

EXECUTION VERSION

AMENDED AND RESTATED NOTE TRUST DEED

9 SEPTEMBER 2022

**LONDON & QUADRANT HOUSING TRUST
as Issuer**

and

THE LAW DEBENTURE TRUST CORPORATION p.l.c.

relating to the

£2,500,000,000

EURO MEDIUM TERM NOTE PROGRAMME

ALLEN & OVERY

Allen & Overy LLP

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THIS AMENDED AND RESTATED NOTE TRUST DEED is made on 9 September 2022

BETWEEN:

- (1) **LONDON & QUADRANT HOUSING TRUST**, a registered society incorporated in England under the Co-operative and Community Benefit Societies Act 2014 (registration number 30441R) and registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008, as amended by the Localism Act 2011 (registered number L4517), with registered offices at 29-35 West Ham Lane, Stratford, London E15 4PH (the **Issuer**); and
- (2) **THE LAW DEBENTURE TRUST CORPORATION p.l.c.**, a company incorporated under the laws of England and Wales, whose registered office is 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 note trustee for the Noteholders and the Couponholders (each as defined below).

WHEREAS:

- (A) By a resolution of the Executive Group of the Issuer passed on 19 August, 2020, the Issuer resolved to establish, and pursuant to a resolution of the Executive Group of the Issuer passed on 31 August 2022, update a Euro Medium Term 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 3.2 of the Programme Agreement (as defined below)) from time to time outstanding of £2,500,000,000 (subject to increase as provided in the Programme Agreement) (the **Programme Limit**) may be issued pursuant to the Programme.
- (B) The Issuer's obligations under the Notes may be secured (such Notes, **Secured Notes**) in accordance with these presents or not so secured (such Notes, **Unsecured Notes**), in each case as specified in the applicable Pricing Supplement.
- (C) In connection with the Programme, the Issuer entered into a note trust deed dated 22 September, 2020 (the **Original Note Trust Deed**) with the Note Trustee. The Note Trustee thereby agreed to act as note trustee of those presents for the benefit of the Noteholders and the Couponholders upon and subject to the terms and conditions of the Original Note Trust Deed.
- (D) The Original Note Trust Deed was amended and restated on 10 September 2021 (the **First Amended and Restated Trust Deed**) and shall be further amended and restated on the terms of this Note Trust Deed. Any Series of Notes first issued on or after the date of this Note Trust Deed shall be issued pursuant to this Note Trust Deed. This does not affect any Notes issued prior to the date of this Note Trust Deed. Any Notes issued on or after the date of this Note Trust Deed which are to be consolidated and form a single Series with any Notes issued prior to the date of this Note Trust Deed shall be issued subject to the Original Note Trust Deed or the First Amended and Restated Trust Deed (as applicable). Subject to such amendment and restatement, the Original Note Trust Deed and the First Amended and Restated Trust Deed shall remain in full force and effect.

NOW THIS NOTE TRUST DEED WITNESSES AND IT IS AGREED AND DECLARED as follows:

1. DEFINITIONS

- 1.1** Terms defined in the Conditions and not otherwise defined herein shall have the same meaning in this Note Trust Deed. In these presents, unless there is anything in the subject or context inconsistent therewith, the following expressions shall have the following meanings:

Account Bank means, in relation to all or any Series of Secured Notes, Barclays Bank PLC at its office at 1 Churchill Place, London E14 5HP or, if applicable, any Successor account bank;

Agency Agreement means the amended and restated agency agreement dated 10 September, 2021, as further 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 (if any) 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 or another Principal Paying Agent 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, modifying or replacing with the prior written approval of the Note Trustee any of the aforesaid agreements;

Agent Bank means, in relation to all or any Series of the Notes, the bank appointed as agent bank in relation to such Notes by the Issuer pursuant to the Agency Agreement and/or, if applicable, any Successor agent bank in relation to such Notes;

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

Auditors means KPMG LLP or such other firm of auditors as may from time to time be appointed by the Issuer and approved by the Note Trustee for the purpose of these presents and which has recognised experience in the auditing of Registered Providers of Social Housing;

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 (other than a Benchmark Amendment);
- (b) alter the currency in which payments under the Notes and Coupons are to be made;
- (c) alter the majority required to pass an Extraordinary Resolution;
- (d) sanction any such scheme or proposal or substitution as is described in paragraphs 19(i) and 19(j) of Schedule 3; or
- (e) alter the proviso to paragraph 7 of Schedule 3 or the proviso to paragraph 9 of Schedule 3;

CGN means a Temporary Global Note or a Permanent Global Note and, in either case, in respect of which the applicable Pricing Supplement indicates is not a New Global Note;

Clearing System has the meaning set out in paragraph 1 of Schedule 3;

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 or in such other form, having regard to the terms of the issue of Notes of the relevant Series, as may be agreed between the Issuer, the Note Trustee, the Principal Paying Agent 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 a Definitive Note, such coupon being:

- (a) if appertaining to a Fixed Rate Note, in the form or substantially in the form set out in Part 4A of Schedule 2 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); or
- (b) if appertaining to a Floating Rate Note, in the form or substantially in the form set out in Part 4B of Schedule 2 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); or
- (c) if appertaining to a definitive Note which is neither a Fixed Rate Note nor a Floating Rate Note, in such form 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, 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 the dealers from time to time listed 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 of Schedule 2 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 (where applicable to this Note Trust Deed) 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 Coupons and, where appropriate, Talons attached thereto on issue;

Euroclear means Euroclear Bank SA/NV;

Eurosystem-eligible NGN means a NGN which is intended to be held in a manner which would allow Eurosystem eligibility, as stated in the applicable Pricing Supplement;

Extraordinary Resolution has the meaning set out in paragraph 1 of Schedule 3;

Fixed Rate Note means a Note on which interest is calculated at a fixed rate payable in arrear on a fixed date or fixed dates in each year and on redemption or on such other dates as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Pricing Supplement);

Floating Rate Note means a Note on which interest is calculated at a floating rate payable in arrear in respect of such period or on such date(s) as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Pricing Supplement);

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;

Interest Commencement Date means, in the case of interest-bearing Notes, the date specified in the applicable Pricing Supplement from (and including) which such Notes bear interest, which may or may not be the Issue Date;

Interest Payment Date means, in relation to any Floating Rate Note, either:

- (a) the 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 the Interest Commencement Date (in the case of the first Interest Payment Date); or
- (b) such date or dates as are indicated in the applicable Pricing Supplement;

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 Permanent Global Note or Definitive Note represented initially by a Temporary Global Note, the same date as the date of issue of the Temporary 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 Business Day has the meaning set out in Condition 7.2(g) (*Interest on Floating Rate Notes - Notification of Rate of Interest and Interest Amounts*);

London Stock Exchange means the London Stock Exchange plc;

Maturity Date means the date on which a Note is expressed to be redeemable;

month means calendar month;

New Property Approval Certificate means a certificate, signed by two Authorised Signatories of the Issuer, substantially in the form of Schedule 6;

NGN means a Temporary Global Note or a Permanent Global Note and in either case in respect of which the applicable Pricing Supplement indicates is a New Global Note;

Non-eligible NGN means a NGN which is not intended to be held in a manner which would allow Eurosystem eligibility, as stated in the applicable Pricing Supplement;

Note means a note issued pursuant to the Programme and denominated in such currency or currencies as may be agreed between the Issuer and the relevant Dealer(s) 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 initially be represented by, and comprised in, either (a) 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) 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, Coupons and Talons*);

Noteholders means the several persons who are for the time being holders of outstanding Notes (being, in the case of Notes, 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 depository or common safekeeper and for which purpose such common depository 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 **holder** and **holder of Notes** and related expressions shall (where appropriate) be construed accordingly;

Official List has the meaning set out in Section 103 of the FSMA;

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 relative 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 Condition 9.6 (*Redemption and Purchase – Purchases*) and 9.7 (*Redemption and Purchase – 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, 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, Coupons and Talons*); and
- (g) any Temporary Global Note to the extent that it shall have been exchanged for Definitive Notes or a Permanent Global Note, any Permanent Global Note to the extent that it shall have been exchanged for Definitive Notes, in each case 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 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 14.1, Clause 19.2(n), Conditions 12.1 (*Events of Default and Enforcement – Secured Note Events of Default and Enforcement in respect of Secured Notes*), 12.2 (*Events of Default and Enforcement – Unsecured Note Events of Default and Enforcement in respect of Unsecured Notes*) and 18 (*Meetings of Noteholders, Modification, Waiver and Authorisation*) and paragraphs 2, 5, 7 and 9 of Schedule 3;
- (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 any member of the Group, 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 in relation to the Notes;

Permanent Global Note means a global note in the form or substantially in the form set out in Part 2 of Schedule 2 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) and these presents;

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

Principal Paying Agent means, in relation to all or any Series of Notes, HSBC Bank plc at its office at 8 Canada Square, London E14 5HQ or, if applicable, any Successor principal paying agent;

Programme means the Euro Medium Term Note Programme established by, or otherwise contemplated in, the Programme Agreement;

Programme Agreement means the amended and restated programme agreement dated 9 September 2022 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;

Property Release/Reallocation Certificate means a certificate, signed by two Authorised Signatories of the Issuer, substantially in the form of Schedule 8;

Receiver means a receiver or a receiver and manager;

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

Rating Agency means any rating agency which has assigned a solicited rating to the Notes at the relevant time;

Secured Obligations means, in relation to a Series of Secured Notes, the aggregate of all the monies and liabilities which from time to time are or may become due, owing or payable by the Issuer to each, some or any of the Series Secured Parties under the Secured Notes or the Programme Documents to which the Issuer is a party in relation to such Series;

Security Assets means, in relation to a Series of Secured Notes, the property which is charged and assigned pursuant to the Security Documents and allocated for the benefit of the Series Secured Parties in respect of such Series;

