

Charged Property means each residential property charged by a Borrower and/or an Eligible Group Member to the Security Trustee under a legal charge as security for a Borrower's obligations under a Secured Loan Agreement, and all buildings, erections, fixtures and fittings, fixed plant and machinery from time to time on it (together, the **Charged Properties**);

Charitable Group Member means a charitable member of the Group which is connected with the Group Parent for the purposes of section 939G of the Corporation Tax Act 2010;

Commitment has the meaning given to it in the Loan Agreements;

Compliance Certificate has the meaning given to it in the Loan Agreements;

Custodian means The Bank of New York Mellon, London Branch as custodian pursuant to the Custody Agreement or any successor custodian appointed thereunder;

Custody Agreement means the Custody Agreement dated 26 July 2021 relating to the Permitted Investments and made between the Issuer, the Custodian and the Note Trustee, as amended and/or supplemented and/or restated from time to time;

Eligible Group Member means, in respect of each Series of Fully Secured Notes, any entity which, unless otherwise approved by the Security Trustee, is:

- (a) a member of the Group; and
- (b) a Registered Provider of Social Housing,

and which, in each case, has created (and which is subsisting) or will create security pursuant to the Security Trust Deed which is allocated for the benefit of the Issuer as security for a Secured Loan Agreement entered into in connection with such Series;

euro means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;

Event of Default has the meaning given to it in Condition 12 (*Events of Default*);

Expense Apportioned Part means, for so long as the Notes of more than one Series are outstanding, the amount of the fees, costs, expenses and other liabilities of the Issuer which are not referable to a specific Series and which shall instead be apportioned between each Series outstanding *pro rata* to the principal amount outstanding of each such Series;

Final Retained Note Disposal Date means, in respect of each Series, the date on which the final Retained Notes of such Series are disposed of by the Issuer;

Gift Aid Payment means a qualifying charitable donation for the purposes of Part 6 of the Corporation Tax Act 2010;

Group means the Group Parent and any other present or future, direct or indirect, subsidiaries of the Group Parent (which includes, for the avoidance of doubt, any entity with which the Group Parent may merge or be consolidated with at any time);

Group Parent means Stonewater Limited;

Legal Mortgages means each legal mortgage entered into between a Borrower or an Eligible Group Member and the Security Trustee substantially in the form set out in the Security Trust Deed pursuant to which such Borrower or Eligible Group Member provides security in respect of a Borrower's obligations under a Secured Loan Agreement;

Loan Agreements means, in respect of each Series, the Secured Loan Agreements or the Unsecured Loan Agreements, as applicable, which are to be funded by the proceeds of the issue of such Series, in each case, as amended and/or supplemented and/or restated from time to time;

Loan Payment Day means a day on which principal or interest in respect of a Loan is due and payable by a Borrower to the Issuer in accordance with the terms of a Loan Agreement;

Loans means the principal amount of each Commitment which has been advanced to a Borrower pursuant to the terms of a Loan Agreement or the outstanding balance thereof for the

time being (ignoring, for these purposes, any Actual Advance Amount (as defined in the Loan Agreements));

Minimum Value has the meaning given to it in the applicable Secured Loan Agreement;

Noteholder Specific Withholding means any withholding or deduction of Taxes which is required in respect of any payment in respect of any Note, Receipt or Coupon;

- (a) presented for payment by or on behalf of a holder who is liable to the Taxes in respect of the Note, Receipt or Coupon by reason of his having some connection with the Tax Jurisdiction other than the mere holding of the Note, Receipt or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been a Payment Day (as defined in Condition 8.5 (*Payment Day*));

Original Borrowers means Stonewater Limited, Stonewater (2) Limited and Stonewater (5) Limited;

Permitted Investment Profit means, in respect of any sale of Permitted Investments, the amount of any net profits or gains arising from such sale which are within the charge to corporation tax (if any);

Permitted Investments has the meaning given to it in the Secured Loan Agreements;

Permitted Reorganisation has the meaning given to it in the Loan Agreements;

Potential Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the forming of an opinion and/or the fulfilment of any similar condition, would constitute an Event of Default;

Programme Documents means the Note Trust Deed, the Agency Agreement, the Account Agreement, the Custody Agreement, the Retained Note Custody Agreement, the Loan Agreements, the Security Trust Deed and the Legal Mortgages;

Programme Party means each person who is party to a Programme Document;

Registered Provider of Social Housing means a person listed in the register of providers of social housing established under Chapter 3 of Part 2 of the Housing and Regeneration Act 2008 (as amended from time to time) or a person having status which, in the opinion of the Issuer and the Note Trustee, is substantially equivalent under any replacement or successor legislation;

Relevant Date means, in respect of a payment, the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Note Trustee or the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*);

Retained Note Custodian means The Bank of New York Mellon, London Branch as custodian pursuant to the Retained Note Custody Agreement or any successor custodian appointed thereunder;

Retained Note Custody Account means the account of the Issuer set up with the Retained Note Custodian in respect of the Retained Notes in accordance with the Retained Note Custody Agreement;

Retained Note Custody Agreement means the Retained Note Custody Agreement dated 26 July 2021 relating to the Retained Notes and made between the Issuer, the Retained Note Custodian and the Note Trustee, as amended and/or supplemented and/or restated from time to time;

Retained Notes means, in respect of each Series of Notes where Retained Notes are specified as applicable in the applicable Pricing Supplement, the Notes of such Series purchased by the Issuer on the applicable Issue Date in the principal amount specified in the applicable Pricing Supplement;

Retained Proceeds means, in respect of each Series, at any time:

- (a) an amount of the net issue proceeds of such Series of Notes (other than the Retained Notes of such Series (if any)) which have not been advanced to a Borrower pursuant to a Loan Agreement at such time (if any), plus
- (b) an amount of the net sale proceeds of the Retained Notes of such Series which are not advanced to a Borrower pursuant to a Loan Agreement immediately following receipt thereof by the Issuer and have not subsequently been advanced to a Borrower (if any);

Secured Loan Agreements means, in respect of each Series of Fully Secured Notes, each Loan Agreement by which the Issuer provides a Loan to a Borrower which is to be funded by the proceeds of the issue of such Series, in each case, as amended and/or supplemented and/or restated from time to time;

Security Trust Deed means the Security Trust Deed dated 26 July 2021 between the Issuer, the Original Borrowers and the Security Trustee, as amended and/or supplemented and/or restated from time to time;

Security Trustee means The Law Debenture Trust Corporation p.l.c. as security trustee under the Security Trust Deed for, *inter alios*, the Issuer;

Series Charged Property (a) in respect of each Series of Partly Secured Notes, has the meaning given to it in Condition 4.1 (*Series Security (Partly Secured Notes)*) and (b) in respect of each Series of Fully Secured Notes, has the meaning given to it in Condition 4.2 (*Series Security (Fully Secured Notes)*);

Series Custody Account means, in respect of each Series of Fully Secured Notes, the account of the Issuer set up with the Custodian in respect of the Permitted Investments in respect of such Series in accordance with the Custody Agreement (if any);

Series Initial Cash Security Account means, in respect of each Series of Fully Secured Notes, the account of the Issuer set up with the Account Bank in respect of the Retained Proceeds in respect of such Series in accordance with the Account Agreement (if any);

Series Ongoing Cash Security Account means, in respect of each Series of Fully Secured Notes, the account of the Issuer set up with the Account Bank in respect of the Charged Cash in respect of such Series in accordance with the Account Agreement;

Series Secured Parties means, in relation to a Series, each of the Note Trustee (for itself and on behalf of the Noteholders, the Receiptholders (if any) and the Couponholders of such Series), any Appointee, the Paying Agents, the Agent Bank, the Account Bank, the Retained Note Custodian and (in respect of a Series of Fully Secured Notes) the Custodian;

Series Security (a) in respect of each Series of Partly Secured Notes, has the meaning given to it in Condition 4.1 (*Series Security (Partly Secured Notes)*) and (b) in respect of each Series of Fully Secured Notes, has the meaning given to it in Condition 4.2 (*Series Security (Fully Secured Notes)*);

Series Transaction Account means, in respect of each Series, the account of the Issuer set up with the Account Bank in respect of such Series in accordance with the Account Agreement;

Series Underlying Security means, in respect of each Series of Fully Secured Notes, the security referred to in Condition 4.3(a) (*Series Underlying Security*);

Sterling means pounds sterling;

Tax Jurisdiction means the United Kingdom or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes, Receipts or Coupons;

UK Government Gilt means Sterling denominated gilts or stock issued by or on behalf of Her Majesty's Treasury;

Undrawn Commitment has the meaning given to it in the Loan Agreements;

Unsecured Loan Agreements means, in respect of each Series of Partly Secured Notes, each Loan Agreement by which the Issuer provides a Loan to a Borrower which is to be funded by the proceeds of the issue of such Series, in each case, as amended and/or supplemented and/or restated from time to time; and

USD or U.S. dollars means United States dollars.

2 Form, Denomination and Title

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denominations (the **Specified Denomination(s)**) specified in the applicable Pricing Supplement. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note or a Floating Rate Note, or a combination of both, depending upon the Interest Basis shown in the applicable Pricing Supplement.

Definitive Notes are issued with Coupons and (if Instalment Redemption is specified as applicable in the applicable Pricing Supplement) Receipts attached.

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. The Issuer, the Note Trustee and any Paying Agent will (except as otherwise required by law) deem

and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Note Trustee and the Paying Agents as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such principal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the Note Trustee and any Paying Agent as the holder of such principal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions Noteholder and holder of Notes and related expressions shall be construed accordingly.

In determining whether a particular person is entitled to a particular principal amount of Notes as aforesaid, the Note Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Pricing Supplement.

3 Status of the Notes

The Notes and any relative Receipts and Coupons are direct, unconditional and unsubordinated obligations of the Issuer, secured in the manner set out in Condition 4 (*Security*), and rank *pari passu* without preference or priority among themselves.

4 Security

4.1 Series Security (Partly Secured Notes)

This Condition 4.1 applies to Partly Secured Notes only.

- (a) The Issuer's obligations in respect of each Series of Partly Secured Notes are secured (subject as provided in the Conditions and the Note Trust Deed) pursuant to the Note Trust Deed in favour of the Note Trustee for the benefit of itself and the Noteholders and the other Series Secured Parties as follows:
 - (i) by an assignment by way of security of the Issuer's rights, title and interest arising under the Loan Agreements, the Agency Agreement and the Account Agreement, in each case to the extent they relate to such Series;

- (ii) by a charge by way of first fixed charge over all moneys from time to time standing to the credit of the Series Transaction Account of such Series, and all debts represented thereby and any other bank or other accounts in which the Issuer may at any time have or acquire any rights, title and interest in relation to such Series; and
 - (iii) by a charge by way of first fixed charge over all rights of the Issuer in respect of sums held from time to time by the Paying Agents for the payment of principal or interest in respect of such Series.
- (b) The property charged and assigned pursuant to the Note Trust Deed listed in Condition 4.1(a), together with any other property or assets held by and/or assigned to the Note Trustee and/or any deed or document supplemental thereto, in respect of each Series is referred to herein as the **Series Charged Property** and the security created thereby, the **Series Security**.
- (c) No Series of Notes will have access to the Series Security securing another Series of Notes, including, in particular, security over the rights, title and interest arising under any Loan Agreement not entered into in connection with such Series or any Series Underlying Security whether prior to or after the Note Trustee has served a notice of enforcement on the Issuer in relation to any Series of Notes.

4.2 Series Security (Fully Secured Notes)

This Condition 4.2 applies to Fully Secured Notes only.

- (a) The Issuer's obligations in respect of each Series of Fully Secured Notes are secured (subject as provided in the Conditions and the Note Trust Deed) pursuant to the Note Trust Deed in favour of the Note Trustee for the benefit of itself and the Noteholders and the other Series Secured Parties as follows:
 - (i) by an assignment by way of security of the Issuer's rights, title and interest arising under the Loan Agreements, the Security Trust Deed, the Legal Mortgages, the Agency Agreement, the Custody Agreement and the Account Agreement, in each case to the extent they relate to such Series;
 - (ii) by a charge by way of first fixed charge over all moneys and/or securities from time to time standing to the credit of the Series Transaction Account, the Series Ongoing Cash Security Account, the Series Initial Cash Security Account (if any) and the Series Custody Account, in each case of such Series, and all debts represented thereby and any other bank or other accounts in which the Issuer may at any time have or acquire any rights, title and interest in relation to such Series; and
 - (iii) by a charge by way of first fixed charge over all rights of the Issuer in respect of sums held from time to time by the Paying Agents for the payment of principal or interest in respect of such Series.
- (b) The property charged and assigned pursuant to the Note Trust Deed listed in Condition 4.2(a), together with any other property or assets held by and/or assigned to the Note Trustee and/or any deed or document supplemental thereto, in respect of each Series is referred to herein as the **Series Charged Property** and the security created thereby, the **Series Security**.

- (c) No Series of Notes will have access to the Series Security securing another Series of Notes, including, in particular, security over the rights, title and interest arising under any Loan Agreement not entered into in connection with such Series or any Series Underlying Security not specifically allocated to such Series whether prior to or after the Note Trustee has served a notice of enforcement on the Issuer in relation to any Series of Notes.

4.3 Series Underlying Security

This Condition 4.3 applies to Fully Secured Notes only.

- (a) The Borrowers will create, or procure the creation by Eligible Group Members of, security over certain of their housing properties in favour of the Security Trustee to secure their obligations under the Secured Loan Agreements (the **Series Underlying Security**).
- (b) The Security Trustee will hold the Series Underlying Security for the benefit of the Issuer in accordance with the Security Trust Deed and the Issuer shall be treated as a separate beneficiary under the Security Trust Deed in respect of all Secured Loan Agreements entered into in connection with a Series of Fully Secured Notes.
- (c) The security created pursuant to the Legal Mortgages will be apportioned in respect of the Secured Loan Agreements relating to a Series of Fully Secured Notes on:
 - (i) a Numerical Apportionment Basis; or
 - (ii) a Specific Apportionment Basis,

in each case, as specified in the applicable Pricing Supplement and in accordance with and subject to the terms of the Security Trust Deed.

- (d) Where Numerical Apportionment Basis is specified as applicable in the applicable Pricing Supplement, a specific number of units in respect of the Apportioned Properties will be apportioned in respect of the Secured Loan Agreements relating to such Series as agreed between the Issuer and the Borrowers and Eligible Group Members. The Initial Apportioned Properties in respect of each Series of Fully Secured Notes shall be specified in the applicable Pricing Supplement.
- (e) Where Specific Apportionment Basis is specified as applicable in the applicable Pricing Supplement, specific individual Charged Properties shall be allocated to the Issuer as agreed between the Issuer and the Borrowers and Eligible Group Members. The initial list of Charged Properties in respect of each Series of Fully Secured Notes shall be specified in the applicable Pricing Supplement.

5 Order of Payments

5.1 Pre-enforcement

Prior to the enforcement of the Series Security in respect of a Series of Notes, the Issuer shall apply the monies standing to the credit of the Series Transaction Account in respect of such Series on each Interest Payment Date and such other dates on which a payment is due in respect of the Notes or otherwise permitted in accordance with the Programme Documents in the following order of priority (the **Pre-enforcement Priority of Payment**):

- (a) first, in payment of any taxes due and owing by the Issuer to any taxing authority insofar as they relate to the relevant Series of Notes or, to the extent not referable to a specific Series, the Expense Apportioned Part thereof;
- (b) second, in payment of any unpaid fees, costs, charges, expenses and liabilities incurred by the Note Trustee and any Appointee (including, but not limited to, all amounts payable to the Note Trustee and any such Appointee under the Note Trust Deed) in each case, insofar as they relate to the relevant Series of Notes or, to the extent not referable to a specific Series, the Expense Apportioned Part thereof;
- (c) third, in payment, on a *pro rata* and *pari passu* basis, of any unpaid fees, costs, charges, expenses, liabilities and indemnity payments of the Issuer owing to the Paying Agents and the Agent Bank under the Agency Agreement, the Account Bank under the Account Agreement, (in respect of any Series of Fully Secured Notes) the Custodian under the Custody Agreement and the Retained Note Custodian under the Retained Note Custody Agreement insofar as they relate to the relevant Series of Notes or, to the extent not referable to a specific Series, the Expense Apportioned Part thereof;
- (d) fourth, in payment, on a *pro rata* and *pari passu* basis, of any other unpaid fees, expenses and liabilities of the Issuer insofar as they relate to such Series of Notes or, to the extent not referable to a specific Series, the Expense Apportioned Part thereof;
- (e) fifth, in payment, on a *pro rata* and *pari passu* basis to the Noteholders of such Series of any interest due and payable in respect of such Series of Notes;
- (f) sixth, in payment, on a *pro rata* and *pari passu* basis, to the Noteholders of such Series of any principal due and payable in respect of such Series of Notes;
- (g) seventh, in payment, on a *pro rata* and *pari passu* basis, to the Borrowers of any amount due and payable under the terms of the Loan Agreements entered into in connection with such Series; and
- (h) eighth, in payment of any Permitted Investment Profit or Accounting Profit, as the case may be, to any Charitable Group Member.

5.2 Post-enforcement

Following the enforcement of the Series Security in respect of a Series of Notes, all monies standing to the credit of the Series Transaction Account and (in respect of a Series of Fully Secured Notes) the Series Ongoing Cash Security Account and the Series Initial Cash Security Account in respect of such Series, and the net proceeds of enforcement of the Series Security shall be applied in the following order of priority (the **Post-enforcement Priority of Payment**):

- (a) first, in payment or satisfaction of any unpaid fees, costs, charges, expenses and liabilities incurred by the Note Trustee and any Appointee (including, but not limited to, all amounts payable to the Note Trustee and any such Appointee under the Note Trust Deed) in preparing and executing the trusts under the Note Trust Deed (including the costs of realising any Series Security and the Note Trustee's and any such Appointee's remuneration) in each case, insofar as they relate to the relevant Series of Notes or, to the extent not referable to a specific Series, the Expense Apportioned Part thereof;
- (b) second, except following the enforcement of the Series Security in respect of all Series of Notes, in payment of any taxes due and owing by the Issuer to any taxing authority

insofar as they relate to the relevant Series of Notes or, to the extent not referable to a specific Series, the Expense Apportioned Part thereof;

- (c) third, in payment, on a *pro rata* and *pari passu* basis, of all amounts owing to the Paying Agents and the Agent Bank under the Agency Agreement, the Account Bank under the Account Agreement, (in respect of any Series of Fully Secured Notes) the Custodian under the Custody Agreement and the Retained Note Custodian under the Retained Note Custody Agreement insofar as they relate to the relevant Series of Notes or, to the extent not referable to a specific Series, the Expense Apportioned Part thereof;
- (d) fourth, in payment, on a *pro rata* and *pari passu* basis to the Noteholders of such Series of any interest due and payable in respect of the Notes;
- (e) fifth, in payment, on a *pro rata* and *pari passu* basis, to the Noteholders of such Series of any principal due and payable in respect of the Notes;
- (f) sixth, in payment, on a *pro rata* and *pari passu* basis, of any other unpaid fees and expenses of the Issuer (in each case insofar as they relate to the Notes);
- (g) seventh, in payment, on a *pro rata* and *pari passu* basis, to the Borrowers of any amount due and payable under the terms of the Loan Agreements entered into in connection with such Series; and
- (h) eighth, in payment of any Permitted Investment Profit or Accounting Profit, as the case may be, to any Charitable Group Member.

6 Covenants

6.1 General Covenants

- (a) In addition to the covenants of the Issuer set out in the Note Trust Deed, for so long as any Series remains outstanding, the Issuer covenants that it will not, without the consent in writing of the Note Trustee, engage in any activity or do anything other than:
 - (i) carry out the business of a company which has as its purpose raising finance and on-lending such finance for the benefit of the members of the Group (including, without limitation, as envisaged by the Programme Documents); and
 - (ii) perform any act incidental to or necessary in connection with (i) above.
- (b) The Issuer also covenants, for so long as any Series remains outstanding, not to create or permit to subsist, over any of the Series Charged Property, any mortgage or charge or any other security interest ranking in priority to, or *pari passu* with, the Series Security created by or pursuant to the Note Trust Deed.

6.2 Information Covenants

For so long as any Series remains outstanding, the Issuer shall:

- (a) send to the Note Trustee and, upon request by any Noteholder to the Issuer, make available to such Noteholder at the Issuer's registered office during normal business hours (or, for long as any Global Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, by delivery to Euroclear and/or Clearstream, Luxembourg):

- (i) a copy of each Compliance Certificate promptly upon receipt of the same from the Borrowers pursuant to the terms of their respective Loan Agreements; and
 - (ii) a copy of the audited annual financial statements of each Borrower (consolidated if available) promptly upon publication of the same by each Borrower; and
- (b) at the request of Noteholders holding not less than 33 per cent. in principal amount of the Notes of any Series for the time being outstanding, convene a meeting of the Noteholders to discuss the financial position of the Issuer and the Group, provided, however, that the Issuer shall not be required to convene any such meeting pursuant to this Condition 6.2(b) more than once in any calendar year. Upon the request of Noteholders to convene any such meeting, as aforesaid, the Issuer shall notify all Noteholders of the relevant Series of the date (which such date shall be no more than 21 days following such request), time and place of the meeting in accordance with Condition 16 (Notices). The Issuer shall act in good faith in addressing any questions regarding the financial position of itself or any other member of the Group raised at any such meeting, provided, however, that the Issuer shall not be obliged to disclose any information which it, in its absolute discretion, considers to be of a confidential nature. For the avoidance of doubt, the provisions of this Condition 6.2(b) are in addition to the meetings provisions set out in Condition 18.1 (*Meetings of Noteholders*).

6.3 Loan Agreements, Legal Mortgages and Security Trust Deed Consents Covenant

- (a) For so long as any Series of Partly Secured Notes remains outstanding, the Issuer covenants that it shall not consent to any waiver, amendment or modification of, or take any action pursuant to, the Unsecured Loan Agreements except with the prior consent of the Note Trustee. The Note Trustee may seek the consent of the Noteholders in accordance with the Note Trust Deed prior to giving any such consent.
- (b) For so long as any Series of Fully Secured Notes remains outstanding, the Issuer covenants that it shall not consent to any waiver, amendment or modification of, or take any action or direct the Security Trustee to take any action pursuant to, the Loan Agreements, the Legal Mortgages or the Security Trust Deed except with the prior consent of the Note Trustee. The Note Trustee may seek the consent of the Noteholders in accordance with the Note Trust Deed prior to giving any such consent.

7 Interest

The applicable Pricing Supplement will indicate whether the Notes are Fixed Rate Notes and/or Floating Rate Notes.

7.1 Interest on Fixed Rate Notes

This Condition 7.1 applies to Fixed Rate Notes only. The applicable Pricing Supplement contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 7.1 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Pricing Supplement will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

As used in the Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (a) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding principal amount of the Fixed Rate Notes represented by such Global Note; or
- (b) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount to the Calculation Amount in the case of Fixed Rate Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Conditions:

Day Count Fraction means, in respect of the calculation of an amount of interest, in accordance with this Condition 7.1 (*Interest on Fixed Rate Notes*):

- (a) if "Actual/Actual (ICMA)" is specified in the applicable Pricing Supplement:
 - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

- (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (iii) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (iv) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (b) If "30/360" is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

7.2 Interest on Floating Rate Notes

This Condition 7.2 applies to Floating Rate Notes only. The applicable Pricing Supplement contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 7.2 for full information on the manner in which interest is calculated on Floating Rate Notes. In particular, the applicable Pricing Supplement will identify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Agent, the Margin, any maximum or minimum interest rates (if applicable) and the Day Count Fraction. Where ISDA Determination applies to the calculation of interest, the applicable Pricing Supplement will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Pricing Supplement will also specify the applicable Reference Rate, Interest Determination Date(s) and Relevant Screen Page.

(a) Interest Payment Dates

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or

- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions, Interest Period means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition (a)(ii) above, the Floating Rate Convention, such Interest Payment Date:
- 1) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (2) below shall apply *mutatis mutandis*; or
 - 2) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event:
 - a) such Interest Payment Date shall be brought forward to the immediately preceding Business Day; and
 - b) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, **Business Day** means:

- 1) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre (other than TARGET2 System) specified in the applicable Pricing Supplement;

- 2) if TARGET2 System is specified as an Additional Business Centre in the applicable Pricing Supplement, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open; and
- 3) either:
 - a) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency; or
 - b) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(b) **Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Pricing Supplement.

(i) **ISDA Determination for Floating Rate Notes**

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent Bank (or other agent, if the Agent Bank (or such other agent) is unable to make such determination) under an interest rate swap transaction if the Agent Bank (or such other agent) were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

- (A) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (B) the Designated Maturity is a period specified in the applicable Pricing Supplement; and
- (C) the relevant Reset Date is the day specified in the applicable Pricing Supplement.

For the purposes of this subparagraph (i), Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity and Reset Date have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Pricing Supplement the Minimum Rate of Interest shall be deemed to be zero.

(ii) **Screen Rate Determination for Floating Rate Notes**

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being EURIBOR or otherwise, as specified in the applicable Pricing Supplement) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Agent Bank. 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 Agent Bank for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

Unless otherwise stated in the applicable Pricing Supplement the Minimum Rate of Interest shall be deemed to be zero.

(c) Benchmark Replacement

This Condition 7.2(c) applies only where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined.

(i) Independent Adviser

Notwithstanding the provisions in Condition 7.2(b)(ii) (Screen Rate Determination for Floating Rate Notes) above, if the Issuer determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine, following consultation with the Issuer and no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the **IA Determination Cut-off Date**), a Successor Rate or, failing which, an Alternative Reference Rate (in accordance with Condition 7.2(c)(ii) (Successor Rate or Alternative Reference Rate)) and, in either case, an Adjustment Spread (in accordance with Condition

7.2(c)(iii) (*Adjustment Spread*) and any Benchmark Amendments (in accordance with Condition 7.2(c)(iv) (*Benchmark Amendments*)).

An Independent Adviser appointed pursuant to this Condition 7.2(c) (*Benchmark Replacement*) shall act in good faith and in a commercially reasonable manner following consultation with the Issuer. In the absence of wilful default, bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Noteholders, the Note Trustee, the Paying Agents or the Agent Bank for any determination it makes pursuant to this Condition 7.2(c) (*Benchmark Replacement*). No Independent Adviser appointed in connection with the Notes (acting in such capacity), shall have any relationship of agency or trust with the Noteholders.

If:

- (A) the Issuer is unable to appoint an Independent Adviser; or
- (B) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Reference Rate in accordance with this Condition 7.2(c)(i) (*Independent Adviser*) prior to the relevant IA Determination Cut-off Date,

then the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the immediately preceding Interest Period, the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to that immediately preceding Interest Period. For the avoidance of doubt, this sub-paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 7.2(c) (*Benchmark Replacement*)).

(ii) Successor Rate or Alternative Reference Rate

If the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 7.2(c)(iii) (*Adjustment Spread*)), 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 further operation of this Condition 7.2(c) (*Benchmark Replacement*)); or
- (B) there is no Successor Rate but that there is an Alternative Reference Rate, then such Alternative Reference Rate shall (subject to adjustment as provided in Condition 7.2(c)(iii) (*Adjustment Spread*)) 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 further operation of this Condition 7.2(c) (*Benchmark Replacement*)).

(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 Reference Rate (as the case may be).

Following any such determination by the Independent Adviser, following consultation with the Issuer, of the Adjustment Spread, the Issuer shall give notice thereof in accordance with Condition 7.2(c)(vi) (*Notices*). The Principal Paying Agent or the Agent Bank, as applicable, shall apply such Adjustment Spread to the Successor Rate or the Alternative Reference Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or any component part(s) thereof) by reference to such Successor Rate or Alternative Reference Rate (as applicable).

(iv) **Benchmark Amendments**

If any Successor Rate or Alternative Reference Rate and Adjustment Spread is determined in accordance with this Condition 7.2(c) (*Benchmark Replacement*) and the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines:

- (A) that amendments to the Conditions, the Note Trust Deed or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Reference Rate and, in each case, the application of the Adjustment Spread (such amendments, the **Benchmark Amendments**); and
- (B) the terms of the Benchmark Amendments,

then the Issuer shall, following consultation with the Independent Adviser and subject to the Issuer giving notice thereof in accordance with Condition 7.2(c)(vi) (*Notices*), without any requirement for the consent or approval of Noteholders, the Receiptholders, the Couponholders or any other Series Secured Party, vary the Conditions and/or the Note 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 Note Trustee of a certificate signed by one Authorised Signatory of the Issuer pursuant to Condition 7.2(c)(vi) (*Notices*), the Note Trustee shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders, Receiptholders or Couponholders or any other Series Secured Party, be obliged to use its best endeavours to implement any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Note Trust Deed) and the Note Trustee shall not be liable to any party for any consequences thereof (irrespective of whether such Benchmark Amendment(s) relate(s) to a Basic Terms Modification (as defined in the Note Trust Deed)), provided that the Note Trustee shall not be obliged so to implement if, in the opinion of the Note 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 rights and/or the protective provisions afforded to it in these Conditions and/or the Note Trust Deed and/or any documents to which it is a party (including, for the avoidance of doubt, any supplemental note trust deed) in any way.