Series means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices and the expressions **Notes of the relevant Series**, **holders of Notes of the relevant Series** and related expressions shall (where appropriate) be construed accordingly;

Stock Exchange means the London Stock Exchange or any other or further stock exchange(s) 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;

Substitute Property Certificate means a certificate, signed by two Authorised Signatories of the Issuer, substantially in the form of Schedule 7;

Successor means, in relation to the Principal Paying Agent, any other Paying Agents, the Agent Bank and the Account Bank, 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, the Agency Agreement and/or the Account Agreement (as the case may be) and/or such other or further principal paying agent, paying agents, agent bank and/or account bank (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 (in the case of the Principal Paying Agent, being within the same city as those for which it is substituted) 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, the Agency Agreement and/or the Account Agreement, as the case may be) notice of whose appointment or, as the case may be, nomination has been given to the Noteholders pursuant to Clause 19.2(h) in accordance with Condition 16 (*Notices*);

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

Talons means the talons (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 5 of Schedule 2 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, Coupons and Talons*);

Temporary Global Note means a temporary global note in the form or substantially in the form set out in Part 1 of Schedule 2 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 Note Trust Deed and the Schedules and any trust deed supplemental hereto and the Schedules (if any) thereto and the Notes, 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, trading and/or quotation by any listing authority, stock exchange and/or quotation system);

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 of England and Wales;

UK Listing Authority means the Financial Conduct Authority in its capacity as competent authority under the FSMA;

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** (a) All references in these presents to 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 (*Payments – Interpretation of principal and interest*).

- (b) All references in these presents to 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.
- (c) All references in these presents to guarantees or to an obligation being guaranteed shall be deemed to include respectively references to indemnities or to an indemnity being given in respect thereof.
- (d) All references in these presents to 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.
- (e) All references in these presents to 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.
- (f) All references in these presents to a common depositary or common safekeeper shall, whenever the context so permits, be deemed to include references to any successor common depositary or common safekeeper as is approved by the Issuer, the Principal Paying Agent and the Note Trustee.
- (g) Unless the context otherwise requires words or expressions used in these presents shall bear the same meanings as in the Companies Act 2006.
- (h) In this Note Trust Deed references to Schedules, Clauses, subclauses, paragraphs and subparagraphs shall be construed as references to the Schedules to this Note Trust Deed and to the Clauses, subclauses, paragraphs and subparagraphs of this Note Trust Deed respectively.
- (i) In these presents, tables of contents and Clause headings are included for ease of reference and shall not affect the construction of these presents.
- (j) 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.
- (k) 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.
- (l) All references in these presents to 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' interest in the Notes.

1.3 Words and expressions defined in these presents or the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in this Note Trust Deed or any note trust deed supplemental hereto unless the context otherwise requires or unless otherwise stated provided that, in the event of inconsistency between the Agency Agreement and these presents, these

presents shall prevail and, in the event of inconsistency between the Agency Agreement or these presents and the applicable Pricing Supplement, the applicable Pricing Supplement shall prevail.

- 1.4** All references in these presents to the **relevant currency** shall be construed as references to the currency in which payments in respect of the Notes and/or Coupons of the relevant Series are to be made as indicated in the applicable Pricing Supplement.
- 1.5** All references in these presents to **listing** or **listed** shall, in relation to the London Stock Exchange, be construed to mean that such Notes have been admitted to the Official List by the UK Listing Authority and to trading on the London Stock Exchange's market for listed securities and all references in these presents to **listing** and **listed** shall include references to **quotation** and **quoted**, 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 3.6 of the Programme Agreement shall apply.

By not later than 3.00 p.m. (London time) on the third London 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 (in the case of Secured Notes) a copy of the relevant Apportionment Certificate 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 Note Trust Deed and on such other occasions as the Note Trustee so requests (on the basis that the Note Trustee considers it necessary in view of a change (or proposed change) in English law affecting the Issuer, these presents, the Programme Agreement or the Agency Agreement 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 becomes due to be redeemed, or on such earlier date as the same or any part thereof may become due and repayable thereunder, in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Note Trustee in the relevant 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 rates and/or in amounts calculated from time to time in accordance with, or specified in, and on the dates provided for in, the Conditions (subject to Clause 2.4) 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 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 upon due presentation thereof (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 seventh 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 relevant currency in respect of such Note is available for payment, provided that, upon further presentation thereof being duly made, such payment is made.

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

2.3 Note Trustee's requirements regarding Paying Agents etc

At any time after an Event of Default or a Potential Event of Default shall have occurred and be continuing or the Notes shall otherwise have become due and repayable or the Note Trustee shall have received any money which it proposes to pay under Clause 15 to the relevant Noteholders 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 and the Account Bank require the Principal Paying Agent, the other Paying Agents, the Agent Bank and the Account Bank pursuant to the Agency Agreement and the Account Agreement, respectively:
 - (i) to act thereafter, until instructed otherwise by the Note Trustee, as Principal Paying Agent, Paying Agents, the Agent Bank and the Account Bank, 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 and the Account Agreement (with such consequential

amendments as the Note Trustee shall deem necessary and 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 and the Account Bank 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 and Coupons and all sums, documents and records held by them in respect of Notes and Coupons on behalf of the Note Trustee; and/or

(ii) to deliver up all Notes and Coupons and all sums, documents and records held by them in respect of Notes 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, any other Paying Agent, the Agent Bank and/or the Account Bank is obliged not to release by any law or regulation; and/or

(b) by notice in writing to the Issuer require it to make all subsequent payments in respect of the Notes 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 proviso (a) to Clause 2.2 relating to the Notes shall cease to have effect.

2.4 If the Floating Rate Notes of any Series become immediately due and repayable under Condition 12 (*Events of Default and Enforcement*) the rate and/or amount of interest payable in respect of them will be calculated by the Agent Bank at the same intervals as if such Notes had not become due and repayable, the first of which will commence on the expiry of the Interest Period during which the Notes of the relevant Series become so due and repayable *mutatis mutandis* in accordance with the provisions of Condition 7 (*Interest*) except that the rates of interest need not be published.

2.5 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 and Couponholders shall be made in the relevant currency.

2.6 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 or Couponholders to create and issue further notes having terms and conditions the same as the Notes of any Series (and, in the case of Secured Notes, secured on the same assets) or the same in all respects save for the amount and date of the first payment of interest thereon and/or the date on which interest starts to accrue and so that the same shall be consolidated and form a single series with the outstanding Notes of a particular Series.

2.7 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 to 27 (both inclusive) and 28.2 and Schedule 3 shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses and Schedule the expressions **Notes**, **Noteholders**, **Coupons**, **Couponholders**, **Talons** and **Talontholders** 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, Coupons and, where applicable, 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 (as specified in the applicable Pricing Supplement) together with, where applicable, Coupons and, where applicable, Talons attached, in accordance with the provisions of such Permanent Global Note. All Global Notes shall be prepared, completed and delivered to a common depository (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 depository 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 of Schedule 2 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, 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 of Schedule 2 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, 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 Coupons and the Talons shall be to bearer in the respective forms or substantially in the respective forms set out in Part 3, Part 4 and Part 5, respectively, of Schedule 2. The Definitive Notes, 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 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 Coupons and Talons, upon

execution and authentication of the relevant Definitive Notes, shall be binding and valid obligations of the Issuer. The Coupons and the Talons shall not be signed. No Definitive Note and none of the 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 the Temporary Global Note, the Permanent Global Note or any of the Definitive Notes, as the case may be, he may have ceased for any reason to be so authorised or to be the holder of such office. The Definitive Notes so signed and authenticated, and the Coupons, upon execution and authentication of the relevant Definitive Notes, shall be binding and valid obligations of the Issuer.

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 (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notation of ownership or writing thereon or notice of any previous loss or theft 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, Coupon or Talon as the absolute owner thereof and of all rights thereunder 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, 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, Coupon or Talon.

3.5 Reliance on Certification of a Clearing System

Without prejudice to the provisions of subclause 21(mm), 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, or to reflect the records of, Euroclear or Clearstream, Luxembourg and subsequently found to be forged or not authentic.

4. SECURITY

4.1 In relation to each Series of Secured Notes, the Issuer with full title guarantee and as continuing security for the payment and discharge of the Secured Obligations of such Series hereby:

- (a) charges by way of first fixed charge all moneys from time to time standing to the credit of the Charged Account in relation to such Series and all debts represented thereby;
- (b) assigns absolutely by way of security the Issuer's rights, title and interest arising under the Agency Agreement and the Account Agreement, in each case to the extent they relate to such Series; and
- (c) charges by way of first fixed charge all 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 Noteholders and the Series Secured Parties relating to such Series, subject to the provisions of, and the order of priority provided in, Clause 15,

PROVIDED ALWAYS that, unless and until a Secured Note Event of Default has occurred and is continuing (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 agreements referred to in Clause 4.1(b) above.

4.2 Promptly following the execution of this Note Trust Deed, the Issuer undertakes to deliver evidence that it has given notices of assignment to the relevant counterparties in respect of the assignment of its rights pursuant to Clause 4.1(b) above, and to deliver evidence that it has given notices of charge to the relevant counterparties in respect of the charges created pursuant to Clauses 4.1(a) and 4.1(c) above, and use reasonable endeavours to procure that evidence of acknowledgement of the assignment or charge (as applicable) is provided by the relevant counterparty.

4.3 Prior to the enforcement of the Series Security, the Note Trustee shall have no obligation to sell, liquidate or otherwise realise the Series Charged Property. Notwithstanding the foregoing, the Note Trustee undertakes to release at the expense of the Issuer from the Series Security 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 any part thereof) if the Issuer or any other person acting on behalf of the Issuer 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 Secured Obligations 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 The Note Trustee shall not be responsible for, nor shall it have any liability with respect to, any loss or theft of the Series Charged Property and shall not be obliged to insure or to procure the insurance of the Series Charged Property and shall have no responsibility or liability arising from the fact that

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.

- 4.6** The Series Security shall become enforceable upon (i) the Notes becoming due and repayable pursuant to Condition 12 (*Events of Default and Enforcement*) or (ii) any failure for any reason of the Issuer to redeem or repay the Notes in full after having become obliged to do so pursuant to Condition 9 (*Redemption and Purchase*).
- 4.7** At any time after all or part of the Series Security shall have become enforceable, the Note Trustee may in its discretion and shall, if so requested in writing by the Noteholders of at least one-fourth in principal amount outstanding or if so directed by an Extraordinary Resolution (in each case, subject to being indemnified and/or secured and/or prefunded to its satisfaction) but without any liability as to the consequence of such action and without having regard to the effect of such action on individual Noteholders or Couponholders or any Series Secured Party, take possession of the Series Charged Property or the relevant part thereof or (in its capacity as Representative) direct the Security Trustee to take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) against or in relation to the Issuer or any Charging Subsidiary as it may think fit to enforce the provisions of the Security Documents, 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(b) (*Events of Default and Enforcement – Enforcement in respect of Secured Notes*).
- 4.8** 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.
- 4.9** At any time after all or part of the Series Security becomes enforceable (and so that no delay or waiver of the right to exercise the powers hereby conferred shall prejudice the future exercise of such powers), the Note Trustee may by writing appoint a Receiver of the Series Security or the relevant part thereof and remove any Receiver so appointed and appoint another such Receiver in his stead. No delay or waiver of the right to exercise these powers shall prejudice their future exercise. The following provisions shall have effect in relation thereto:
- (a) such appointment may be made either before or after the Note Trustee shall have taken possession of the Series Charged Property or the relevant part thereof or directed the Security Trustee to enforce the Security Documents;
 - (b) such Receiver shall have, and be entitled to exercise, all the rights, powers and discretions of an administrative receiver under the Insolvency Act 1986 (including, without limitation, Schedule 1 thereto), whether or not such Receiver is an administrative receiver, and may be vested by the Note Trustee with such further powers and discretions as the Note Trustee may think expedient and may sell or concur in selling the Series Charged Property or the relevant part thereof, or assign or release the whole or the relevant part of the Series Charged Property, or direct the Security Trustee to take proceedings and/or other steps or action, in each case without restriction and on such terms and for such consideration (if any) as he may

think fit and may carry any such transaction into effect by conveying, transferring and delivering in the name or on behalf of the Issuer or otherwise;

- (c) such Receiver shall, in the exercise of his functions, act in accordance with the regulations made by the Note Trustee from time to time;
- (d) the Note Trustee may from time to time fix the remuneration of such Receiver and direct payment thereof out of moneys accruing to him in the exercise of his powers as such Receiver;
- (e) the Note Trustee may from time to time and at any time require any such Receiver to give security for the due performance of his duties as Receiver and may fix the nature and amount of the security to be so given but the Note Trustee shall not be bound in any case to require any such security, nor shall the Note Trustee be responsible for its adequacy or sufficiency;
- (f) save so far as otherwise directed by the Note Trustee, all moneys from time to time received by such Receiver shall be paid over forthwith to the Note Trustee (to be held by it in accordance with the provisions of Clause 15);
- (g) every such Receiver shall be the agent of the Issuer for all purposes and the Issuer alone shall be responsible for his acts, default and misconduct and for the payment of his remuneration, and the Note Trustee, the Noteholders and the Couponholders or any Series Secured Party shall not incur any liability therefor or by reason of its or their making or consenting to the appointment of a person as a Receiver under these presents; and
- (h) none of the Note Trustee, the Noteholders and the Couponholders shall be in any way responsible for any misconduct or negligence on the part of any such Receiver.

4.10 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 it by or pursuant to these presents or the Security Documents over the Series Charged Property or any part thereof and from time to time, and at any time after the Series Security or any part thereof shall have become enforceable, shall execute and do all such assurances, acts and things as the Note Trustee may require for facilitating the realisation of, or enforcement of rights in respect of, the Series Charged Property or the relevant part thereof and the exercise of all powers, authorities and discretions vested in the Note Trustee or in any Receiver or the relevant 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 discretions and make all registrations which the Note Trustee (acting reasonably) 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.

4.11 Without prejudice to the generality of Clause 4.10, the Issuer will forthwith at the request of the Note Trustee execute a legal mortgage, charge or assignment over all or any of the Series Charged Property subjected to or intended to be subject to any fixed security hereby created by it in favour of the Note Trustee in such form as the Note Trustee may require.

4.12 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, 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 constituted by or pursuant to these presents 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.

- 4.13** The Issuer by way of security irrevocably appoints the Note Trustee and every Receiver 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 subclause.
- 4.14** None of the Note Trustee, any Receiver appointed as aforesaid 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 Security or any part thereof or from any act, default or omission in relation to the Series Security 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 Security or any part thereof by or pursuant to these presents or otherwise unless such loss or damage shall be caused by its own gross negligence, wilful default or fraud.
- 4.15** The powers conferred by these presents in relation to the Series Security 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.
- 4.16** No person dealing with the Note Trustee or with any Receiver 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 the relevant property or 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 Security had not been varied or extended by these presents.
- 4.17** Without prejudice to the generality of Clauses 4.1 and 4.2, the Series Security shall remain in force as continuing security 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.
- 4.18** The Note Trustee hereby declares itself trustee of all the Series Security on trust for itself and the Noteholders and the Series Secured Parties in respect of the Secured Obligations owed to each of them respectively upon and subject to the terms and conditions of these presents.

5. ADMISSION AND RELEASE OF CHARGING SUBSIDIARIES

- 5.1** Any Eligible Subsidiary may become a Charging Subsidiary for the purpose of these presents by entering into a trust deed supplemental to this Note Trust Deed (which shall make any consequential amendments to these presents which the Note Trustee shall deem appropriate) and creating security

in favour of the Security Trustee for the benefit of itself and the Series Secured Parties pursuant to the Security Documents.

- 5.2** The Issuer and each existing Charging Subsidiary shall be deemed to have consented (a) to the admission of any Eligible Subsidiary as a Charging Subsidiary by virtue of the granting of security over Security Assets or (b) to the release of any Charging Subsidiary by virtue of the release of any security over Security Assets given by such Charging Subsidiary and it shall not be necessary for the Issuer or any other Charging Subsidiary to concur in or consent to any deed admitting or releasing any Charging Subsidiary.
- 5.3** In the event that any Charging Subsidiary ceases to provide any security pursuant to the Security Documents by reason of the release of all such security provided by such Charging Subsidiary, pursuant to, and in accordance with the Security Documents, then such Charging Subsidiary shall be automatically released from all its obligations pursuant to these presents without the need for any further formalities, provided however that the Issuer shall notify the Note Trustee as soon as possible of such release.

6. FEES, DUTIES AND TAXES

The Issuer will pay any stamp, issue, registration, documentary and other fees, duties and taxes, including interest and penalties, payable in any relevant jurisdiction on or in connection with (a) the execution and delivery of these presents and the Programme Documents, (b) the constitution and issue of the Notes 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 or Couponholder to enforce, or to resolve any doubt concerning, or for any other purpose in relation to, these presents or the Programme Documents.

7. COVENANT OF COMPLIANCE

The Issuer and each Charging Subsidiary (if any) 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 Charging Subsidiaries (if any), the Noteholders and the Couponholders. The Note Trustee shall be entitled to enforce the obligations of the Issuer and the Charging Subsidiaries (if any) under the Notes and the Coupons as if the same were set out and contained in this Note Trust Deed, which shall be read and construed as one document with the Notes and the Coupons. The Note Trustee shall hold the benefit of this covenant upon trust for itself and the Noteholders and the Couponholders according to its and their respective interests.

8. CANCELLATION OF NOTES AND RECORDS

- 8.1** The Issuer shall procure that all Notes issued by it which are (a) redeemed or (b) purchased and surrendered for cancellation by or on behalf of the Issuer or any of its Subsidiaries (including, without limitation, any Charging Subsidiary) or (c) which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 13 (*Replacement of Notes, Coupons and Talons*) or (d) exchanged as provided in these presents (together in each case, in the case of Definitive Notes, with all unmatured Coupons attached thereto or delivered therewith), and all Coupons paid in accordance with the Conditions or which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 13 (*Replacement of Notes, Coupons and Talons*) and all Talons exchanged in accordance with the Conditions for further Coupons shall forthwith be cancelled by or on behalf of the Issuer and a certificate stating:
- (i) the aggregate principal amount of Notes which have been redeemed and the aggregate amounts in respect of Coupons which have been paid;

- (ii) the serial numbers of such Notes in definitive form;
- (iii) the total numbers (where applicable, of each denomination) by maturity date of such Coupons;
- (iv) the aggregate amount of interest paid (and the due dates of such payments) on Global Notes;
- (v) the aggregate principal amount of Notes (if any) which have been purchased by or on behalf of the Issuer or any of its Subsidiaries (including, without limitation, any Charging Subsidiary) and cancelled and the serial numbers of such Notes in definitive form and, in the case of Definitive Notes, the total number (where applicable, of each denomination) by maturity date of the Coupons attached thereto or surrendered therewith;
- (vi) the aggregate principal amounts of Notes and the aggregate amounts in respect of 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 Coupons;
- (vii) the total number (where applicable, of each denomination) by maturity date of the unmatured Coupons missing from Definitive Notes bearing interest at a fixed rate which have been redeemed or surrendered and replaced and the serial numbers of the Definitive Notes to which such missing unmatured Coupons appertained; and
- (viii) 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 four months after the date of 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 interest thereon or exchange of the relative Talons respectively and of cancellation of the relative Notes and Coupons.