In connection with any such modifications in accordance with this Condition 7.2(c)(iv) (*Benchmark Amendments*), the Issuer and the Independent Adviser shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) **Survival of Original Reference Rate Provisions**

Without prejudice to the obligations of the Issuer or the Independent Adviser under this Condition 7.2(c) (*Benchmark Replacement*), the Original Reference Rate and the fallback provisions provided for in Condition 7.2(c)(ii) (*Successor Rate or Alternative Reference Rate*) and the Agency Agreement will continue to apply unless and until:

- (A) a Benchmark Event has occurred and the Independent Adviser, following consultation with the Issuer, has determined the Successor Rate or the Alternative Reference Rate (as the case may be), the Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this Condition 7.2(c) (*Benchmark Replacement*); and
- (B) the Issuer notifies the Note Trustee of such determination.

(vi) **Notices**

Any Successor Rate, Alternative Reference Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 7.2(c) (*Benchmark Replacement*) will be notified promptly by the Issuer to the Note Trustee, the Paying Agents, the Agent Bank (if applicable), the Borrowers and, in accordance with Condition 16 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Note Trustee of the same, the Issuer shall deliver to the Note Trustee a certificate signed by one Authorised Signatory of the Issuer:

- (A) confirming:
 - 1) that a Benchmark Event has occurred;
 - 2) the Successor Rate or, as the case may be, the Alternative Reference Rate;
 - 3) any Adjustment Spread; and
 - 4) the specific terms of any Benchmark Amendments,

in each case as determined in accordance with the provisions of this Condition 7.2(c) (*Benchmark Replacement*); and

- (B) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Reference Rate and/or Adjustment Spread.

The Note Trustee shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Reference 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 Reference Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the ability of the Note Trustee to rely on such certificate as aforesaid) be binding on the Issuer, the Note Trustee, the Principal Paying Agent, the Agent Bank and the Noteholders.

(vii) Definitions

In this Condition 7.2(c) (*Benchmark Replacement*):

Adjustment Spread means either a spread (which may be positive, negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as the case may be) to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Reference 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;
- (B) (if no such recommendation has been made, or in the case of an Alternative Reference Rate) the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, 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 Reference Rate (as the case may be); or
- (C) (if the Independent Adviser, in consultation with the Issuer, determines that no such industry standard is recognised or acknowledged) the Independent Adviser, in its discretion, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines to be appropriate;

Alternative Reference Rate means an alternative benchmark or screen rate which the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines in accordance with Condition 7.2(c)(ii) (*Successor Rate or Alternative Reference Rate*) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating

rates of interest (or the relevant component thereof) in the same Specified Currency as the Notes;

Benchmark Event means:

- (D) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (E) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, 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) and (ii) the date falling six months prior to such date specified in (i); or
- (F) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that (i) the Original Reference Rate has been permanently or indefinitely discontinued or (ii) the Original Reference Rate is no longer representative of an underlying market; or
- (G) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (i); or
- (H) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will, on or before a specified date, be prohibited from being used either generally, or in respect of the Notes and (ii) the date falling six months prior to the date specified in (i); or
- (I) it has or will prior to the next Interest Determination Date become unlawful for the Agent Bank or the Issuer to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate;

Independent Adviser means an independent financial institution of international repute or an independent financial adviser with experience in the international capital markets appointed by the Issuer at its own expense under Condition 7.2(c)(i) (*Independent Adviser*) and notified in writing to the Note Trustee;

Original Reference Rate means the benchmark or screen rate (as applicable) specified in the applicable Pricing Supplement for the purposes of determining the relevant Rate of Interest (or any component part(s) thereof) in respect of the Notes or (if applicable) any other Successor Rate or Alternative Reference Rate (or any component part(s) thereof) determined and applicable to the Notes pursuant to the earlier operation of this Condition 7.2(c) (*Benchmark Replacement*); and

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

- (J) 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
- (K) 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; and
- (L) **Successor Rate** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

(d) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 7.2(b) (*Rate of Interest*) is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 7.2(b) (*Rate of Interest*) is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(e) Determination of Rate of Interest and calculation of Interest Amounts

The Agent Bank will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent Bank will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (i) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding principal amount of the Notes represented by such Global Note; or
- (ii) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with

applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 7.2:

- (iii) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (iv) if "Actual/365 (Fixed)" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (v) if "Actual/365 (Sterling)" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (vi) if "Actual/360" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;
- (vii) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

Y1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D1 is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

D2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (viii) if "30E/360" or "Eurobond Basis" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

Y1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D1 is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

D2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

- (ix) if "30E/360 (ISDA)" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

Y1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D1 is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

D2 is the calendar day, expressed as a number, immediately following the last day included in the Interest 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 D2 will be 30.

(f) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Agent Bank by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Pricing Supplement) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Pricing Supplement), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent Bank shall determine such rate at such time and by reference to such sources as the Issuer shall determine appropriate for such purposes.

Designated Maturity means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(g) Notification of Rate of Interest and Interest Amounts

The Agent Bank will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Note Trustee and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 16 (Notices) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 16 (Notices). For the purposes of this paragraph, the expression London Business Day means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(h) Determination or Calculation by the Note Trustee

If for any reason at any relevant time the Agent Bank defaults in its obligation to determine the Rate of Interest or in its obligation to calculate any Interest Amount in accordance with Condition 7.2(b)(i) (*ISDA Determination for Floating Rate Notes*) or Condition 7.2(b)(ii) (*Screen Rate Determination for Floating Rate Notes*), as the case may be, and in each case in accordance with Condition 7.2(e) (*Determination of Rate of Interest and calculation of Interest Amounts*) and Condition 7.2(f) (*Linear Interpolation*), the Note Trustee may (but without any liability accruing to the Note Trustee as a result) determine (or appoint an agent or expert at the expense of the Issuer who shall determine) the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified

in the applicable Pricing Supplement), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Note Trustee may (but without any liability accruing to the Note Trustee as a result) calculate (or appoint an agent or expert at the expense of the Issuer who shall calculate) the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent Bank.

(i) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 7 (Interest) by the Agent Bank shall (in the absence of wilful default, gross negligence, bad faith, fraud or manifest error) be binding on the Issuer, the Paying Agents, the Agent Bank and all Noteholders, Receiptholders and Couponholders and (in the absence of wilful default, gross negligence, bad faith or fraud) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent Bank or the Note Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(j) Agent Bank

The Issuer shall procure that, so long as any of the Notes remains outstanding, there is at all times an Agent Bank for the purposes of the Notes and the Issuer may, subject to the prior written approval of the Note Trustee, terminate the appointment of the Agent Bank. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Agent Bank or failing duly to determine the Rate of Interest and the Interest Amount for any Interest Period, the Issuer shall, subject to the prior written approval of the Note Trustee, appoint the London office of another major bank engaged in the London interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed.

(k) Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) as provided in the Note Trust Deed.

8 Payments

8.1 Method of payment

(a) Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency; and

- (ii) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.
- (b) 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 10 (Taxation); 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 10 (Taxation)) any law implementing an intergovernmental approach thereto.

8.2 Presentation of definitive Notes, Receipts and Coupons

- (a) Subject as follows in respect of Instalment Redemption, payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 8.1 only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes.
- (b) Where Instalment Redemption is specified as applicable in the applicable Pricing Supplement, payment of instalments of principal on an Instalment Date (other than the Instalment Date falling on the Maturity Date) in respect of definitive Notes will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)). Each Receipt must be presented for payment together with the Note to which it appertains. Any Receipt presented without the Note to which it appertains does not constitute valid obligations of the Issuer.
- (c) Payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).
- (d) Fixed Rate Notes in definitive form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 11 (Prescription) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

- (e) Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.
- (f) Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose principal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the principal amount of such Note.
- (g) If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

8.3 Payments in respect of Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes or otherwise in the manner specified in the relevant Global Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

8.4 General provisions applicable to payments

- (a) The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular principal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.
- (b) Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:
 - (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. Dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
 - (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange

controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

8.5 Payment Day

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 11 (*Prescription*)) is:

- (a) or falls after the relevant due date;
- (b) or falls at least one day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency, after the corresponding Loan Payment Day;
- (c) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):
 - (i) in the case of Notes in definitive form only, in the relevant place of presentation; and
 - (ii) in each Additional Financial Centre (other than TARGET2 System) specified in the applicable Pricing Supplement;
- (d) if TARGET2 System is specified as an Additional Financial Centre in the applicable Pricing Supplement, a day on which the TARGET2 System is open; and
- (e) either:
 - (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency; or
 - (ii) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

8.6 Interpretation of principal and interest

- (a) Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:
 - (i) any additional amounts which may be payable with respect to principal under Condition 10 (*Taxation*) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Note Trust Deed;

- (ii) the Final Redemption Amount of the Notes (or, in the case of Notes redeemable in instalments, the Instalment Amounts); and
 - (iii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.
- (b) Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10 (Taxation) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Note Trust Deed.

9 Redemption and Purchase

9.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer:

- (a) where Final Redemption is specified in the applicable Pricing Supplement, at its Final Redemption Amount specified in the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date specified in the applicable Pricing Supplement; or
- (b) where Instalment Redemption is specified in the applicable Pricing Supplement, in part on each Instalment Date in the Instalment Amount in the relevant Specified Currency, all as specified in the applicable Pricing Supplement.

9.2 Redemption for tax reasons

If as a result of any actual or proposed change in tax law, the Issuer determines (in its reasonable commercial judgement), and certifies to the Note Trustee, that it would, on the next following Interest Payment Date, be required to make a withholding or deduction in respect of payments to be made on such Interest Payment Date (other than in respect of a Noteholder Specific Withholding) and the Issuer does not opt to pay additional amounts pursuant to Condition 10(b) (Taxation) or, having so opted, notifies the Note Trustee and the Noteholders, in accordance with Condition 16 (Notices), of its intention to cease paying such additional amounts, the Issuer shall redeem the Notes in whole, but not in part, at their principal amount, plus accrued interest to (but excluding) the date of redemption, as soon as reasonably practicable prior to the next following Interest Payment Date or, if it is not reasonably practicable for the Issuer to redeem the Notes prior to the next following Interest Payment Date, within three Business Days thereafter. For the avoidance of doubt, any amounts in respect of accrued interest which fall due on any such redemption of the Notes (and, where the redemption follows the next following Interest Payment Date, such Interest Payment Date) shall be paid subject to the required withholding or deduction and the Issuer shall not be obliged to pay any additional amounts in respect thereof.

9.3 Redemption at the option of the Borrowers (Borrower Call)

- (a) If Borrower Call is specified as being applicable in the applicable Pricing Supplement, a Borrower may elect to prepay at any time (or, where such Loan was advanced in connection with a Floating Rate Note, on any Loan Payment Date) after the relevant Final Retained Note Disposal Date (if applicable) a Loan advanced in connection with the relevant Series of Notes in whole or in part.

- (b) Upon such election (if no replacement Commitment is put in place with another Borrower), the Issuer shall, on giving not less than 30 nor more than 60 days' notice, redeem the Notes of such Series in whole or, in respect of a prepayment in part, in an aggregate principal amount equal to the principal amount of the Loan to be repaid on the date which is two Business Days after that on which payment is made by such Borrower under its Loan Agreement (the **Loan Prepayment Date**).
- (c) Redemption of Notes pursuant to this Condition 9.3 (*Redemption at the option of the Borrowers (Borrower Call)*) shall be made at the Optional Redemption Amount(s) specified in the applicable Pricing Supplement, together with any interest accrued up to (but excluding) the Loan Prepayment Date.
- (d) The Optional Redemption Amount will be:
 - (i) if Par Amount is specified in the applicable Pricing Supplement, the principal amount of the Notes;
 - (ii) if Modified Spens Amount is specified in the applicable Pricing Supplement, the amount determined as set out below: or
 - (iii) if Make Whole Amount or Other Amount is specified in the applicable Pricing Supplement, the amount determined as set out in the applicable Pricing Supplement.
- (e) If Modified Spens Amount is specified in the applicable Pricing Supplement, the Optional Redemption Amount shall be the amount equal to the higher of the following:
 - (i) par; and
 - (ii) the price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser nominated by the Issuer and approved by the Note Trustee (the **Nominated Financial Adviser**)) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the Notes (if the Notes were to remain outstanding until their original maturity) on the Determination Date would be equal to the sum of (i) the Gross Redemption Yield at 3:00 pm (London time) on the Determination Date of the Benchmark Gilt and (ii) the Spens Margin.
- (f) For the purposes of this Condition:

Benchmark Gilt means the UK Government Gilt specified as such in the applicable Pricing Supplement or such other conventional (i.e. not index-linked) UK Government Gilt as the Issuer (with the advice of the Nominated Financial Adviser) may determine to be the most appropriate conventional UK Government Gilt;

Determination Date means three Business Days prior to the Loan Prepayment Date;

Gross Redemption Yield means a yield calculated by the Nominated Financial Adviser on the basis set out by the United Kingdom Debt Management Office in the paper "Formulae for Calculating Gilt Prices from Yields" page 5, 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 16 March 2005) (as amended or supplemented from time to time); and

Spens Margin means the margin specified as such in the applicable Pricing Supplement.

9.4 Maturity Call Par Option

- (a) If Maturity Par Call Option is specified as being applicable in the applicable Pricing Supplement, a Borrower may from (and including) the Call Option Date specified in the applicable Pricing Supplement (which shall be no earlier than 90 days before the Maturity Date) elect to prepay at any time (or, where such Loan was advanced in connection with a Floating Rate Note, on any subsequent Loan Payment Date prior to the Maturity Date (if any)) after the relevant Final Retained Note Disposal Date (if applicable) a Loan advanced in connection with the relevant Series of Notes in whole or in part.
- (b) Upon such election, the Issuer shall, on giving not less than 15 nor more than 30 days' notice, redeem the Notes of such Series in whole or, in respect of a prepayment in part, in an aggregate principal amount equal to the principal amount of the Loan to be repaid on the date which is two Business Days after that on which payment is made by such Borrower under its Loan Agreement (the **Loan Prepayment Date**).
- (c) Redemption of Notes pursuant to this Condition 9.4 (*Maturity Call Par Option*) shall be made at their principal amount, together with any interest accrued up to (but excluding) the Loan Prepayment Date.