- 8.2** The Issuer shall procure (a) that the Principal Paying Agent shall keep a full and complete record of all Notes, Coupons (other than serial numbers of Coupons) and of their redemption, purchase by or on behalf of the Issuer or any of its Subsidiaries (including, without limitation, any Charging Subsidiary) and cancellation, payment or exchange (as the case may be) and of all replacement notes, coupons or talons issued in substitution for lost, stolen, mutilated, defaced or destroyed Notes or Coupons, (b) that such records and Coupons (if any) shall be made available to the Note Trustee at all reasonable times and (c) that, for so long as the Notes are represented by one or both Global Notes and such Global Note(s) is/are held on behalf of Euroclear and Clearstream, Luxembourg, the Principal Paying Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect all matters in respect of the Notes.

9. COMPLIANCE CERTIFICATES

Without prejudice to Clauses 19.2(c) and (m), the Issuer covenants with the Note Trustee that, for so long as any of the Notes remains outstanding, it shall (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 Financial Year, give to the Note Trustee a Compliance Certificate in or substantially in the form set out in Schedule 5 signed by two Authorised Signatories of the Issuer, confirming compliance with the Asset Cover Test and the Unsecured Notes Financial Covenant and setting out the relevant calculations. Any such certificate may, in the absence of

manifest error, be relied on by the Note Trustee and, if so relied on, shall be conclusive and binding on the Issuer, the Noteholders and the Couponholders.

10. CHARGED PROPERTIES AND CHARGED CASH

10.1 Note Trustee to act as Representative

In relation to each Series of Secured Notes, the Note Trustee shall act as Representative for and on behalf of the relevant Series Secured Parties pursuant to the Security Trust Deed. In its capacity as Representative, the Note Trustee shall be authorised on behalf of the relevant Series Secured Parties to take such action or direct the Security Trustee to take such action pursuant to the Security Trust Deed in its discretion but subject always to the provisions of these presents and, in particular but without limitation, this Clause 10.

10.2 Addition of New Series Charged Properties

At the request and expense of the Issuer, the Issuer may, in respect of each Series of Secured Notes, (i) charge, and procure that any Charging Subsidiary charges, additional properties pursuant to the Security Documents and/or (ii) allocate, and procure that any Charging Subsidiary allocates, such additional properties as Series Charged Properties (the **New Series Additional Properties**) for the benefit of the NAB Beneficiaries (where the Numerical Apportionment Basis applies) or the Series Secured Parties (where the Specific Apportionment Basis applies) (and the Note Trustee, in its capacity as Representative, shall consent (without requiring the consent or sanction of the Noteholders or any other Series Secured Party) to such charging and/or allocation and countersign an amended Apportionment Certificate to reflect the same) subject to:

- (a) the delivery by the Issuer or the relevant Charging Subsidiary to the Security Trustee of the condition precedent documents specified in Schedule 3 to the Security Trust Deed in a form satisfactory to the Security Trustee (acting reasonably) in respect of the charging of such New Series Additional Properties; and
- (b) the delivery by the Issuer to the Note Trustee of:
 - (i) a completed New Property Approval Certificate certifying that, inter alia, the New Series Additional Properties are residential properties of a type and nature that are usually owned by Registered Providers of Social Housing; and
 - (ii) a Full Valuation in relation to the New Series Additional Properties prepared by the Valuer as at a valuation date no earlier than three months prior to the date on which the New Series Additional Properties are to be/were charged.

10.3 Substitution of Series Charged Properties

This Clause 10.3 only applies where the Specific Apportionment Basis applies in respect of the relevant Series of Secured Notes.

At the request and expense of the Issuer, the Issuer or any Charging Subsidiary may substitute any one or more of the Charged Properties (the **Series Substitute Properties**) with other properties (the **New Series Substitute Properties**) (and the Note Trustee, in its capacity as Representative, shall consent (without requiring the consent or sanction of the Noteholders or any other Series Secured Party) to such substitution and countersign an amended Apportionment Certificate to reflect the same) subject to:

- (a) the delivery by the Issuer or the relevant Charging Subsidiary to the Security Trustee of the condition precedent documents specified in Schedule 3 to the Security Trust Deed in a form satisfactory to the Security Trustee in respect of the charging of such New Series Substitute Properties; and
- (b) the delivery by the Issuer to the Note Trustee of:
 - (i) a completed Substitute Property Certificate certifying, inter alia, that (x) the New Substitute Properties are residential properties of a type and nature that is usually owned by Registered Providers of Social Housing, (y) the Issuer is (as at the date of the Substitute Property Certificate) in compliance with the Asset Cover Test and that, immediately following the substitution, the Issuer will be in compliance with the Asset Cover Test and (z) no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing; and
 - (ii) a Full Valuation in relation to the New Series Substitute Properties prepared by the Valuer as at a valuation date no earlier than three months prior to the date on which the New Series Substitute Properties are to be/were charged.

10.4 Release and/or Reallocation of Charged Properties

At the request and expense of the Issuer, the Issuer or any Charging Subsidiary may withdraw or reallocate any one or more of the Series Charged Properties from the Series Security (and the Note Trustee, in its capacity as Representative, shall consent (without requiring the consent or sanction of the Noteholders or any other Series Secured Party) to such withdrawal or reallocation and countersign an amended Apportionment Certificate to reflect the same), provided that the Issuer delivers to the Note Trustee a completed Property Release/Reallocation Certificate, certifying that (a) the Issuer is (as at the date of the Property Release/Reallocation Certificate) in compliance with the Asset Cover Test and that, immediately following such release, the Issuer will be in compliance with the Asset Cover Test and (b) no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing.

10.5 Statutory Disposals

The Issuer or any Charging Subsidiary shall have the right to withdraw a Series Charged Property from the Series Security pursuant to any Statutory Disposal without the need for the consent of the Security Trustee or the Note Trustee (in its capacity as Representative), provided however, that the Issuer and, in circumstances where a Charging Subsidiary is withdrawing one or more Series Charged Properties from the Series Security pursuant to a Statutory Disposal, the relevant Charging Subsidiary shall deliver to the Note Trustee, as soon as reasonably practicable after the Issuer or the relevant Charging Subsidiary has received notice of such Statutory Disposal, a completed Statutory Disposal Certificate, certifying that the relevant withdrawal relates to a Statutory Disposal.

Without prejudice to the aforementioned right to withdraw a Series Charged Property from the Series Security pursuant to any Statutory Disposal, the Issuer covenants that, if following such withdrawal the Issuer will no longer be in compliance with the Asset Cover Test, as soon as practicable thereafter (and, in any event, prior to the expiry of the applicable grace period in Condition 12.1(a)(iii) (*Secured Note Events of Default*), it shall (or shall procure that a Charging Subsidiary shall) charge and/or allocate additional properties as Series Charged Properties pursuant to Condition 6.1 (*Addition of New Series Charged Properties*) and/or it shall deposit money into the Charged Account relating to the relevant Series pursuant to Condition 6.6 (*Charged Cash*) in an aggregate amount sufficient to ensure that the Issuer will be in compliance with the Asset Cover Test.

10.6 Apportionment

Without prejudice to the other provisions of this Clause 10, the Note Trustee shall agree (and shall be deemed to have confirmed to the Security Trustee under the Security Trust Deed its agreement) to any adjustment of the Series Secured Parties' Apportioned Part as a result of any additions, substitutions, releases, reallocations or disposals pursuant to this Clause 10 (provided that the Issuer would continue to be in compliance with the Asset Cover Test immediately after such adjustment), such adjustment to be evidenced by an amended Apportionment Certificate.

10.7 Charged Cash

The Issuer may, at any time, deposit money into the Charged Account relating to a Series of Secured Notes to ensure compliance with the Asset Cover Test relating to that Series. The Issuer may only withdraw Charged Cash from such Charged Account if:

- (a) it is, at the relevant time, in compliance with the Asset Cover Test and no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing; and
- (b) either:
 - (i) such Charged Cash is to be applied by the Issuer in the acquisition of a Property which is to be charged pursuant to the Security Documents and allocated for the benefit of the Series Secured Parties and, immediately following the acquisition, charging and allocation of such property, the Issuer will be in compliance with the Asset Cover Test; or
 - (ii) such Charged Cash is to be used for any other purpose permitted by its Rules and, immediately following the withdrawal, the Issuer will be in compliance with the Asset Cover Test.

For the purposes of these presents, the Note Trustee may call for and shall be at liberty to accept a certificate signed by any two Authorised Signatories of the Issuer (including, for the avoidance of doubt, a Compliance Certificate), as sufficient evidence that (a) the Issuer is, at the relevant time, in compliance with the Asset Cover Test and that no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing and/or (b) the requirements of (i) or (ii) above, as the case may be, are met.

11. VALUATIONS

11.1 For so long as any of the Secured Notes remains outstanding, the Issuer shall deliver Valuations to the Note Trustee and the Security Trustee in accordance with the requirements set out in Condition 5.1(d) (*Covenants – Valuations*).

11.2 Preparation and Form of Valuations

- (a) The Issuer and each Charging Subsidiary shall give the relevant Valuers all reasonable assistance to enable them to carry out a Valuation of all the Charged Properties and permit them such access to the Charged Properties and the records and accounts of the Issuer or such Charging Subsidiary, as the case may be, as they reasonably require.
- (b) The Issuer shall procure that each Charging Subsidiary shall give the Issuer all reasonable assistance for the preparation and delivery of such Valuations.

- (c) Each Valuation shall set out in reasonable detail the Value of the Charged Properties as at a date no more than 90 days prior to the date of delivery of the Valuation.
- (d) All Valuations shall be at the expense of the Issuer (including, without limitation, the Valuers' fees and VAT thereon).

11.3 Designation of MV-ST Charged Properties

For the avoidance of doubt, each Charged Property shall be treated as an EUV-SH Charged Property for the purpose of determining the Minimum Value unless and until a Value, determined on the basis of MV-ST, is given by a Valuer in respect of such Charged Property based on the Valuer's interpretation of the Certificate of Title and in relation to which the Valuer has confirmed at the relevant time that it has reviewed and relied on a Certificate of Title in respect of the valuations given in relation to each such Charged Property.

12. 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 (including, without limitation, in relation to the Asset Cover Test or the Unsecured Notes Financial Covenant) 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 Charging Subsidiaries (if any), the Note Trustee, the Noteholders and all other persons.

13. ENFORCEMENT

- 13.1** 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 or any Charging Subsidiary to enforce its obligations under these presents.
- 13.2** Proof that as regards any specified Note or Coupon the Issuer has made default in paying any amount due in respect of such Note or Coupon shall (unless the contrary be proved) be sufficient evidence that the same default has been made as regards all other Notes or Coupons (as the case may be) in respect of which the relevant amount is due and payable.

14. ACTION, PROCEEDINGS AND INDEMNIFICATION

- 14.1** The Note Trustee shall not be bound to take any steps, action or proceedings mentioned in subclause 13.1 or Conditions 12.1 (*Events of Default – Secured Notes Events of Default and Enforcement in respect of Secured Notes*) and/or 12.2 (*Events of Default – Secured Notes Events of Default and Enforcement in respect of Unsecured Notes*) 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 quarter 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.
- 14.2** 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, 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 take the relevant action, step or proceeding 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.

14.3 Only the Note Trustee may enforce the provisions of these presents. No Noteholder, Couponholder or any Series Secured Party (other than the Note Trustee) shall be entitled (i) to proceed directly or take any step or action against the Issuer or any Charging Subsidiary to enforce the performance of any of the provisions of these presents; (ii) to take any steps or action against the Issuer or any Charging Subsidiary (or direct the Security Trustee to take any steps or action against the Issuer or any Charging Subsidiary) to enforce the performance of any of the provisions of the Security Documents or (iii) to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer or any Charging Subsidiary, in each case unless the Note Trustee having become bound as aforesaid to take any such action, steps or proceedings is unable or fails to do so within 60 days and such inability or failure is continuing.

15. APPLICATION OF MONEYS

15.1 All moneys received by the Note Trustee under these presents shall, unless and to the extent attributable, in the opinion of the Note Trustee, to a particular Series of the Notes, be apportioned *pari passu* and rateably between each Series of the Notes, and all moneys received by the Note Trustee under these presents to the extent attributable in the opinion of the Note Trustee to a particular Series of the Notes or which are apportioned to such Series as aforesaid, be held by the Note Trustee upon trust to apply them (subject to Clause 17) in accordance with Clause 15.2.

15.2 The order in which such moneys shall be applied is (in the case of Secured Notes) as set out in paragraphs (i) to (v) of Condition 4.2 (*Security – Post-enforcement*) and (in the case of Unsecured Notes) as follows:

- (i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Note Trustee or any Appointee in preparing and executing the trusts under these presents (including the costs of enforcement and the Note Trustee's and any such Appointee's remuneration), in each case, insofar as they relate to the relevant Series or, to the extent not referable to a specific Series, apportioned to such Series on a *pro rata* basis;
- (ii) secondly, on a *pro rata* and *pari passu* basis, in payment of all amounts owing to the Paying Agents and the Agent Bank under the Agency Agreement insofar as they relate to the relevant Series or, to the extent not referable to a specific Series, apportioned to such Series on a *pro rata* basis;
- (iii) thirdly, in or towards reimbursement *pari passu* and rateably of any amounts paid by any Indemnifying Parties as contemplated by Clause 20.7, together with interest thereon as provided in Clause 20.8;
- (iv) fourthly, 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 of such Series;
- (v) fifthly, in payment on a *pro rata* and *pari passu* basis, to the Noteholders of such Series of any principal and premium due and payable in respect of the Notes of such Series; and
- (vi) sixthly, in payment of the surplus (if any) to the Issuer (without prejudice to, or liability in respect of, any question as to how such payment to the Issuer shall be dealt with as between the Issuer and any other person).

15.3 Without prejudice to this Clause 15, 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.

16. NOTICE OF PAYMENTS

The Note Trustee shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction, give notice to the relevant Noteholders in accordance with Condition 16 (*Notices*) of the day fixed for any payment to them under Clause 15. 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.

17. INVESTMENT BY NOTE TRUSTEE

17.1 No provision of these presents or the other transaction documents shall (a) confer on the Note Trustee any right to exercise any investment discretion in relation to the assets subject to the trust constituted by these presents and, to the extent permitted by law, Section 3 of the Trustee Act 2000 shall not apply to the duties of the Note Trustee in relation to the trusts constituted by these presents and (b) require the Note Trustee to do anything which may cause the Note Trustee to be considered a sponsor of a covered fund under Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any regulations promulgated thereunder.

17.2 The Note Trustee may place moneys in respect of the Notes or Coupons on deposit in its name or under its control in an account at such bank or other financial institution as the Note Trustee may, in its absolute discretion, think fit in light of the cash needs of the transaction and not for the purposes of generating income. If that bank or financial institution is the Note Trustee or a subsidiary, holding company or associated company of the Note Trustee, the Note Trustee 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 is not responsible for any loss occasioned by placing money on deposit and has no duty to obtain the best return.

17.3 The parties acknowledge and agree that in the event that any deposits in respect of the Notes or Coupons are held by a bank or a financial institution in the name of the Note Trustee and the interest rate in respect of certain currencies is a negative value such that the application thereof would result in amounts being debited from funds held by such bank or financial institution (“negative interest”), the Note Trustee shall not be liable to make up any shortfall or be liable for any loss.

17.4 The Note Trustee may at its discretion accumulate such deposits and the resulting interest and other income derived thereon. The accumulated deposits may be held until such accumulations, together with any other funds for the time being under the control of the Note Trustee and available for such purpose, amount to at least 10 per cent. of the principal amount of the Notes or Coupons then outstanding and then such accumulations and funds (after deduction of or previous for any applicable taxes) shall be applied under Clause 15. 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 20 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 Coupons, as the case may be.

18. PARTIAL PAYMENTS

Upon any payment under Clause 15 (other than payment in full against surrender of a Note or Coupon) the Note 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 (in the case of a CGN) the Note Trustee shall or shall cause such 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 enfacement upon such indemnity being given as it shall think sufficient.

19. COVENANTS BY THE ISSUER AND THE CHARGING SUBSIDIARIES

19.1 The Issuer and each Charging Subsidiary (if any) severally covenants with the Note Trustee that, so long as any of the Notes remains outstanding (or, in the case of paragraph (f) so long as any of the Notes or the relative Coupons remains liable to prescription) it shall:

- (a) at all times carry on and conduct its affairs, and procure its Subsidiaries to carry on and conduct their respective 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 21(c)) 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 and certified by the Auditors in respect of each 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 London 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 or such Charging Subsidiary shall have no reasonable objection free access to such books of account at all reasonable times during normal business hours;
- (e) forthwith give notice in writing to the Note Trustee of the occurrence of any Event of Default or Potential Event of Default without waiting for the Note Trustee to take further action;
- (f) at all times execute all such documents and do all such further 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; and
- (g) comply with the applicable covenants set out in Condition 5 (*Covenants*).

19.2 The Issuer covenants with the Note Trustee that, so long as any of the Notes remains outstanding (or, in the case of paragraphs (d), (h), (i), (j) and (k), so long as any of the Notes or the relative Coupons remains liable to prescription) it shall:

- (a) (in the case of Secured Notes) procure that each Charging Subsidiary shall perform and observe all covenants, conditions and provisions binding on such Charging Subsidiary under these presents and the Security Documents;
- (b) 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 (save where such document is issued or sent to board members of the Issuer in their capacity as such rather than in their capacity as a shareholder of the Issuer) 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 publication thereof;
- (c) 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 Financial Year a certificate in or substantially in the form set out

in Schedule 4 signed by two Authorised Signatories of the Issuer to the effect that, to the best of their knowledge, information and belief (having made all reasonable enquiries) as at a date not more than seven days before delivering such certificate (the **certification date**), there did not exist and had not existed since the certification date of the previous certificate (or, in the case of the first such certificate, the date hereof) any Event of Default or Potential Event of Default (or if such exists or existed specifying the same) and that during the period from and including the certification date of the last such certificate (or, in the case of the first such certificate, the date hereof) to and including the certification date of such certificate the Issuer and the Charging Subsidiaries (if any) have complied with all their 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 (i) be accompanied in each case by an up-to-date list of the Authorised Signatories of the Issuer and each of their specimen signatures or (ii) contain a statement that the list of Authorised Signatories 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;

- (d) at all times maintain Paying Agents and an Agent Bank in accordance with the Conditions;
- (e) procure that the Principal Paying Agent notifies the Note Trustee forthwith in the event that the Principal Paying Agent does not, on or before the due date for any payment in respect of the Notes or any of them or any of the relative 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 or Coupons as the case may be;
- (f) 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;
- (g) use its reasonable endeavours to maintain the listing on the relevant Stock Exchange of those of the Notes which are listed on the relevant 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 listings 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 quotation or 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 quotation or listing of such Notes on such other stock exchange or exchanges or securities market or markets enter into a trust deed supplemental to this Note Trust 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;
- (h) give notice to the Noteholders in accordance with Condition 16 (*Notices*) of any appointment, resignation or removal of any Paying Agent, Agent Bank or (in the case of Secured Notes) Account Bank (other than the appointment of the initial Paying Agents, Agent Bank or Account Bank) 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, the Account Agreement or the Conditions) at least 30 days prior to such event taking effect; PROVIDED ALWAYS THAT so long as any of the Notes or Coupons remains liable to prescription in the case of the termination of the appointment of the Principal Paying Agent or so long as any of the Notes remains outstanding in the case of the termination of the appointment of the Agent Bank or the Account Bank no such

termination shall take effect until a new Principal Paying Agent, Agent Bank or Account Bank, as the case may be, has been appointed on terms previously approved in writing by the Note Trustee;