9.5 Residual Call Option

- (a) If Residual Call Option is specified as being applicable in the applicable Pricing Supplement, the Borrowers in respect of all Loan Agreements entered into in connection with a Series of Notes may (acting together) elect to prepay the Loans advanced in connection with the relevant Series of Notes in whole (but not in part) at any time (or, where such Loan was advanced in connection with a Floating Rate Note, on any Loan Payment Date) after the relevant Final Retained Note Disposal Date (if applicable) in the event that the aggregate outstanding principal amount of the Notes of such Series (being, where Instalment Redemption is specified as applicable in the applicable Pricing Supplement, the original principal amount ignoring any previous redemption of principal in accordance with Condition 9.1(b) (*Redemption at maturity*)) is equal to or less than the Residual Call Option Percentage specified in the applicable Pricing Supplement of the aggregate principal amount of the Notes of such Series issued.
- (b) Upon such election, the Issuer shall, on giving not less than 15 nor more than 30 days' notice, redeem the Notes of such Series in whole on the date which is two Business Days after that on which payment is made by the Borrowers under such Loan Agreements (the **Loan Prepayment Date**).
- (c) Redemption of Notes pursuant to this Condition 9.5 (*Residual Call Option*) shall be made at the Residual Call Amount, together with any interest accrued up to (but excluding) the Loan Prepayment Date.
- (d) Notwithstanding the foregoing, if one or more Borrowers has elected to repay any Loan Agreement entered into in connection with such Series of Notes in circumstances which has resulted in the exercise by the Issuer of the Borrower Call option in accordance with Condition 9.3 (*Redemption at the option of the Borrowers (Borrower Call)*) in respect of part only of a relevant Series of Notes, the provisions of this Condition 9.5 (*Residual*

Call Option) shall not apply to the same Series of Notes for a period of 12 months from the applicable date of the partial redemption of the Notes of such Series.

9.6 **Mandatory Early Redemption**

If a Loan in respect of a Series of Notes becomes repayable:

- (a) as a result of a Borrower Default; and/or
- (b) following a Borrower ceasing to be a Registered Provider of Social Housing (other than if such Borrower regains its status as a Registered Provider of Social Housing or ceases to be a Borrower within 180 days),

then (unless the Issuer has agreed with another Borrower or Borrowers to increase its Commitment by the relevant amount of the Loan to be prepaid not later than the date on which the relevant amount of Notes would otherwise be redeemed) the Issuer shall redeem the Notes of the relevant Series in full at their principal amount together (if appropriate) with accrued interest to (but excluding) the date on which the Loan is repaid (the **Loan Repayment Date**), on date which is two Business Days after the Loan Repayment Date.

9.7 **Notices**

- (a) Notice of any early redemption in accordance with Conditions 9.2 (*Redemption for tax reasons*), 9.3 (*Redemption at the option of the Borrowers (Borrower Call)*), 9.4 (*Maturity Call Par Option*), 9.5 (*Residual Call Option*) or 9.6 (*Mandatory Early Redemption*) above shall be given by the Issuer to the Note Trustee, the Paying Agents and the Noteholders, in accordance with Condition 16 (*Notices*), as promptly as practicable (but, in the case of Conditions 9.3 (*Redemption at the option of the Borrowers (Borrower Call)*), 9.4 (*Maturity Call Par Option*) and 9.5 (*Residual Call Option*), shall be no later than three Business Days after the receipt by the Issuer of notice from any Borrower of its intention to prepay a corresponding amount pursuant to the relevant Loan Agreement).
- (b) In respect of any redemption pursuant to 9.5 (*Residual Call Option*)) such notice to the Note Trustee shall be delivered together with a certificate signed by one Authorised Signatory of the Issuer confirming that the Borrowers are entitled to repay the relevant Loan(s) and the Issuer is therefore entitled to redeem the relevant Notes. The Note Trustee shall be entitled to rely on such certificate without further enquiry.

9.8 **Provision relating to Partial Redemption**

In the case of a partial redemption of Notes, Notes to be redeemed (**Redeemed Notes**) will:

- (a) in the case of Redeemed Notes represented by definitive Notes, be drawn individually by lot, not more than 30 days prior to the date fixed for redemption; and
- (b) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 16 (*Notices*) not less than 15 days prior to the date fixed for redemption. Such notice will also specify the date fixed for redemption, the early redemption amount and the aggregate principal amount of the Redeemed

Notes, the serial numbers of the Notes previously called for redemption and not presented for payment and the aggregate principal amount of the Notes which will be outstanding after the partial redemption.

9.9 Calculations

Each calculation, by or on behalf of the Issuer, for the purposes of this Condition 9 (*Redemption and Purchase*) shall, in the absence of the manifest error, be final and binding on all persons. If the Issuer does not at any time for any reason calculate amounts referred to in this Condition 9 (*Redemption and Purchase*), such amounts may be calculated by the Note Trustee or an agent or expert appointed by the Note Trustee at the expense of the Issuer for this purpose (without any liability accruing to the Note Trustee as a result) based on information supplied to it by the Issuer and each such calculation shall be deemed to have been made by the Issuer.

9.10 Purchase of Notes by the Borrowers

- (a) Any Borrower and any other member of the Group (other than the Issuer) may at any time purchase Notes of any Series (provided that, in the case of definitive Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise.
- (b) Following any such purchase, such Borrower or any such member of the Group, as the case may be, may (but is not obliged to) surrender such Notes to the Issuer for cancellation. An amount equal to the principal amount of such Notes being surrendered shall be deemed to be prepaid under the Loan Agreement specified by such Borrower or any such member of the Group (which must be a Loan Agreement entered into in connection with such Series) (but, for the avoidance of doubt, without triggering a redemption under Conditions 9.3 (*Redemption at the option of the Borrowers (Borrower Call)*), 9.4 (*Maturity Call Par Option*) or 9.5 (*Residual Call Option*)) or, to the extent the relevant Loan is not then outstanding, an amount of the applicable Undrawn Commitment of the relevant Borrower equal to the Outstanding Balance of the relevant Notes surrendered shall be deemed to be cancelled for the purposes of such Loan Agreement and an amount of Retained Proceeds equal to the Cancelled Retained Proceeds shall be paid by the Issuer to such Borrower or such other member of the Group, as the case may be.

9.11 Purchase of Notes by the Issuer

The Issuer may not at any time purchase Notes other than Retained Notes on the Issue Date thereof.

9.12 Cancellation

- (a) All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 9.10 (*Purchase of Notes by the Borrowers*) (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.
- (b) Where Retained Notes are specified as being applicable in the applicable Pricing Supplement in respect of a Series, the Issuer:
 - (i) shall cancel all such Retained Notes held by or on behalf of the Issuer;

- (A) immediately prior to such Retained Notes being redeemed on the applicable Maturity Date;
 - (B) forthwith upon notice that the Notes of such Series are to be redeemed (and, in any event, prior to such redemption) in accordance with Condition 9.2 (*Redemption for tax reasons*), 9.4 (*Maturity Call Par Option*), 9.5 (*Residual Call Option*), Condition 9.6 (*Mandatory Early Redemption*) or Condition 12.1 (*Events of Default*); and
 - (C) on the Retained Note Cancellation Date (if any); and
- (ii) may cancel any Retained Notes held by it or on its behalf at any time at its discretion.

10 Taxation

- (a) All payments of principal and interest in respect of the Notes, Receipts and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law.
- (b) Notwithstanding the foregoing, in the event that the Issuer would, on the next Interest Payment Date, be required to make a withholding or deduction in respect of tax (other than in respect of a Noteholder Specific Withholding), the Issuer may, provided that it has given notice to the Note Trustee and the Noteholders, in accordance with Condition 16 (*Notices*), of its intention to do so prior to such Interest Payment Date, pay to Noteholders such additional amounts as may be necessary in order that the net amounts received by the Noteholders after such withholding or deduction will equal the amounts of principal and interest which would have been received in respect of the Notes in the absence of such withholding or deduction. If at any time the Issuer intends to cease paying such additional amounts it may do so by giving notice to the Noteholders and the Note Trustee of its intention to do so with effect from the next Interest Payment Date.

11 Prescription

- (a) The Notes, Receipts and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.
- (b) There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 8.2 (*Presentation of definitive Notes, Receipts and Coupons*) or any Talon which would be void pursuant to Condition 8.2 (*Presentation of definitive Notes, Receipts and Coupons*).

12 Events of Default

12.1 Events of Default

The Note Trustee at its discretion may, and if so requested in writing by the holders of at least one-fourth in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), (but in the case of the happening of any of the events described in Conditions

12.1(b), 12.1(c) and 12.1(j), only if the Note Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice in writing to the Issuer that each Note is, and each Note shall thereupon immediately become, due and repayable at their principal amount together (if appropriate) with accrued interest as provided in the Note Trust Deed if any of the following events (each an **Event of Default**) shall occur:

- (a) if default is made in the payment in the Specified Currency of any principal or interest due in respect of the Notes or any of them and the default continues for a period of 7 days in the case of principal and 14 days in the case of interest; or
- (b) if the Issuer fails to perform or observe any of its other obligations under the Conditions or the Note Trust Deed or if any representation given by the Issuer to the Note Trustee in the Note Trust Deed is found to be untrue, incorrect or misleading as at the time it was given and (except in any case where, in the opinion of the Note Trustee, the failure or inaccuracy is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or
- (c)
 - (i) any other present or future indebtedness of the Issuer for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described);
 - (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period; or
 - (iii) the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised,provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 12.1(c) have occurred equals or exceeds £10,000,000 or its equivalent in other currencies (as reasonably determined by the Note Trustee); or
- (d) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, save for the purposes of reorganisation on terms previously approved in writing by the Note Trustee or by an Extraordinary Resolution; or
- (e) if the Issuer ceases or threatens to cease to carry on the whole or, in the opinion of the Note Trustee, substantially all of its business, save for the purposes of reorganisation on terms previously approved in writing by the Note Trustee or by an Extraordinary Resolution; or
- (f) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (g) if:

- (i) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, liquidator, administrator or other similar official, or an administrative or other receiver, manager, liquidator, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to all or substantially all of the undertaking or assets of the Issuer, or an encumbrancer takes possession of all or substantially all of the undertaking or assets of the Issuer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against all or substantially all of the undertaking or assets of the Issuer; and
 - (ii) in any case (other than the appointment of an administrator) is not discharged within 14 days; or
- (h) if the Issuer initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium); or
- (i) if the Issuer makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (j) if it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes, the Note Trust Deed or any Loan Agreement.

12.2 Enforcement

- (a) The Note Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Note Trust Deed, the Notes, the Receipts, the Coupons, the other Programme Documents and any other documents relating thereto, but it shall not be bound to take any such proceedings or any other action in relation to the Note Trust Deed, the Notes, the Receipts, the Coupons, the other Programme Documents or any other documents relating thereto unless:
 - (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-fourth in principal amount of the Notes then outstanding; and
 - (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.
- (b) The Note Trustee may refrain from taking any action, step or proceeding in any jurisdiction if the taking of such action, step or proceeding in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction (upon which the Note Trustee may rely absolutely and without liability to any person), be contrary to any law of that jurisdiction. Furthermore, the Note Trustee may also refrain from taking such action, step or proceeding if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that

jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

(c) No Noteholder, Receiptholder, Couponholder or any other Series Secured Party (other than the Note Trustee) shall be entitled:

- (i) to take any steps or actions against the Issuer to enforce the performance of any of the provisions of the Note Trust Deeds the Notes, the Receipts, the Coupons or any of the other Programme Documents; or
- (ii) to take any other action (including lodging an appeal in any proceedings) in respect of or concerning the Issuer,

in each case unless the Note Trustee having become bound so to take any such steps, actions or proceedings, fails so to do within a reasonable period, and the failure shall be continuing.

13 Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (subject to all applicable laws and requirements of the London Stock Exchange) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14 Paying Agents

(a) The initial Paying Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Pricing Supplement.

(b) The Issuer is entitled, with the prior written approval of the Note Trustee, to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) there will at all times be a Principal Paying Agent;
- (ii) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (iii) if at any time:
 - (A) any withholding or deduction of any amount for or on account of any taxes or duties upon the Notes, Receipts or Coupons is required upon the Notes, Receipts or Coupons being presented for payment in the United Kingdom; and
 - (B) such withholding or deduction would not be required were the Notes, Receipts or Coupons to be presented for payment outside the United Kingdom,

there will at such times be a Paying Agent in a jurisdiction within Europe, other than any Tax Jurisdiction.

- (c) In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 8.4 (*General provisions applicable to payments*). Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 16 (*Notices*).
- (d) In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and, in certain circumstances specified therein, of the Note Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholder, Receiptholder or Couponholder. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

15 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 11 (*Prescription*).

16 Notices

- (a) All notices regarding the Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules and regulations. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Note Trustee shall approve.
- (b) Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such websites the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg. In addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website

of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

- (c) Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

17 Substitution

- (a) The Note Trust Deed contains provisions permitting the Note Trustee to, subject to any required amendment of the Note Trust Deed, without the consent of the Noteholders, Receiptholders or the Couponholders or any other Series Secured Party (other than, in respect of the novation or assignment of any Loan Agreement, the relevant Borrower), agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Receipts, the Coupons and the Note Trust Deed of another company, registered society or other entity subject to certain conditions set out in the Note Trust Deed being complied with.
- (b) Any such substitution shall be notified to the Noteholders in accordance with Condition 16 (Notices) as soon as practicable thereafter.

18 Meetings of Noteholders, Modification and Waiver

18.1 Meetings of Noteholders

- (a) The Note Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Programme Documents. Such a meeting may be convened by the Issuer or the Note Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being remaining outstanding (other than in respect of a meeting requested by Noteholders to discuss the financial position of the Issuer and the Group, which shall be requested in accordance with Condition 6.2(b) (*Information Covenants*)). The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing in aggregate more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the principal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, the Receipts or the Coupons or the Note Trust Deed (including, *inter alia*, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes, modifying the date of payment of principal or interest in respect of the Notes, altering the currency of payment of the Notes, the Receipts or the Coupons, altering the majority required to pass an Extraordinary Resolution or amending the Asset Cover Test (as defined in each Loan Agreement) in any Loan Agreement), the quorum shall be one or more persons holding or representing in aggregate not less than 75 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons

holding or representing in aggregate not less than 25 per cent. in principal amount of the Notes for the time being outstanding.