- (i) send to the Note Trustee, not less than 7 days prior to the date on which any such notice is to be given, the form of every notice to be given to Noteholders in accordance with Condition 16 (*Notices*) (other than any notice to be given solely for the purpose of notifying the applicable Rate of Interest and which does not include references to the Note Trustee) and obtain the prior written approval of the Note Trustee to, and promptly give to the Note Trustee two copies (if hard copies are required) 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);
- (j) comply with its obligations and enforce and exercise its rights under the Agency Agreement and the Account Agreement and use its best endeavours to procure that the Paying Agents, the Agent Bank and the Account Bank comply with and perform all their respective obligations thereunder and any notice given by the Note Trustee pursuant to Clause 2.3(a) and not make or consent to any amendment or modification to the Agency Agreement or the Account Agreement without the prior written approval of the Note Trustee and use all reasonable endeavours to make such amendments to the Agency Agreement or the Account Agreement as the Note Trustee may require;
- (k) 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, deliver to the Note Trustee forthwith upon being so requested in writing by the Note Trustee a certificate in writing signed by two Authorised Signatories 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 or any of its Subsidiaries and cancelled; and
 - (ii) are at the date of such certificate held by, for the benefit of, or on behalf of, the Issuer or any of its Subsidiaries;
- (l) use all reasonable endeavours to procure that each Paying Agent makes available for inspection by Noteholders and Couponholders at its specified office copies of these presents, any other Programme Documents and any other documents which are expressed to be held by them in the Conditions;
- (m) send to the Note Trustee not later than 180 days after the end of each Financial Year (i) a copy of its own and its consolidated audited financial statements for such Financial Year (ii) a copy of the audited financial statements of each Charging Subsidiary for such Financial Year (both its own and, where applicable, on a consolidated basis) and (iii) a Compliance Certificate, and, upon request by any Noteholder to the Issuer, (x) make copies of such documents available to the Noteholders at the registered office of the Issuer during normal business hours or via the clearing systems or (y) provide copies of such documents by email to a Noteholder requesting a copy, subject to such Noteholder producing evidence satisfactory to the Issuer as to its holding of Notes and identity;
- (n) 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 (including by way of conference call or by use of a video conference platform) to discuss the

financial position of the Issuer and each Charging Subsidiary in accordance with Condition 5.1(e)(ii) or 5.2(c)(ii) (*Covenants - Information Covenant*), as applicable;

- (o) 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;
- (p) if, in accordance with the provisions of the Conditions, interest in respect of the Notes becomes payable at the specified office of any Paying Agent in the United States of America promptly give notice thereof to the relative Noteholders in accordance with Condition 16 (*Notices*);
- (q) promptly provide the Note Trustee with copies of all supplements and/or amendments and/or restatements of the Programme Agreement;
- (r) 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; and
- (s) use its best 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 subclause 21(mm) or otherwise as soon as practicable after such request.

20. REMUNERATION AND INDEMNIFICATION OF NOTE TRUSTEE

20.1 The Issuer shall pay to the Note Trustee, by way of remuneration for its services as trustee of these presents, as from the date of this Note Trust Deed, such remuneration to be at such rate and to be paid on such dates as may from time to time be agreed between the Issuer and the Note Trustee. In the absence of any agreement to the contrary, such remuneration shall be payable in advance on the date of this Note Trust Deed in each year, the first such payment to be made on the date hereof. Such remuneration shall accrue from day to day and be payable (in priority to payments to Noteholders 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 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 or Couponholder is duly made.

20.2 In the event of the occurrence of an Event of Default or a 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).

20.3 The Issuer shall in addition pay to the Note Trustee an amount equal to the amount of any applicable value added tax or similar tax chargeable in respect of its remuneration under these presents (where applicable in relation to value added tax) on receipt of a valid VAT invoice.

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

- (a) (in a case to which subclause 20.1 above applies) upon the amount of the remuneration; or
- (b) (in a case to which subclause 20.2 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, the Issuer, the Noteholders and the Couponholders.

- 20.5** Subject to Section 750 of the Companies Act 2006 and 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).
- 20.6** 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, trusts, authorities and discretions and the performance of its duties under, and in any other manner in relation to, these presents or any other Programme Documents, including but not limited to legal and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Note Trustee and every Appointee in connection with any action taken or contemplated by or on behalf of the Note Trustee and every Appointee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, these presents or any other Programme Documents.
- 20.7** Where any amount which would otherwise be payable by the Issuer under subclauses 20.5 and 20.6 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.
- 20.8** All amounts payable pursuant to subclauses 20.5 and 20.6 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 three per cent. per annum above the base rate (on the date on which payment was made by the Note Trustee) of NatWest Bank plc 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.
- 20.9** 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.

20.10 Unless otherwise specifically stated in any discharge of these presents the provisions of this Clause 20 shall continue in full force and effect notwithstanding such discharge.

20.11 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.

21. 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 certificate or information (whether addressed to the Note Trustee or not) obtained from any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert whether obtained by the Issuer, a Charging Subsidiary, the Note Trustee or otherwise and shall not be responsible for any Liability occasioned by so acting.
- (b) Any such advice, opinion, certificate or information may be sent or obtained by letter or email and the Note Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter or email 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 two Authorised Signatories of the Issuer or any two Authorised Signatories of a Charging Subsidiary 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 any such certificate.
- (d) The Note Trustee shall be at liberty to hold these presents and any other documents relating thereto or to deposit the Series Charged Property 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 Notes 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 the Series Charged Property or to take any steps to ascertain whether any Event of Default or Potential Event of Default has happened 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 Potential Event of Default has happened and that the Issuer, each Charging Subsidiary

and each of the other parties to any Programme Documents is observing and performing all its obligations under these presents and the other Programme Documents (as applicable).

- (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 and Couponholders and the Series Secured Parties shall be conclusive and binding on the Noteholders and Couponholders and the 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 any Series Secured Party 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 subclause 14.1, 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 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 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 required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Noteholder or Couponholder or any 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 Charging Subsidiary or any other person in connection with these presents and no Noteholder or Couponholder 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 Charging Subsidiaries, the Noteholders and the Couponholders.
- (m) The Note Trustee may certify that any of the relevant conditions, events and acts referred to in the opening paragraph of Condition 12.1 (*Events of Default – Secured Note Events of Default and Enforcement in respect of Secured Notes*) or Condition 12.2 (*Events of Default – Unsecured Note Events of Default and Enforcement in respect of Unsecured Notes*) (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 Charging Subsidiaries, the Noteholders and the Couponholders.
- (n) The Note Trustee as between itself and the Noteholders and the Couponholders and as between itself 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, the Noteholders, the Couponholders and any 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 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 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 or Couponholder be entitled to claim, from the Issuer, any Charging Subsidiary, the Note Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.
- (p) In connection with the exercise of the powers, trusts and authorities, duties and discretions vested in it by these presents and the other Programme Documents, the Note Trustee shall except where expressly provided otherwise, have regard only to the interests of the Noteholders and shall not be required to have regard to the interests of any Series Secured Party or any other person or to act upon or comply with any direction or request of any Series Secured Party or any other person whilst any amount remains owing to any Noteholder and none of the Series Secured Parties or any other person shall have any claim against the Note Trustee for so doing.
- (q) 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.

- (r) 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.
- (s) 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.
- (t) 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.
- (u) The Note Trustee shall not be responsible for the execution, delivery, legality, effectiveness, adequacy, sufficiency, 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 the Security Documents 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, 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 the Security Documents or any other document relating or expressed to be supplemental thereto.
- (v) The Note Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any Note or Coupon purporting to be such and subsequently found to be forged or not authentic.
- (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 any 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) 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 it will be indemnified and/or secured and/or prefunded 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 or the Programme Documents shall require the Note Trustee to do anything which may be illegal or contrary to applicable law or regulation.
- (aa) No provision of these presents or the Programme Documents shall require the Note Trustee to do anything which may 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.
- (bb) Unless notified to the contrary, the Note Trustee shall be entitled to assume without enquiry (other than requesting a certificate pursuant to Clause 19.2(k)) that no Notes are held by, for the benefit of, or on behalf of, the Issuer or any member of the Group.
- (cc) The Note Trustee shall have no responsibility whatsoever to the Issuer, any Noteholder or Couponholder or any Series Secured Party for the maintenance of or failure to maintain any rating of any of the Notes by any rating agency.
- (dd) Any certificate, advice, opinion, information or report of the Auditors, the Valuers or any other person 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, information 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 such Auditors, Valuers or such other person in respect thereof and notwithstanding that the scope and/or basis of such certificate, advice, opinion, information or report may be limited by any engagement or similar letter or by the terms of the certificate, advice, opinion, information or report itself.
- (ee) 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.
- (ff) 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.
- (gg) The Note Trustee shall not be liable for any failure, omission or defect in perfecting all or any part of the Series Security 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 or any Charging Subsidiary to any of the Security Assets; 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.
- (hh) The Note Trustee shall have no responsibility for the validity, sufficiency or enforceability of the Series Security and shall not be obliged to make any investigation into, and shall be entitled to assume, the suitability, adequacy and fitness of all or any part of the Series Security. The Note Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Programme Documents, neither shall the Note Trustee be responsible for monitoring the compliance by the Issuer, any Charging Subsidiary or any of the other parties to the Programme Documents.
- (ii) The Note Trustee may accept without investigation, requisition or objection such right and title as the Issuer may have to any of the Series Security 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 or any other person to all or any of the Series Security 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.
- (jj) The Note Trustee will not be liable for any decline in the value of, or any loss realised upon any sale or other disposition pursuant to these presents of, any of the Series Security. In particular and without limitation, the Note Trustee shall not be liable for any such decline or loss directly or indirectly arising from its acting or failing to act as a consequence of an opinion reached by it in good faith based on advice received by it in accordance with the these presents and the Conditions.
- (kk) The Note Trustee shall have no responsibility whatsoever to the Issuer, any Noteholder, Couponholder or other Series Secured Parties as regards any deficiency which might arise because the Note Trustee is subject to any tax in respect of all or any of the Series Security, the income therefrom or the proceeds thereof.
- (ll) 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 these presents or the Programme Documents comprised within the Series Security 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 Security 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 Security;
 - (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, the Security Documents 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 Security or any document entered into in connection therewith whether or not similar to the foregoing.
- (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 incur any liability to the Issuer, Noteholders or any other person in connection with any approval given by it pursuant to Clause 19.2(i) 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.
- (oo) 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.
- (pp) The Note Trustee shall be entitled to require that any indemnity or security or prefunding 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.

- (qq) 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.

22. NOTE TRUSTEE'S LIABILITY

- 22.1 Subject to Section 750 of the Companies Act 2006, nothing in these presents shall in any case in which 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 exempt the Note Trustee from or indemnify it against any liability which by virtue of any rule of law would otherwise attach to it in respect of any gross negligence, wilful default or fraud of which it may be guilty in relation to its duties under these presents.
- 22.2 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.

23. NOTE TRUSTEE CONTRACTING WITH THE ISSUER

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 or any Subsidiary or affiliate of the Issuer (each a **Relevant Party**) or any person or body corporate associated with the Issuer or any Relevant Party (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 Relevant Party 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 or any Relevant Party or any such person or body corporate so associated or any other office of profit under the Issuer or any Relevant Party 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.

24. WAIVER, AUTHORISATION, DETERMINATION AND MODIFICATION

24.1 Waiver, Authorisation and Determination

The Note Trustee may without the consent or sanction of the Noteholders, the Couponholders or any Series Secured Party and without prejudice to its rights in respect of any subsequent breach or 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 by the Issuer or any Charging Subsidiary of any of the covenants or provisions contained in the Notes, these presents, or any other Programme Document 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 ALWAYS 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 and Enforcement*) 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 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. For the avoidance of doubt, in the case of Secured Notes, no modification shall be made to Condition 4.2 (*Security – Post-enforcement*) without the consent of each Series Secured Party.

24.2 Modification

The Note Trustee may without the consent or sanction of the Noteholders or the Couponholders or any Series Secured Party, at any time and from time to time concur with the Issuer and the Charging Subsidiaries (if any) in making any modification (a) to the Notes, these presents (other than any Basic Terms Modification) or any other Programme Document 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 will not be materially prejudicial to the interests of the Noteholders or (b) to the Notes, 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 may be made on such terms and subject to such conditions (if any) as the Note Trustee may determine. In addition, the Note Trustee shall (at the expense and direction of the Issuer and subject as provided in the Conditions), without any requirement for the consent or approval of the Noteholders, the Couponholders or any Series Secured Party, be obliged to use its reasonable endeavours to implement any modifications to effect any Benchmark Amendments. Any such modification shall be binding upon the Noteholders, the Couponholders and, where applicable, 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.

24.3 Breach

Any breach of or failure to comply by the Issuer with any such terms and conditions as are referred to in subclauses 24.1 and 24.2 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.

25. COUPONHOLDERS

25.1 Holder of Definitive Note assumed to be 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 Coupons appertaining to each Definitive Note of which he is the holder.

25.2 No Notice to Couponholders

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

25.3 Noteholders and Couponholders

The Issuer, the Note Trustee and the Paying Agents may (to the fullest extent permitted by applicable laws) deem and treat the holder of any Note or of a particular principal amount of the Notes and the holder of any Coupon as the absolute owner of such Note, principal amount or Coupon, as the case may be, for all purposes (whether or not such Note, principal amount or Coupon shall be overdue and notwithstanding any notice of ownership thereof or of trust or other interest with regard thereto, any notice of loss or theft thereof or any writing thereon), and the Issuer, the Note Trustee and the Paying Agents shall not be affected by any notice to the contrary. All payments made to any such holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable in respect of such Note, principal amount or Coupon, as the case may be.

26. SUBSTITUTION

- 26.1** (a) The Note Trustee may without the consent of the Noteholders or Couponholders or any Series Secured Party at any time agree with the Issuer to the substitution in place of the Issuer (or of the previous substitute under this Clause) of another company, registered society or other entity as the principal debtor under these presents (such substituted company, registered society or other entity being hereinafter called the **New Company**) provided that a supplemental 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 this Clause).
- (b) The following further conditions shall apply to (a) above:
- (i) (in the case of Secured Notes) the New Company shall assume all rights, obligations and liabilities in relation to the Series Security, acknowledge the security created in respect thereof pursuant to the relevant supplemental trust deed 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;

- (ii) the Issuer, the Charging Subsidiaries and the New Company shall comply with such other requirements as the Note Trustee may direct in the interests of the Noteholders;
 - (iii) the Issuer, the Charging Subsidiaries, the New Company and any previous substitute shall execute such other deeds, documents and instruments (if any) and provide such information as the Principal Paying Agent and the Account Bank may reasonably require (including, without limitation, satisfying the Principal Paying Agent's and the Account Bank's "know your client" requirements);
 - (iv) without prejudice to the rights of reliance of the Note Trustee under the immediately following paragraph (v), the Note Trustee is satisfied that the relevant transaction is not materially prejudicial to the interests of the Noteholders;
 - (v) 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;
 - (vi) the Note Trustee shall be satisfied (if it requires, by reference to legal opinions) that (a) 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 (b) such approvals and consents are at the time of substitution in full force and effect;
 - (vii) a legal opinion satisfactory to the Note Trustee shall be provided concerning any proposed substitution; and
 - (viii) the Issuer and the New Company shall obtain confirmation from each Rating Agency that its respective credit rating of the Notes will not be downgraded or withdrawn as a result of the substitution pursuant to this Clause 26.
- (c) For the avoidance of doubt, this Clause 26 does not apply to a Permitted Reorganisation, in respect of which the consent of the Note Trustee shall not be required.

26.2 Any such supplemental 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. As soon as practicable and, in any event 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.

26.3 In connection with any proposed substitution of the Issuer, the Note Trustee may, without the consent of the holders of the Notes or Coupons, agree to a change of the law from time to time governing the Notes and the Coupons and/or these presents and the relevant supplemental trust deed, provided that such change of law, in the opinion of the Note Trustee, would not be materially prejudicial to the interests of the Noteholders or the Couponholders.

27. CURRENCY INDEMNITY

The Issuer shall indemnify the Note Trustee, every Appointee, the Noteholders 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 or the Noteholders or 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 indemnity shall constitute an obligation of the Issuer separate and independent from its obligations under the other provisions of these presents and shall apply irrespective of any indulgence granted by the Note Trustee or the Noteholders 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 and Couponholders and no proof or evidence of any actual loss shall be required by the Issuer or its liquidator or liquidators.

28. NEW AND ADDITIONAL NOTE TRUSTEES

28.1 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 Charging Subsidiaries, the Principal Paying Agent, the Account Bank and the Noteholders.

28.2 Separate and Co-Note Trustees

Notwithstanding the provisions of subclause 28.1 above, the Note Trustee may, upon giving prior notice to the Issuer and each Charging Subsidiary (but without the consent of the Issuer, the Charging Subsidiaries, the Noteholders or the Couponholders or any Series Secured Party), 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 or any Charging Subsidiary.

The Issuer and each Charging Subsidiary 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 properly incurred 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.

29. 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 subclause 28.2) 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.

30. 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 or Coupons.

31. NOTICES

Any notice or demand to the Issuer, the Charging Subsidiaries 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:

(a) to the Issuer:

London & Quadrant Housing Trust
29-35 West Ham Lane
Stratford
London E15 4PH

(Attention: Treasury Department)
Email: treasury@lqgroup.org.uk

(b) to the Note Trustee:

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

(Attention: Trust Management (Ref 203544))
Email: LegalNotices@lawdeb.com

(c) to any Charging Subsidiary, to the address or email address and for the attention of such person or entity as specified in the relevant supplement to the Note Trust Deed,

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

- (i) 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;
- (ii) sent by email as aforesaid shall be deemed to have been given, made or served when sent, except in the case of any legal notice or demand sent to the Note Trustee (including, without limitation, any notice or demand sent at any time after an Event of Default shall have occurred) which shall only be treated as having been received upon written confirmation of receipt by the Note Trustee provided that:
 - (A) an automatically generated “read” or “received” receipt shall not constitute such written confirmation; and
 - (B) the Note Trustee shall use its best endeavours to provide such written confirmation to the Issuer within 48 hours of receipt.

For the avoidance of doubt, such notice or demand sent by email in accordance with this clause shall forthwith be confirmed by post. The failure of the addressee to receive such confirmation shall not invalidate the relevant notice or demand given by email.

32. 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.

33. 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.

34. SUBMISSION TO JURISDICTION

34.1 Subject to subclause 34.3 below, the Issuer and each Charging Subsidiary irrevocably agrees for the benefit of the Note Trustee 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 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 these presents (a **Dispute**) and accordingly submit to the exclusive jurisdiction of the English courts.

34.2 For the purposes of this subclause 34.2, the Issuer and each Charging Subsidiary waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

34.3 To the extent allowed by law, the Note Trustee 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.

35. COUNTERPARTS

This Note Trust 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 Note Trust Deed or any trust deed supplemental hereto may enter into the same by executing and delivering a counterpart.