- (b) The Note Trust Deed provides that:
- (i) a resolution passed at a meeting duly convened and held in accordance with the Note Trust Deed by a majority consisting of not less than 75 per cent. of the votes cast on such resolution;
 - (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding; or
 - (iii) consent given by way of electronic consents through the relevant clearing system(s) by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding.

shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not (in the case of Extraordinary Resolutions passed at any meeting) they are present at any meeting and whether or not they voted on the resolution (or, in the case of a written resolution, whether or not they signed such written resolution), and on all Receiptholders and Couponholders.

- (c) For so long any Notes are held by or on behalf of or for the benefit of the Issuer (including, for the avoidance of doubt, the Retained Notes for so long as they are held by or on behalf of the Issuer), a Borrower or any other member of the Group, in each case as beneficial owner, such Notes shall (unless and until ceasing to be so held) be deemed not to be outstanding for the purpose of, *inter alia*, voting in accordance with the Note Trust Deed.

18.2 Modification, Waiver, Authorisation and Determination

- (a) The Note Trustee may agree, without the consent of the Noteholders, Receiptholders, Couponholders or any other Series Secured Party, to any modification (except as stated in the Note Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes, the Note Trust Deed, a Loan Agreement or any other Programme Document, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Note Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which, in the opinion of the Note Trustee, is of a formal, minor or technical nature or to correct a manifest error or an error which, in the opinion of the Note Trustee, is proven. Any such modification, waiver, authorisation or determination shall be binding on the Noteholders, the Receiptholders, the Couponholders and the other Series Secured Parties and (unless the Note Trustee agrees otherwise) shall be notified to the Noteholders in accordance with Condition 16 (Notices) as soon as practicable thereafter.
- (b) In addition, the Note Trustee shall (subject to the provisions of Condition 7.2(c) (Benchmark Replacement)) be obliged to agree such modifications to the Note Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to Condition 7.2(c) (Benchmark Replacement) in connection with effecting any Benchmark Amendments without the requirement for the consent or sanction of the Noteholders, Receiptholders Couponholders or any other Series Secured Party. Any

such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders of that Series and, unless the Note Trustee agrees otherwise, shall be notified to the Noteholders of that Series in accordance with Condition 16 (Notices) as soon as practicable thereafter.

18.3 Note Trustee to have regard to interests of Noteholders as a class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Note Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders, Receiptholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders, Receiptholders or Couponholders (whatever their number) 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 any political sub-division thereof and the Note Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer, the Note Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 10 (Taxation) and/or any undertaking or covenant given in addition to, or in substitution for, Condition 10 (Taxation) pursuant to the Note Trust Deed.

19 Indemnification of the Note Trustee and the Note Trustee contracting with the Issuer

- (a) The Note Trust Deed contains provisions for the indemnification of the Note Trustee and for its relief from responsibility and liability towards the Issuer, the Noteholders, the Receiptholders and the Couponholders, including:
 - (i) provisions relieving it from taking action unless secured and/or indemnified and/or pre-funded to its satisfaction; and
 - (ii) provisions limiting or excluding its liability in certain circumstances.
- (b) The Note Trustee is exempted from any liability in respect of any loss, diminution in value or theft of all or any part of the Series Charged Property, from any obligation to insure all or any part of the Series Charged Property (including, in either case, any documents evidencing, constituting or representing the same or transferring any rights, benefits and/or obligations thereunder), or to procure the same to be insured.
- (c) The Note Trust Deed also contains provisions pursuant to which the Note Trustee is entitled, *inter alia*:
 - (i) to enter into or be interested in any contract or financial or other transaction or other arrangement with the Issuer and/or any other Programme Party or any person or body corporate associated with the Issuer and/or any Programme Party; and
 - (ii) to accept or hold the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to the Issuer and/or any Programme Party or any such person or body corporate so associated or any other office of profit under the Issuer and/or any Programme Party or any such person or body corporate so associated.

- (d) The Note Trustee shall not be bound to take any step or action in connection with the Note Trust Deed or the Notes or obligations arising pursuant thereto or pursuant to the other Programme Documents, where it is not satisfied that it is indemnified and/or secured and/or prefunded against all its liabilities and costs incurred in connection with such step or action and may demand, prior to taking any such step or action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so as to indemnify it.
- (e) The Note Trustee shall have no responsibility for the validity, sufficiency or enforceability of the Series Security. The Note Trustee shall not be responsible for monitoring the compliance by any of the other Programme Parties with their obligations under the Programme Documents or a Loan Agreement, neither (in respect of any Fully Secured Notes) shall the Note Trustee be responsible for monitoring the compliance by any Borrower, any Eligible Group Member or any of the other parties to the Legal Mortgages and the Security Trust Deed of their obligations under the Legal Mortgages, the Security Trust Deed or any other document.

20 Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes (and backed by the same assets) or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes. Any further notes so created and issued shall be constituted by a trust deed supplemental to the Note Trust Deed.

21 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

22 Governing Law and Submission to Jurisdiction

22.1 Governing law

The Programme Documents, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Programme Documents, the Notes, the Receipts and the Coupons are governed by, and construed in accordance with, English law.

22.2 Submission to jurisdiction

- (a) Subject to Condition 22.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Note Trust Deed, the Notes, the Receipts and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Note Trust Deed, the Notes and/or the Coupons (a **Dispute**) and accordingly each of the Issuer and the Note Trustee and any Noteholders, Receiptholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

- (b) For the purposes of this Condition 22.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Note Trustee, the Noteholders, the Receiptholders and the Couponholders may, in respect of any Dispute or Disputes, take:
 - (i) proceedings in any other court with jurisdiction; and
 - (ii) concurrent proceedings in any number of jurisdictions.

22.3 Other documents

The Issuer has in the Programme Documents (other than the Legal Mortgages) submitted to the jurisdiction of the English courts.

Principal Paying Agent

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL

and/or such other Principal Paying Agent or further Paying Agents and/or specified offices as may from time to time be appointed by the Issuer with the approval of the Note Trustee and notice of which has been given to the Noteholders.

Schedule 2

Forms of Global and Definitive Notes, Receipts, Coupons and Talons

Part 1 – Form of Temporary Global Note

STONEWATER FUNDING PLC

*(incorporated with limited liability under the laws of England and Wales
with registered number 08190978)
(the Issuer)*

TEMPORARY GLOBAL NOTE

This Note is a Temporary Global Note in respect of a duly authorised issue of Notes of the Issuer (the **Notes**) of the Principal Amount, Specified Denomination in the Specified Currency as are specified in the Pricing Supplement applicable to the Notes (the **Pricing Supplement**). References herein to the Conditions shall be to the Conditions of the Notes as set out in Schedule 1 (*Conditions of the Notes*) to the Note Trust Deed (as defined below) as supplemented, replaced and modified by the relevant information appearing in the Pricing Supplement attached hereto but, in the event of any conflict between the provisions of the Conditions and such information in the Pricing Supplement, such information in the Pricing Supplement will prevail.

Words and expressions defined in the Conditions shall bear the same meanings when used in this Global Note.

This Global Note is issued subject to, and with the benefit of, the Conditions and a Note Trust Deed (as modified and/or supplemented and/or restated from time to time, the **Note Trust Deed**) dated 26 July 2021 and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Notes (the **Note Trustee**).

The Issuer, subject as hereinafter provided and subject to and in accordance with the Conditions and the Note Trust Deed, promises to pay to the bearer hereof on the Maturity Date and/or on such earlier date(s) as all or any of the Notes represented by this Global Note may become due and repayable in accordance with the Conditions and the Note Trust Deed, the amount payable under the Conditions in respect of such Notes on each such date and to pay interest (if any) on the principal amount of the Notes from time to time represented by this Global Note calculated and payable as provided in the Conditions and the Note Trust Deed together with any other sums payable under the Conditions and the Note Trust Deed, upon presentation and, at maturity, surrender of this Global Note to or to the order of the Principal Paying Agent or any of the other Paying Agents located outside the United States, its territories and possessions (except as provided in the Conditions) from time to time appointed by the Issuer in respect of the Notes.

If the Pricing Supplement indicates that this Global Note is intended to be a New Global Note, the principal amount of the Notes represented by this Global Note shall be the aggregate amount from time to time entered in the records of both Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg** and together with Euroclear, the **relevant Clearing Systems**). The records of the relevant Clearing Systems (which expression in this Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of each such customer's interest in the Notes) shall be conclusive evidence of the principal amount of Notes represented by this 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 principal amount of Notes represented by this Global Note at any time shall be conclusive evidence of the records of the relevant Clearing System at that time.

If the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note, the principal amount from time to time of this Global Note and of the Notes represented by this Global Note shall be the amount stated in the Pricing Supplement or, if lower, the principal amount most recently entered by or on behalf of the Issuer in the relevant column in Part II or III of Schedule One hereto or in Schedule Two hereto.

On any redemption of, or payment or interest being made in respect of, or purchase and cancellation of, any of the Notes represented by this Global Note the Issuer shall procure that:

- (a) If the Pricing Supplement indicates that this Global Note is intended to be a New Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered *pro rata* in the records of the relevant Clearing Systems, and, upon any such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Global Note shall be reduced by the principal amount of the Notes so redeemed or purchased and cancelled; or
- (b) If the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in Schedule One hereto and the relevant space in Schedule One hereto recording any such redemption, payment or purchase and cancellation (as the case may be) shall be signed by or on behalf of the Issuer. Upon any such redemption or purchase and cancellation, the principal amount of this Global Note and the Notes represented by this Global Note shall be reduced by the principal amount of such Notes so redeemed or purchased and cancelled.

Payments due in respect of Notes for the time being represented by this Global Note shall be made to the bearer of this Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make entries referred to above shall not affect such discharge.

Payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will only be made to the bearer hereof to the extent that there is presented to the Principal Paying Agent by Clearstream Banking S.A. (Clearstream, Luxembourg) or Euroclear Bank SA/NV (Euroclear) a certificate to the effect that it has received from or in respect of a person entitled to a beneficial interest in a particular principal amount of the Notes represented by this Global Note (as shown by its records) a certificate of non-US beneficial ownership in the form required by it. The bearer of this Global Note will not (unless upon due presentation of this Global Note for exchange, delivery of the appropriate number of Definitive Bearer Notes (together, if applicable, with the Receipts, Coupons and Talons appertaining thereto in or substantially in the forms set out in Part 3, Part 4, Part 5 and Part 6 of Schedule 2 to the Note Trust Deed) or, as the case may be, issue and delivery (or, as the case may be, endorsement) of the Permanent Global Note is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled to receive any payment hereon due on or after the Exchange Date.

On or after the date which is 40 days after this Global Note is issued (the **Exchange Date**) in respect of a Tranche of Notes, this Global Note may be exchanged (free of charge) in whole or in part for, as specified in the Pricing Supplement, either:

- (a) Definitive Note and (if applicable) Receipts, Coupons and/or Talons (on the basis that all the appropriate details have been included on the face of such Definitive Note and (if applicable) Receipts, Coupons and/or Talons and the relevant information supplementing, replacing or modifying the Conditions appearing in the Pricing Supplement has been endorsed on or attached to such Definitive Note); or

(b) either:

- (i) if the Pricing Supplement indicates that this Global Note is intended to be a New Global Note, interests recorded in the records of the relevant Clearing Systems in a Permanent Global Note; or
- (ii) if the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note, a Permanent Global Note,

which in either case is in or substantially in the form set out in Part 2 of Schedule 2 to the Note Trust Deed (together with the relevant information appearing in the Pricing Supplement attached hereto).

If Definitive Notes and (if applicable) Receipts, Coupons and/or Talons have already been issued in exchange for all the Notes represented for the time being by the Permanent Global Note, then this Global Note may only thereafter be exchanged for Definitive Notes and (if applicable) Receipts, Coupons and/or Talons pursuant to the terms hereof.

Presentation of this Global Note for exchange shall be made by the bearer hereof on any day (other than a Saturday or Sunday) on which banks are open for business in the United Kingdom at the office of the Principal Paying Agent specified above. The Issuer shall procure that Definitive Notes or (as the case may be) the Permanent Global Note shall (in the case of Definitive Notes) be so issued and delivered and (in the case of the Permanent Global Notes where the Pricing Supplement indicates that this Global Note is intended to be a New Global Note) be recorded in the records of the relevant Clearing Systems in exchange for only that portion of this Global Note in respect of which there shall have been presented to the Principal Paying Agent by Euroclear or Clearstream, Luxembourg a certificate to the effect that it has received from or in respect of a person entitled to a beneficial interest in a particular principal amount of the Notes represented by this Global Note (as shown by its records) a certificate of non-US beneficial ownership in the form required by it.

On an exchange of the whole of this Global Note, this Global Note shall be surrendered to the Principal Paying Agent. The Issuer shall procure that:

- (i) if the Pricing Supplement indicates that this Global Note is intended to be a New Global Note, on an exchange of the whole or part only of this Global Note, details of such exchange shall be entered *pro rata* in the records of the relevant Clearing Systems such that the principal amount of Notes represented by this Global Note shall be reduced by the principal amount of this Global Note so exchanged; or
- (ii) if the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note, on an exchange of part only of this Global Note details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two hereto and the relevant space in Schedule Two hereto recording such exchange shall be signed by or on behalf of the Issuer, whereupon the principal amount of this Global Note and the Notes represented by this Global Note shall be reduced by the principal amount of this Global Note so exchanged. On any exchange of this Global Note for a Permanent Global Note, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two to the Permanent Global Note and the relevant space in Schedule Two thereto recording such exchange shall be signed by or on behalf of the Issuer.

Until the exchange of the whole of this Global Note as aforesaid, the bearer hereof shall (subject as provided in the next paragraph) in all respects (except as otherwise provided herein) be entitled to the same benefits as if he were the bearer of Definitive Notes and the relative Receipts, Coupons and/or Talons (if any) in the form(s) set out in Part 3, Part 4, Part 5 and Part 6 (as applicable) of Schedule 2 to the Note Trust Deed.

Each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of the Notes represented by this Global Note (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Note Trustee, the Principal Paying Agent and any other Paying Agent as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal and interest on such principal amount of such Notes, the right to which shall be vested, as against the Issuer, solely in the bearer of this Global Note in accordance with and subject to the terms of this Global Note and the Note Trust Deed.

This Global Note and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law and the Issuer has in the Trust Deed submitted to the jurisdiction of the English courts for all purposes in connection with this Global Note.

This Global Note shall not be valid unless authenticated by The Bank of New York Mellon, London Branch as Principal Paying Agent and, if the Pricing Supplement indicates that this Global Note is intended to be a New Global Note (a) which is intended to be held in a manner which would allow Eurosystem-eligibility or (b) in respect of which effectuation is to be applicable, effectuated by the entity appointed as common safekeeper by the relevant Clearing Systems.

In witness whereof the Issuer has caused this Global Note to be signed manually or in facsimile by a person duly authorised on its behalf.

Issued as of _____

.....
Stonewater Funding plc
Duly Authorised

Authenticated without recourse, warranty or liability by
The Bank of New York Mellon, London Branch
as Principal Paying Agent

.....
Duly Authorised

Effectuated without recourse, warranty or liability by
[The Bank of New York Mellon, London Branch][Euroclear Bank SA/NV/Clearstream Banking S.A.]²
as Common Safekeeper.

By:

² Delete as appropriate. Common Safekeeper election to be based on currency of Note and Eurosystem eligibility

[Form of Pricing Supplement or relevant information appearing in the Pricing Supplemental to be attached hereto.]

Schedule One²

Part I

Interest Payments

Date made	Interest Payment Date	Total amount of interest payable	Amount of interest paid	Confirmation of payment by or on behalf of the Issuer
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

² Schedule One should only be completed where the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note.

Part II

Redemptions

[illegible]

See most recent entry in Part II or III of Schedule Two in order to determine this amount.

Part III

Purchases and Cancellations

Date made	Part of principal amount of this Global Note purchased and cancelled	Remaining amount of this Global Note following such purchase and cancellation [†]	principal Confirmation of payment by or on behalf of the Issuer
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

[†] See most recent entry in Part II or III or Schedule Two in order to determine this amount.

Schedule Two⁵

Exchanges for Definitive Notes or Permanent Global Notes

The following exchanges of a part of this Global Note for Definitive Notes or a part of a Permanent Global Note have been made:

Date made	Principal amount of this Global Note exchanged for Definitive Notes or a part of a Permanent Global Note	Remaining principal amount of this Global Note following such exchange ⁶	Notation made by or on behalf of the Issuer
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

⁵ Schedule Two should only be completed where the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note.

⁶ See most recent entry in Part 2 or 3 of Schedule One or in this Schedule Two in order to determine this amount.

Part 2 – Form of Permanent Global Note

[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.]⁷

STONEWATER FUNDING PLC

*(incorporated with limited liability under the laws of England and Wales
with registered number 08190978)
(the Issuer)*

PERMANENT GLOBAL NOTE

This Note is a Permanent Global Note in respect of a duly authorised issue of Notes of the Issuer (the **Notes**) of the Principal Amount and Specified Denomination in the Specified Currency as are specified in the Pricing Supplement applicable to the Notes (the **Pricing Supplement**). References herein to the Conditions shall be to the Conditions of the Notes as set out in Schedule 1 (**Conditions of the Notes**) to the Note Trust Deed (as defined below) as supplemented, replaced and modified by the relevant information appearing in the Pricing Supplement attached hereto but, in the event of any conflict between the provisions of the Conditions and such information in the Pricing Supplement, such information in the Pricing Supplement will prevail.

Words and expressions defined in the Conditions shall bear the same meanings when used in this Global Note.

This Global Note is issued subject to, and with the benefit of, the Conditions and a Note Trust Deed (as modified and/or supplemented and/or restated from time to time, the **Note Trust Deed**) dated 26 July 2021 and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Notes (the **Note Trustee**).

The Issuer, subject to and in accordance with the Conditions and the Note Trust Deed, promises to pay to the bearer hereof on the Maturity Date and/or on such earlier date(s) as all or any of the Notes represented by this Global Note may become due and repayable in accordance with the Conditions and the Note Trust Deed, the amount payable under the Conditions in respect of such Notes on each such date and to pay interest (if any) on the principal amount of the Notes from time to time represented by this Global Note calculated and payable as provided in the Conditions and the Note Trust Deed together with any other sums payable under the Conditions and the Note Trust Deed, upon presentation and, at maturity, surrender of this Global Note to or to the order of the Principal Paying Agent or any of the other Paying Agents located outside the United States, its territories and possessions (except as provided in the Conditions) from time to time appointed by the Issuer in respect of the Notes.

If the Pricing Supplement indicates that this Global Note is intended to be a New Global Note, the principal amount from time to time of this Global Note and of the Notes represented by this Global Note shall be the aggregate amount from time to time entered in the records of both Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg** and together with Euroclear, the **relevant Clearing Systems**). The records of the relevant Clearing Systems (which expression in this Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of each such customer's interest in the Notes) shall be conclusive evidence of the principal amount of Notes represented by this 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)

⁷ Delete where the original maturity of the Notes is 1 year or less.

stating the principal amount of Notes represented by this Global Note at any time shall be conclusive evidence of the records of the relevant Clearing System at that time.

If the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note, the principal amount from time to time of this Global Note and of the Notes represented by this Global Note shall be the amount stated in the Pricing Supplement or, if lower, the principal amount most recently entered by or on behalf of the Issuer in the relevant column in Part II or Part III of Schedule One hereto or in Schedule Two hereto.

On any redemption or interest being made in respect of, or purchase and cancellation of, any of the Notes represented by this Global Note the Issuer shall procure that:

- (a) if the Pricing Supplement indicates that this Global Note is intended to be a New Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Global Note shall be reduced by the principal amount of the Notes so redeemed or purchased and cancelled; or
- (b) if the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in Schedule One hereto and the relevant space in Schedule One hereto recording any such redemption, payment or purchase and cancellation (as the case may be) shall be signed by or on behalf of the Issuer. Upon any such redemption or purchase and cancellation, the principal amount of this Global Note and the Notes represented by this Global Note shall be reduced by the principal amount of such Notes so redeemed or purchased and cancelled.

Payments due in respect of Notes for the time being represented by this Global Note shall be made to the bearer of this Global Note and each payment so made will discharge the Issuer's obligations in respect thereof and any failure to make entries referred to above shall not affect such discharge.

Where TEFRA D is specified in the applicable Pricing Supplement, the Notes will initially have been represented by a Temporary Global Note. On any exchange of such Temporary Global Note issued in respect of the Notes for this Global Note or any part hereof, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two hereto and the relevant space in Schedule Two hereto recording such exchange shall be signed by or on behalf of the Issuer, whereupon the principal amount of this Global Note and the Notes represented by this Global Note shall be increased by the principal amount of the Temporary Global Note so exchanged. If the Notes represented by this Global Note were, on issue, represented by a Temporary Global Note then on any exchange of such Temporary Global Note for this Global Note or any part hereof, the Issuer shall procure that:

- (i) if the Pricing Supplement indicates that this Global Note is intended to be a New Global Note, details of such exchange shall be entered in the records of the relevant Clearing Systems such that the principal amount of Notes represented by this Global Note shall be increased by the principal amount of the Temporary Global Note so exchanged; or
- (ii) if the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two hereto and the relevant space in Schedule Two hereto recording such exchange shall be signed by or on behalf of the Issuer, whereupon the principal amount of this Global Note and the Notes represented by this Global Note shall be increased by the principal amount of the Temporary Global Note so exchanged.

This Global Note may be exchanged (free of charge) in whole, but not in part, for Definitive Notes and (if applicable) Receipts, Coupons and/or Talons in or substantially in the forms set out in Part 3, Part 4, Part 5 and Part 6 of Schedule 2 to the Note Trust Deed (on the basis that all the appropriate details have been included on the face of such Definitive Note and (if applicable) Coupons and/or Talons and the relevant information supplementing, replacing or modifying the Conditions appearing in the Pricing Supplement has been endorsed on or attached to such Definitive Note):

- (c) upon not less than 60 days' written notice being given to the Principal Paying Agent by Euroclear or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in this Global Note); or
- (d) only upon the occurrence of an Exchange Event.

An **Exchange Event** means:

- (i) an Event of Default has occurred and is continuing; or
- (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system satisfactory to the Note Trustee is available; or
- (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by this Global Note in definitive form and a certificate to such effect signed by two Directors of the Issuer is given to the Note Trustee.

If this Global Note is only exchangeable following the occurrence of an Exchange Event:

- (x) the Issuer will promptly give notice to Noteholders in accordance with Condition 16 (Notices) upon the occurrence of such Exchange Event; and
- (y) in the event of the occurrence of any Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in this Global Note) or the Note Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange.

Any such exchange shall occur on a date specified in the notice not more than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The first notice requesting exchange in accordance with the above provisions shall give rise to the issue of Definitive Notes for the total principal amount of Notes represented by this Global Note.

Any such exchange as aforesaid will be made upon presentation of this Global Note by the bearer hereof on any day (other than a Saturday or a Sunday) on which banks are open for business in the United Kingdom at the specified office of the Principal Paying Agent.

The aggregate principal amount of Definitive Notes issued upon an exchange of this Global Note will be equal to the aggregate principal amount of this Global Note. On exchange of this Global Note for Definitive Notes this Global Note should be surrendered to or to the order of the Principal Paying Agent.

Until the exchange of the whole of this Global Note as aforesaid, the bearer hereof shall (subject as provided in the next paragraph) in all respects be entitled to the same benefits as if he were the bearer

of Definitive Notes and the relative Receipts, Coupons and/or Talons (if any) in the form(s) set out in Part 3, Part 4, Part 5 and Part 6 (as applicable) of Schedule 2 to the Trust Deed.

Each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of the Notes represented by this Global Note (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Note Trustee, the Principal Paying Agent and any other Paying Agent as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal and interest on such principal amount of such Notes, the right to which shall be vested, as against the Issuer, solely in the bearer of this Global Note in accordance with and subject to the terms of this Global Note and the Note Trust Deed.

This Global Note and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law and the Issuer has in the Trust Deed submitted to the jurisdiction of the English courts for all purposes in connection with this Global Note.

This Global Note shall not be valid unless authenticated by The Bank of New York Mellon, London Branch as Principal Paying Agent and, if the Pricing Supplement indicates that this Global Note is intended to be a New Global Note (a) which is intended to be held in a manner which would allow Eurosystem eligibility or (b) in respect of which effectuation is to be applicable, effectuated by the entity appointed as common safekeeper by the relevant Clearing Systems.

In witness whereof the Issuer has caused this Global Note to be signed manually or in facsimile by a person duly authorised on its behalf.

Issued as of _____

.....
Stonewater Funding plc
Duly Authorised

Authenticated without recourse, warranty or liability by
The Bank of New York Mellon, London Branch
as Principal Paying Agent

.....
Duly Authorised

Effectuated without recourse, warranty or liability by
[The Bank of New York Mellon, London Branch][Euroclear Bank SA/NV/Clearstream Banking S.A.]⁹
as Common Safekeeper.

By:

⁹ Delete as appropriate. Common Safekeeper election to be based on currency of Note and Eurosystem eligibility.

[Form of Pricing Supplement or relevant information appearing in the Pricing Supplemental to be attached hereto.]

Schedule One⁹

Part I

Interest Payments

Date made	Interest Payment Date	Total amount of interest payable	Amount of interest paid	Confirmation of payment by or on behalf of the issuer
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

⁹ Schedule One should only be completed where the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note.

Part II

Redemptions

[illegible]

See most recent entry in Part III or IIII or Schedule Two in order to determine this amount.

Part III

Purchases and Cancellations

[illegible]

¹⁵ See most recent entry in Part II or III or Schedule Two in order to determine this amount.

Schedule Two¹²

Exchanges for Definitive Notes or Permanent Global Note

The following exchanges of a part of this Global Note for Definitive Notes or a part of a Permanent Global Note have been made:

Date made	Principal amount of this Global Note exchanged for Definitive Notes or a part of a Permanent Global Note	Remaining principal amount of this Global Note following such exchange ¹³	Notation made by or on behalf of the Issuer
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

¹² Schedule Two should only be completed where the Pricing Supplement indicates that this Global Note is not intended to be a New Global Note.

¹³ See most recent entry in Part 2 or 3 of Schedule One or in this Schedule Two in order to determine this amount.

Part 3– Form of Definitive Note

[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.]¹⁴

STONEWATER FUNDING PLC

*(incorporated with limited liability under the laws of England and Wales
with registered number 08190978)
(the Issuer)*

[Specified Currency][Principal Amount of Tranche]

SECURED NOTES DUE [Year of Maturity]

This Note is one of a Series of Notes of Specified Denomination in The Specified Currency of the Issuer (the **Notes**). References herein to the Conditions shall be to the Terms and Conditions (endorsed hereon/set out in Schedule 1 (*Conditions of the Notes*) to the Note Trust Deed (as defined below) which shall be incorporated by reference herein and have effect as if set out herein] as supplemented, replaced and modified by the relevant information appearing in the Pricing Supplement (the **Pricing Supplement**) endorsed hereon but, in the event of any conflict between the provisions of the Conditions and such information in the Pricing Supplement, such information in the Pricing Supplement will prevail.

Words and expressions defined in the Conditions shall bear the same meanings when used in this Note.

This Note is issued subject to, and with the benefit of, the Conditions and a Note Trust Deed (as modified and/or supplemented and/or restated from time to time, the **Note Trust Deed**) dated 26 July 2021 and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as note trustee for the holders of the Notes.

The Issuer, subject to and in accordance with the Conditions and the Note Trust Deed, promises to pay to the bearer hereof on the Maturity Date and/or on such earlier date as this Note may become due and repayable in accordance with the Conditions and the Note Trust Deed, the amount payable on redemption of this Note and to pay interest (if any) on the principal amount of this Note calculated and payable as provided in the Conditions and the Note Trust Deed together with any other sums payable under the Conditions and the Note Trust Deed.

This Note shall not be valid unless authenticated by The Bank of New York Mellon, London Branch as Principal Paying Agent.

In witness whereof the Issuer has caused this Note to be signed manually or in facsimile by a person duly authorised on its behalf.

Issued as of _____

Stonewater Funding plc
Duly Authorised

¹⁴ Delete where the original maturity of the Notes is 1 year or less.

Authenticated without recourse, warranty or liability by
The Bank of New York Mellon, London Branch
as Principal Paying Agent.

.....
Duly Authorised

*[Form of Pricing Supplement or relevant information appearing in the Pricing Supplement to be
attached hereto]*

Part 4– Form of Receipt

[Face of Receipt]

[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.]¹⁵

STONEWATER FUNDING PLC

[Specified Currency][Principal Amount of Tranche]

SECURED NOTES DUE [Year of Maturity]

Series No. []

Receipt for the sum of [] being the instalment of principal payable in accordance with the Conditions applicable to the Note to which this Receipt appertains (the **Conditions**) on the Interest Payment Date falling in [].

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 hereof (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 appertains. The Issuer shall have no obligation in respect of any Receipt presented without the Note to which it appertains or any unmatured Receipts.

¹⁵ Delete where the original maturity of the Notes is 1 year or less.

Part 5— Form of Coupon

[Face of Coupon]

[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.]¹⁶

STONEWATER FUNDING PLC

[Specified Currency][Principal Amount of Tranche]

SECURED NOTES DUE [Year of Maturity]

Series No. []

This Coupon is payable to bearer, separately negotiable and subject to the Terms and Conditions of the said Notes.

[For Fixed Rate Notes:

Coupon for [] due on [] []

[For Floating Rate Notes:

Coupon for the amount due in accordance with the Conditions endorsed on, attached to or incorporated by reference into the said Notes on [the Interest Payment Date falling in [•]].]

¹⁶ Delete where the original maturity of the Notes is 1 year or less.

Part 6 – Form of Talon

[Face of Talon]

[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.]¹⁷

STONEWATER FUNDING PLC

[Specified Currency][Principal Amount of Tranche]

SECURED NOTES DUE [Year of Maturity]

Series No. []

On and after [] further Coupons (and a further Talon)¹⁸ appertaining to the Note to which this Talon appertains will be issued at the specified office of any of the Paying Agents set out on the reverse hereof (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) upon production and surrender of this Talon.

This Talon may, in certain circumstances, become void under the Conditions endorsed on the Note to which this Talon appertains.

¹⁷ Delete where the original maturity of the Notes is 1 year or less.

¹⁸ Not required on last Coupon sheet.

Schedule 3

Provisions for Meetings of Noteholders

1 Definitions

As used in this Schedule the following expressions shall have the following meanings unless the context otherwise requires:

Block Voting Instruction means an English language document issued by a Paying Agent in which:

- (a) it is certified that on the date thereof Notes (whether in definitive form or represented by a Global Note) (not being Notes in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) have been deposited with such Paying Agent or (to the satisfaction of such Paying Agent) are held to its order or under its control or are blocked in an account with a Clearing System and that no such Notes will cease to be so deposited or held or blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in such Block Voting Instruction; and
 - (ii) the surrender to the Paying Agent, not less than 48 Hours before the time for which such meeting is convened, of the receipt issued by such Paying Agent in respect of each such deposited Note which is to be released or (as the case may require) the Note or Notes ceasing with the agreement of the Paying Agent to be held to its order or under its control or so blocked and the giving of notice by the Paying Agent to the Issuer in accordance with paragraph 5 below of the necessary amendment to the Block Voting Instruction;
- (b) it is certified that each holder of such Notes has instructed such Paying Agent that the vote(s) attributable to the Note or Notes or so deposited or held or blocked should be cast in a particular way in relation to the resolution(s) to be put to such meeting and that all such instructions are, during the period commencing 48 Hours prior to the time for which such meeting is convened and ending at the conclusion or adjournment thereof, neither revocable nor capable of amendment;
- (c) the aggregate principal amount of the Notes so deposited or held or blocked is listed distinguishing with regard to each such resolution between those in respect of which instructions have been given that the votes attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and
- (d) one or more persons named in such Block Voting Instruction (each hereinafter called a **proxy**) is or are authorised and instructed by such Paying Agent to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in (c) above as set out in such Block Voting Instruction;

Clearing System means Euroclear and/or Clearstream, Luxembourg and includes in respect of any Note any clearing system on behalf of which such Note is held or which is the bearer or holder of a Note, in either case whether alone or jointly with any other Clearing System(s). For the avoidance of doubt, the provisions of Clause 1.3(a)(viii) of the Note Trust Deed shall apply to this definition;

Eligible Person means any one of the following persons who shall be entitled to attend and vote at a meeting:

- (a) a holder of a Note in definitive form;
- (b) a bearer of any Voting Certificate;
- (c) a proxy specified in any Block Voting Instruction;
- (d) a proxy appointed pursuant to a form of proxy; and
- (e) a representative;

Extraordinary Resolution means:

- (a) a resolution passed at a meeting duly convened and held in accordance with these presents by a majority consisting of not less than 75 per cent. of the Eligible Persons voting thereon upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than three-fourths of the votes cast on such poll;
- (b) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding which 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; or
- (c) consent given by way of electronic consents communicated through the electronic communications system of the relevant Clearing System(s) to the Principal Paying Agent or another specified agent and/or the Note Trustee in accordance with the operating rules and procedures of the relevant Clearing System(s) (**Electronic Consent**) by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding;

Voting Certificate means an English language certificate issued by a Paying Agent in which it is stated:

- (a) that on the date thereof Notes (whether in definitive form or represented by a Global Note) (not being Notes in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) were deposited with such Paying Agent or (to the satisfaction of such Paying Agent) are held to its order or under its control or are blocked in an account with a Clearing System and that no such Notes will cease to be so deposited or held or blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in such Voting Certificate; and
 - (ii) the surrender of the Voting Certificate to the Paying Agent who issued the same and
- (b) that the bearer thereof is entitled to attend and vote at such meeting in respect of the Notes represented by such Voting Certificate;

24 Hours means a period of 24 hours including all or part of a day upon which banks are open for general business in both the place where the relevant meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose

the day upon which such meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for general business in all of the places as aforesaid; and

48 Hours means a period of 48 hours including all or part of two days upon which banks are open for general business both in the place where the relevant meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose the day upon which such meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of two days upon which banks are open for general business in all of the places as aforesaid.

For the purposes of calculating a period of **Clear Days** in relation to a meeting, no account shall be taken of the day on which the notice of such meeting is given (or, in the case of an adjourned meeting, the day on which the meeting to be adjourned is held) or the day on which such meeting is held.

All references in this Schedule to a "meeting" shall, where the context so permits, include any relevant adjourned meeting.

2 Evidence of entitlement to attend and vote

- (a) A holder of a Note (whether in definitive form or represented by a Global Note) may require the issue by a Paying Agent of Voting Certificates and Block Voting Instructions in accordance with the terms of paragraph 3, by depositing such Note with such Paying Agent or (to the satisfaction of such Paying Agent) by such Note being held to its order or under its control or being blocked in an account with a Clearing System, in each case not less than 48 Hours before the time fixed for the relevant meeting and on the terms set out in paragraph 1 above.
- (b) For the purposes of paragraph 3, the Principal Paying Agent and each other Paying Agent shall be entitled to rely, without further enquiry, on any information or instructions received from a Clearing System and shall have no liability to any Noteholder or other person for any loss, damage, cost, claim or other liability occasioned by its acting in reliance thereon, nor for any failure by a Clearing System to deliver information or instructions to the Principal Paying Agent or any other Paying Agent.
- (c) The holder of any Voting Certificate or the proxies named in any Block Voting Instruction shall for all purposes in connection with the relevant meeting be deemed to be the holder of the Notes to which such Voting Certificate or Block Voting Instruction relates and the Paying Agent with which such Notes have been deposited or the person holding Notes to the order or under the control of such Paying Agent or the Clearing System in which such Notes have been blocked shall be deemed for such purposes not to be the holder of those Notes.

3 Procedure for issue of voting certificates, block voting instructions and proxies

- (a) **Definitive Notes not held in a Clearing System**

If Notes have been issued in definitive form and are not held in an account with any Clearing System, the Note Trustee may from time to time prescribe further regulations (in accordance with paragraph 27) to enable the holders of such Notes to attend and/or vote at a meeting in respect of such Notes.

(b) Global Notes and definitive Notes held in a Clearing System – Voting Certificate

A holder of a Note (not being a Note in respect of which instructions have been given to the Principal Paying Agent in accordance with paragraph 3(c)) represented by a Global Note or which is in definitive form and is held in an account with any Clearing System may procure the delivery of a Voting Certificate in respect of such Note by giving notice to the Clearing System through which such Noteholder's interest in the Note is held specifying by name a person (**Identified Person**) (which need not be the Noteholder himself) to collect the Voting Certificate and attend and vote at the meeting. The relevant Voting Certificate will be made available at or shortly prior to the commencement of the meeting by the Principal Paying Agent against presentation by such Identified Person of the form of identification previously notified by such Noteholder to the Clearing System. The Clearing System may prescribe forms of identification (including, without limitation, a passport or driving licence) which it deems appropriate for these purposes. Subject to receipt by the Principal Paying Agent from the Clearing System, no later than 24 Hours prior to the time for which such meeting is convened, of notification of the principal amount of the Notes to be represented by any such Voting Certificate and the form of identification against presentation of which such Voting Certificate should be released, the Principal Paying Agent shall, without any obligation to make further enquiry, make available Voting Certificates against presentation of the form of identification corresponding to that notified.

(c) Global Notes and definitive Notes held in a Clearing System – Block Voting Instruction

A holder of a Note (not being a Note in respect of which a Voting Certificate has been issued) represented by a Global Note or which is in definitive form and is held in an account with any Clearing System may require the Principal Paying Agent to issue a Block Voting Instruction in respect of such Note by first instructing the Clearing System through which such Noteholder's interest in the Note is held to procure that the votes attributable to such Note should be cast at the meeting in a particular way in relation to the resolution or resolutions to be put to the meeting. Any such instruction shall be given in accordance with the rules of the Clearing System then in effect. Subject to receipt by the Principal Paying Agent of instructions from the Clearing System, no later than 24 Hours prior to the time for which such meeting is convened, of notification of the principal amount of the Notes in respect of which instructions have been given and the manner in which the votes attributable to such Notes should be cast, the Principal Paying Agent shall, without any obligation to make further enquiry, appoint a proxy to attend the meeting and cast votes in accordance with such instructions.

- 4 Each Block Voting Instruction, together (if so requested by the Note Trustee) with proof satisfactory to the Note Trustee of its due execution on behalf of the relevant Paying Agent and each form of proxy, shall be deposited by the relevant Paying Agent at such place as the Note Trustee shall approve not less than 24 Hours before the time appointed for holding the meeting at which the proxy or proxies named in the Block Voting Instruction or form of proxy propose to vote, and in default the Block Voting Instruction or form of proxy shall not be treated as valid unless the Chairman of the meeting decides otherwise before such meeting proceeds to business. A copy of each Block Voting Instruction and form of proxy shall be deposited with the Note Trustee before the commencement of the meeting but the Note Trustee shall not thereby be obliged to investigate or be concerned with the validity of or the authority of the proxy or proxies named in any such Block Voting Instruction or form of proxy.

- 5 Any vote given in accordance with the terms of a Block Voting Instruction or form of proxy shall be valid notwithstanding the previous revocation or amendment of the Block Voting Instruction

or form of proxy or of any of the instructions of the relevant Noteholder or the relevant Clearing System (as the case may be) pursuant to which it was executed provided that no intimation in writing of such revocation or amendment has been received from the relevant Paying Agent by the Issuer at its registered office (or such other place as may have been required or approved by the Note Trustee for the purpose) by the time being 24 Hours before the time appointed for holding the meeting at which the Block Voting Instruction or form of proxy is to be used.

Convening of meetings, quorum and adjourned meetings

- 6 The Issuer or the Note Trustee may at any time, and the Issuer shall upon a requisition in writing in the English language signed by the Noteholders of not less than ten per cent. in principal amount of the Notes of any Series for the time being outstanding, convene a meeting and if the Issuer makes default for a period of seven days in convening such a meeting the same may be convened by the Note Trustee or the requisitionists. Whenever the Issuer is about to convene any such meeting the Issuer shall forthwith give notice in writing to the Note Trustee of the day, time and place thereof and of the nature of the business to be transacted thereat. Every such meeting shall be held at such time and place as the Note Trustee may appoint or approve in writing. For the avoidance of doubt, notwithstanding anything in this paragraph 6, any meeting requested by Noteholders to discuss the financial position of the Issuer and the Group shall be requested in accordance with, and shall be subject to, Condition 6.2 (*Covenants – Information Covenants*).
- 7 At least 21 Clear Days' notice specifying the place, day and hour of meeting shall be given to the Noteholders prior to any meeting in the manner provided by Condition 16 (*Notices*). Such notice, which shall be in the English language, shall state generally the nature of the business to be transacted at the meeting thereby convened and, where an Extraordinary Resolution will be proposed at the meeting, shall either specify in such notice the terms of such resolution or state fully the effect on the Noteholders of such resolution, if passed. Such notice shall include statements as to the manner in which Noteholders may arrange for Voting Certificates, Block Voting Instructions or forms of proxy be issued. A copy of the notice shall be sent by post to the Note Trustee (unless the meeting is convened by the Note Trustee) and to the Issuer (unless the meeting is convened by the Issuer).
- 8 A person (who may but need not be a Noteholder) nominated in writing by the Note Trustee shall be entitled to take the chair at the relevant meeting, but if no such nomination is made or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting the Noteholders present shall choose one of their number to be Chairman, failing which the Issuer may appoint a Chairman. The Chairman of an adjourned meeting need not be the same person as was Chairman of the meeting from which the adjournment took place.
- 9 At any such meeting one or more Eligible Persons present and holding or representing in the aggregate not less than 50 per cent. in principal amount of the Notes for the time being outstanding shall (subject as provided below) form a quorum for the transaction of business (including the passing of an Extraordinary Resolution) provided that at any meeting the business of which includes any Basic Terms Modification (which shall, subject only to Clause 20.2 (*Modification*) of the Note Trust Deed, only be capable of being effected after having been approved by Extraordinary Resolution) the quorum shall be one or more Eligible Persons present and holding or representing in the aggregate not less than 75 per cent. of the principal amount of the Notes for the time being outstanding. No business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of the relevant business.

- 10 If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any such meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the meeting shall if convened upon the requisition of Noteholders be dissolved. In any other case it shall stand adjourned for such period, being not less than 13 Clear Days nor more than 42 Clear Days, and to such place as may be appointed by the Chairman either at or subsequent to such meeting and approved by the Note Trustee. If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any adjourned meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the Chairman may either (with the approval of the Note Trustee) dissolve such meeting or adjourn the same for such period, being not less than ten Clear Days (but without any maximum number of Clear Days), and to such place as may be appointed by the Chairman either at or subsequent to such adjourned meeting and approved by the Note Trustee, and the provisions of this sentence shall apply to all further adjourned such meetings.
- 11 At any adjourned meeting one or more Eligible Persons present (whatever the principal amount of the Notes so held or represented by them) shall (subject as provided below) form a quorum and shall have power to pass any resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the requisite quorum been present provided that at any adjourned meeting the quorum for the transaction of business comprising any Basic Terms Modification shall be one or more Eligible Persons present and holding or representing in the aggregate not less than 25 per cent. in the principal amount of the Notes for the time being outstanding.
- 12 Notice of any adjourned meeting shall be given in the same manner as notice of an original meeting but as if 10 were substituted for 21 in paragraph 7 and such notice shall state the required quorum.

Conduct of business at meetings

- 13 Every question submitted to a meeting shall be decided in the first instance by a show of hands. A poll may be demanded (before or on the declaration of the result of the show of hands) by the Chairman, the Issuer, the Note Trustee or any Eligible Person (whatever the amount of the Notes so held or represented by him).
- 14 At any meeting, unless a poll is duly demanded, a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 15 Subject to paragraph 17, if at any such meeting a poll is so demanded it shall be taken in such manner and, subject as hereinafter provided, either at once or after an adjournment as the Chairman directs and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded.
- 16 The Chairman may, with the consent of (and shall if directed by) any such meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

- 17 Any poll demanded at any such meeting on the election of a Chairman or on any question of adjournment shall be taken at the meeting without adjournment.
- 18 Any director or officer of the Note Trustee, its lawyers and financial advisers, any director, board member or officer of the Issuer, their respective lawyers and financial advisers, any director or officer of any of the Paying Agents and any other person authorised so to do by the Note Trustee may attend and speak at any meeting. Save as aforesaid, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting unless he is an Eligible Person. No person shall be entitled to vote at any meeting in respect of Notes which are deemed to be not outstanding by virtue of the proviso to the definition of "outstanding" in Clause 1 (*Definitions*) of the Note Trust Deed.
- 19 At any meeting:
- (a) on a show of hands every Eligible Person present shall have one vote; and
 - (b) on a poll every Eligible Person present shall have one vote in respect of each £1 or such other amount as the Note Trustee may in its absolute discretion stipulate (or, in the case of meetings of holders of Notes denominated in another currency, such amount in such other currency as the Note Trustee in its absolute discretion may stipulate), in principal amount of the Notes held or represented by such Eligible Person.
- Without prejudice to the obligations of the proxies named in any Block Voting Instruction or form of proxy, any Eligible Person entitled to more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.
- 20 The proxies named in any Block Voting Instruction or form of proxy and representatives need not be Noteholders. Nothing herein shall prevent any of the proxies named in any Block Voting Instruction or form of proxy from being a director, board member officer or representative of or otherwise connected with the Issuer.
- 21 The Noteholders shall in addition to the powers hereinbefore given have the following powers exercisable (without prejudice to any powers conferred on other persons by these presents) only by Extraordinary Resolution (subject, in the case of an Extraordinary Resolution to be proposed at a meeting, to the provisions relating to quorum contained in paragraphs 9 and 11) namely:
- (a) Power to sanction any compromise or arrangement proposed to be made between the Issuer, the Note Trustee, any attorney, manager, agent, delegate, nominee, custodian or other person (each, an **Appointee**) and the Noteholders, Receiptholders and Couponholders or any of them.
 - (b) Power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Note Trustee, any Appointee, the Noteholders, the Receiptholders, the Couponholders or the Issuer against any other or others of them or against any of their property whether such rights arise under these presents or otherwise.
 - (c) Power to assent to any modification of the provisions of these presents which is proposed by the Issuer, the Note Trustee or any Noteholder.
 - (d) Power to give any authority or sanction which under the provisions of these presents is required to be given by Extraordinary Resolution.

- (e) Power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution.
- (f) Power to approve of a person to be appointed a trustee and power to remove any trustee or trustees for the time being of these presents.
- (g) Power to discharge or exonerate the Note Trustee and/or any Appointee from all liability in respect of any act or omission for which the Note Trustee and/or such Appointee may have become responsible under these presents.
- (h) Power to authorise the Note Trustee and/or any Appointee to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution.
- (i) Power to sanction any scheme or proposal for the exchange or sale of the Notes for or the conversion of the Notes into or the cancellation of the Notes in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash.
- (j) Power to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under these presents.

22 Any Extraordinary Resolution:

- (a) passed at a meeting of the Noteholders duly convened and held in accordance with these presents;
- (b) passed as an Extraordinary Resolution in writing in accordance with these presents; or
- (c) passed by way of Electronic Consents given by holders through the relevant Clearing System(s) in accordance with these presents.

shall be binding upon all the Noteholders whether or not present or whether or not represented at any meeting and whether or not voting on such Extraordinary Resolution and upon all Receiptholders, Couponholders and Talonholders and each of them shall be bound to give effect thereto accordingly and the passing of any such Extraordinary Resolution shall be conclusive evidence that the circumstances justify the passing thereof. Notice of the result of the voting on any Extraordinary Resolution duly considered by the Noteholders shall be published in accordance with Condition 16 (Notices) by the Issuer within 14 days of such result being known, provided that the non-publication of such notice shall not invalidate such result.

23 Minutes of all resolutions and proceedings at every meeting shall be made and entered in books to be from time to time provided for that purpose by the Issuer and any such minutes as aforesaid, if purporting to be signed by the Chairman of the meeting at which such resolutions were passed or proceedings transacted, shall be conclusive evidence of the matters therein contained and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings transacted thereat to have been duly passed or transacted.

- 24 Subject to the following sentence, an Extraordinary Resolution in writing 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.
- 25 For so long as the Notes are in the form of a Global Note held on behalf of, or a Global Note 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 or the Note Trustee:
- (a) *Electronic Consent*: where the terms of the resolution proposed by the Issuer or the Note 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 and the Note 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 Principal Paying Agent or another specified agent and/or the Note Trustee in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding (the **Required Proportion**) (**Electronic Consent**) by close of business on the Relevant Date (as defined below). Any resolution passed in such manner shall be binding on all Noteholders, Receiptholders and Couponholders, even if the relevant consent or instruction proves to be defective. Neither the Issuer nor the Note 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 system(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 this 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 Note Trustee (unless the Note Trustee is the Proposer). Such notice must inform 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 Note Trustee which is not then the subject of a meeting that has been validly convened in accordance with paragraph 6 above, unless that meeting is or shall be cancelled or dissolved; and

- (b) *Written Resolution*: where Electronic Consent is not being sought, for the purpose of determining whether an Extraordinary Resolution in writing has been validly passed, the Issuer and the Note Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Note Trustee, as the case may be:
- (i) by accountholders in the clearing system(s) with entitlements to such Global Note; and/or
 - (ii) 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 or the person for whom such entitlement is held.

For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and the Note Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (i) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the **relevant clearing system**) and, in the case of (ii) above, the relevant clearing system and the person identified by the relevant clearing system for the purposes of (ii) above. Any resolution passed in such manner shall be binding on all Noteholders, Receiptholders and Couponholders, even if the relevant consent or instruction proves to be defective. 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 accountholder of a particular principal or principal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Note 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.

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

26

- (a) If and whenever the Issuer has issued and has outstanding Notes of more than one Series, the foregoing provisions of this Schedule shall have effect subject to the following modifications:
- (i) a resolution which in the opinion of the Note Trustee affects the Notes of only one Series shall be deemed to have been duly passed if passed at a separate meeting (or by a separate resolution in writing or by a separate resolution passed by way of Electronic Consents received through the relevant Clearing System(s)) of the holders of the Notes of that Series;
 - (ii) a resolution which in the opinion of the Note Trustee affects the Notes of more than one Series but does not give rise (in the opinion of the Note Trustee) to an actual or potential conflict of interest between the holders of Notes of any of the

Series so affected shall be deemed to have been duly passed if passed at a single meeting (or by a single resolution in writing or by a single resolution passed by way of Electronic Consents received through the relevant Clearing System(s)) of the holders of the Notes of all the Series so affected;

(iii) a resolution which in the opinion of the Note Trustee affects the Notes of more than one Series and gives or may give rise (in the opinion of the Note Trustee) to a conflict of interest between the holders of the Notes of one Series or group of Series so affected and the holders of the Notes of another Series or group of Series so affected shall be deemed to have been duly passed only if passed at separate meetings (or by separate resolutions in writing or by separate resolutions passed by way of consents received through the relevant Clearing System(s)) of the holders of the Notes of each Series or group of Series so affected; and

(iv) to all such meetings all the preceding provisions of this Schedule shall apply *mutatis mutandis* as though references therein to Notes and Noteholders were references to the Notes of the Series or group of Series in question or to the holders of such Notes, as the case may be.

(b) Subject as provided below, if the Issuer has issued and has outstanding Notes which are not denominated in pounds Sterling, or in the case of any meeting of the holders of Notes of more than one currency, the principal amount of such Notes shall:

(i) for the purposes of paragraph 6, be the equivalent in pounds Sterling at the spot rate of a bank nominated by the Note Trustee for the conversion of the relevant currency or currencies into pounds Sterling on the seventh dealing day prior to the day on which the requisition in writing is received by the Issuer; and

(ii) for the purposes of paragraphs 9, 11 and 19 (whether in respect of the meeting or any adjourned such meeting or any poll resulting therefrom), be the equivalent at such spot rate on the seventh dealing day prior to the day of such meeting.

In such circumstances, on any poll each person present shall have one vote for each E1 (or such other pounds Sterling amount as the Note Trustee may in its absolute discretion stipulate) in the principal amount of the Notes (converted as above) which he holds or represents.

(c) In the case of any meeting of the holders of the Notes of one or more Series which are denominated in a single currency which is not pounds Sterling, the Note Trustee (in its sole discretion) may agree with the Issuer that the relevant currency for the purposes of the meeting (including, without limitation, the quorum and voting calculations) shall be the currency of the relevant Notes, in which case the provisions of this Schedule shall be construed accordingly.

27 Subject to all other provisions of these presents the Note Trustee may:

(a) (after consultation with the Issuer where the Note Trustee considers such consultation to be practicable but without the consent of the Issuer, the Noteholders, the Receiptholders or the Couponholders) prescribe such further or alternative regulations regarding the requisitioning and/or the holding of meetings and attendance and voting thereat (**Further Regulations**) as the Note Trustee may in its sole discretion reasonably

think fit (including, without limitation, the substitution for periods of 24 Hours and 48 Hours referred to in this Schedule of shorter periods); or

- (b) concur with the Issuer or the Noteholders in making Further Regulations if it is of the opinion that to do so is not materially prejudicial to the Noteholders.

Such Further Regulations may, without prejudice to the generality of the foregoing, reflect the practices and facilities of any relevant Clearing System. Notice of any such Further Regulations may, at the sole discretion of the Note Trustee, be given to Noteholders in accordance with Condition 16 (*Notices*) at the time of service of any notice convening a meeting or at such other time as the Note Trustee may decide.

Schedule 4

Form of Director's Certificate

[On the headed paper]

To: The Law Debenture Trust Corporation p.l.c.
8th Floor
100 Bishopsgate
London EC2N 4AG

Attention: The Manager, Commercial Trusts

[Date]

Dear Sirs

£1,000,000,000 Note Programme

This certificate is delivered to you in accordance with Clause 15.1(g) (Covenants) of the Note Trust Deed dated 26 July 2021 (the **Note Trust Deed**) and made between Stonewater Funding plc (the **Issuer**) and The Law Debenture Trust Corporation p.l.c. (the **Note Trustee**). All words and expressions defined in the Note Trust Deed shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

I hereby certify that, to the best of my knowledge, information and belief (having made all reasonable enquiries):

- (a) as at []¹⁹, no Event of Default or Potential Event of Default existed [other than []²⁰ and no Event of Default or Potential Event of Default had existed at any time since []²¹ [the certification date (as defined in the Note Trust Deed) of the last certificate delivered under Clause 15.1(g) (Covenants)] [other than []²²; and
- (b) from and including []²³ [the certification date of the last certificate delivered under Clause 15.1(g) (Covenants)] to and including [], the Issuer has complied in all respects with its obligations under these presents (as defined in the Note Trust Deed) [other than []²⁴.

Director
for and on behalf of
Stonewater Funding plc

¹⁹ Specify a date more than 7 days before the date of delivery of the certificate.

²⁰ If any Event of Default or Potential Event of Default did exist, give details; otherwise delete.

²¹ Insert date of Note Trust Deed in respect of the first certificate delivered under Clause 15.1(g); otherwise delete.

²² If any Event of Default or Potential Event of Default did exist, give details; otherwise delete.

²³ Insert date of Note Trust Deed in respect of the first certificate delivered under Clause 15.1(g); otherwise delete.

²⁴ If any Event of Default or Potential Event of Default did exist, give details; otherwise delete.

Schedule 5

Form of Retained Note Issuer's Certificate

[On the headed paper of the Issuer]

To: **The Law Debenture Trust Corporation p.l.c. as Note Trustee**

From: **Stonewater Funding plc**

Date: **[•]**

Stonewater Funding plc
[Specified Currency][Principal Amount of Series]
Secured Notes due [Year of Maturity]
constituted and secured by a
Note Trust Deed dated 26 July 2021 (the Note Trust Deed)

- 1 We refer to the Note Trust Deed. This is a Retained Note Issuer's Certificate (as defined in Clause 15.1(bb) (Covenants) of the Note Trust Deed) in respect of the above Series of Notes.
- 2 We intend to sell £[•] in aggregate principal amount of the Retained Notes of such Series.
- 3 We confirm that:
 - (a) on the date hereof, the Borrowers are in compliance with the Asset Cover Test; and
 - (b) immediately following the sale of the Retained Notes, the Borrowers will be in compliance with the Asset Cover Test.
- 4 We set out below calculations establishing the figures in paragraph 3 above:

[Calculations to be set out showing compliance with the Asset Cover Test]

Terms used in this statement should have the same meanings as in the Note Trust Deed, unless the context otherwise requires.

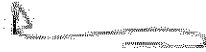
Director
for and on behalf of
Stonewater Funding plc

SIGNATORIES

Executed as a Deed on behalf of
Stonewater Funding plc
acting by a director in the presence of

)
)
)
)

Signature of witness



Name

ANNE WAGLAND

Occupation

COMPANY SECRETARY

Address

3 GIBSON WAY, MANCHESTER M14 6LJ

Executed as a Deed

for and on behalf of

The Law Debenture Trust Corporation p.l.c.

acting by:

)
)
)
)
)

Director

Secretary

SIGNATORIES

Executed as a Deed on behalf of)
Stonewater Funding plc)
acting by a director in the presence of)

Signature of witness

Name

Occupation

Address

Executed as a Deed)
for and on behalf of)
The Law Debenture Trust Corporation p.l.c.)
acting by:)


Director

Secretary 

Representing Law Debenture Corporate Services Ltd