IN WITNESS whereof this Note Trust 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

TERMS AND CONDITIONS OF THE NOTES

This Note is one of a Series (as defined below) of Notes issued by London & Quadrant Housing Trust (the **Issuer**) and constituted by a Note Trust Deed (such Note Trust Deed as modified and/or supplemented and/or restated from time to time, the **Note Trust Deed**) dated 9 September, 2022 made 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 and the Coupons (as defined below) have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 10 September, 2021 and made between the Issuer, the Note Trustee, HSBC Bank plc as issuing and principal paying agent (the **Principal Paying Agent**, which expression shall include any successor principal paying agent) and 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 HSBC Bank plc 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 Terms and 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. Global Notes do not have 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) 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 Issuer's obligations in respect of a Series of Notes will be secured in accordance with the provisions of Condition 4 (Security) (such Notes, **Secured Notes**) or not so secured (such Notes, **Unsecured Notes**).

Copies of the Note Trust Deed, the Agency Agreement and, in the case of Secured Notes, the Account Agreement and the Security Documents are available for inspection during normal business hours at the specified office of each of the Paying Agents. If the Notes are to be admitted to trading on the main market of the London Stock Exchange, the applicable Pricing Supplement will be published on the website of the London Stock Exchange through a regulatory information service. The Noteholders 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, the Account Agreement, the Security Documents and the applicable Pricing Supplement which are 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, the Account Agreement and the Security Documents.

Words and expressions defined in the Note Trust Deed, the Agency Agreement 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 and the Agency Agreement, the Note Trust Deed will prevail and, in the event of inconsistency between the Note Trust Deed or the Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

In the Conditions, **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.

1. DEFINITIONS

Account Agreement means the Account Agreement dated 10 September, 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 Barclays Bank PLC as account bank pursuant to the Account Agreement or any successor account bank appointed thereunder;

Allocated Value means, in relation to each Series of Secured Notes for which Numerical Apportionment Basis is specified as applicable in the applicable Pricing Supplement, a value determined by the Issuer which:

- (a) is derived from the number of Units allocated to such Series, as shown in the most recent Apportionment Certificate; and
- (b) when aggregated with the Allocated Values in relation to all NAB Beneficiaries, does not exceed the aggregate value of the Non-SAB Charged Properties (as defined in the Security Trust Deed);

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 Part has the meaning given to it in the Security Trust Deed;

Apportionment Certificate means, in relation to each Series of Secured Notes, a certificate addressed to the Representative and signed by the Issuer and each Charging Subsidiary and countersigned by the Security Trustee and the Representative which sets out the number of Units (in the case of NAB Beneficiaries) or the Charged Properties (where Specific Apportionment Basis applies) which are allocated in favour of the Series Secured Parties in relation to all monies, liabilities and obligations whatsoever (actual or contingent) payable, owing, due or incurred by the Issuer to the Series Secured Parties pursuant to the Note Trust Deed, the Notes, the Coupons and the

other Programme Documents, and which is substantially in the form set out in Schedule 3 to the Security Trust Deed;

Asset Cover Test means the financial covenant set out in Condition 5.1(c) (*Asset Cover Covenant*);

Authorised Signatory means, in respect of the Issuer, any Charging Subsidiary or any other entity, a board member, a director, the secretary or any senior executive officer of the Issuer, such Charging Subsidiary or such other entity, as the case may be, or as authorised by the Issuer, such Charging Subsidiary or such other entity pursuant to an incumbency or similar certificate;

Beneficiaries means, collectively, the beneficiaries under the Security Trust Deed;

Certificate of Title has the meaning given to it in the Security Trust Deed;

Charged Account means, in relation to each Series of Secured Notes, an account of the Issuer in respect of such Series established in accordance with the Account Agreement;

Charged Cash means, in respect of each Series of Secured Notes, at any time, the aggregate of all amounts standing to the credit of the Charged Account in respect of such Series at such time, provided that, where the Specified Currency in respect of the Notes is not Sterling, the Charged Cash (where this is not Sterling) shall be converted into Sterling for the purpose of the Asset Cover Test at the rate or using the methodology specified in the applicable Pricing Supplement;

Charged Properties means, at any time, the property legally mortgaged and any other freehold or leasehold property charged by way of first fixed charge pursuant to a Security Agreement and which has been allocated, pursuant to the Security Trust Deed, for the benefit of the NAB Beneficiaries (where the Numerical Apportionment Basis applies) or the Series Secured Parties (where the Specific Apportionment Basis applies);

Charging Subsidiary means any Eligible Subsidiary which has acceded to the Security Trust Deed and created security in favour of the Security Trustee for the benefit of the relevant Series Secured Parties in respect of one or more Series of Secured Notes pursuant to, and in accordance with, the Security Documents, subject to such Eligible Subsidiary ceasing to be a Charging Subsidiary in accordance with the Note Trust Deed and the Security Trust Deed;

Compliance Certificate means a certificate, signed by two Authorised Signatories of the Issuer, substantially in the form set out in Schedule 5 (*Form of Compliance Certificate*) to the Note Trust Deed setting out, *inter alia*, (i) in respect of a Series of Secured Notes, calculations in respect of the Asset Cover Test and/or (ii) in respect of a Series of Unsecured Notes, calculations in respect of the Unsecured Notes Financial Covenant;

continuing means, in respect of an Event of Default, that such Event of Default is continuing unremedied and unwaived to the satisfaction of the Note Trustee;

Desk Top Valuation means, in relation to the Charged Properties, a valuation of those properties conducted in accordance with the same methodology as a Full Valuation addressed to, *inter alios*, the Note Trustee provided by a Valuer on a "desk-top" basis, and **Desk Top Valuation Basis** shall be construed accordingly;

Eligible Subsidiary means any member of the Group (other than the Issuer) which is a charity (whether registered or exempt) and a Registered Provider of Social Housing;

EUV-SH means a valuation made on the basis of existing use value for social housing ("EUV-SH") as defined by the RICS in UK VPGA 7 of the RICS UK National Supplement to the RICS Valuation

- Global Standards (incorporating the IVSC International Valuation Standards) (effective from 31 January 2022) (or, if a subsequent edition of the RICS UK National Supplement has been published at the relevant time, the relevant valuation standard of the then most recently published edition of the RICS UK National Supplement) or, if the RICS UK National Supplement is no longer published at such time, on a basis agreed between the Issuer, the Note Trustee, a Valuer and (for so long as security is allocated to the Series Secured Parties on a Numerical Apportionment Basis) the Representatives of each other NAB Beneficiary, and **EUV-SH Charged Properties** shall be construed accordingly;

Event of Default means a Secured Note Event of Default or an Unsecured Note Event of Default, as applicable;

Expense Apportioned Part means, for so long as the Secured 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 of Secured Notes and which shall instead be apportioned between each Series of Secured Notes outstanding *pro rata* to the principal amount outstanding of each such Series;

Financial Year means each 12 month period ending on 31st March;

Fixtures means, in relation to any Charged Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time thereon owned by the Issuer or the relevant Charging Subsidiary, as the case may be;

Full Valuation means, in relation to the Charged Properties, any New Series Additional Properties or any New Series Substitute Properties, a valuation of those properties addressed to, *inter alios*, the Note Trustee provided by a Valuer containing such information as is relevant to the portfolio of the Charged Properties, the New Series Additional Properties or the New Series Substitute Properties, as the case may be, and showing the value of the properties on the basis of EUV-SH and/or MV-ST (to the extent applicable) or, where agreed between the Note Trustee, the Issuer and (for so long as security is allocated to the Series Secured Parties on a Numerical Apportionment Basis) the Representatives of each other NAB Beneficiary, a letter from the relevant Valuer confirming that there have been no material changes in respect of a previous Full Valuation given by such Valuer in respect of such properties, and **Full Valuation Basis** shall be construed accordingly;

Group means, together, the Issuer and its Subsidiaries;

Housing and Regeneration Act means the Housing and Regeneration Act 2008 (as amended from time to time);

Insurances means all contracts and policies of insurance of whatever nature which are from time to time taken out by or with the authority and on behalf of the Issuer or the relevant Charging Subsidiary, as the case may be, in relation to the Charged Properties or any of them;

Letting Documents, in relation to a Unit or Charged Property, has the meaning given to that term in the Security Agreement under which such Unit or Charged Property is charged;

Minimum Value means, in respect of each Series of Secured Notes:

$$\left(\frac{A}{105} + \frac{B}{115} \right) \times 100$$

where:

A = the Allocated Value (where the Numerical Apportionment Basis applies) or the Value (where the Specific Apportionment Basis applies), in respect of such Series, of the residential EUV-SH Charged Properties determined on the basis of EUV-SH; and

B = the Allocated Value (where the Numerical Apportionment Basis applies) or the Value (where the Specific Apportionment Basis applies), in respect of such Series, of the residential MV-ST Charged Properties determined on the basis of MV-ST,

provided, in each case, that, where the Specified Currency in respect of the Notes is not Sterling, the Allocated Value or the Value, as applicable, shall be converted into Sterling for the purpose of the Asset Cover Test at the rate or using the methodology specified in the applicable Pricing Supplement.

For the avoidance of doubt, the Charged Properties shall be treated as EUV-SH Charged Properties for the purpose of determining the Minimum Value unless and until a Value, determined on the basis of MV-ST, is given by a Valuer in respect of such Charged Properties based on the Valuer's interpretation of the Certificate of Title and in relation to which the Valuer has confirmed at the relevant time that it has reviewed and relied on a Certificate of Title in respect of the valuations given in relation to each such Charged Property;

MV-ST means a valuation made on the basis of the current Market Value as defined by the RICS at VPS4 4 of the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) (effective from 31 January 2022) (or, if a subsequent edition of the RICS Valuation – Global Standards has been published at the relevant time, the relevant valuation standard of the then most recently published edition of the RICS Valuation – Global Standards) of the relevant Properties, taking into account the existing tenancies that grant security of tenure to the current tenant of such Properties or, if the RICS Valuation – Global Standards are no longer published at such time, on a basis agreed between the Issuer, the Note Trustee, and a Valuer and (for so long as security is allocated to the Series Secured Parties on a Numerical Apportionment Basis) the Representatives of each other NAB Beneficiary, and **MV-ST Charged Properties** shall be construed accordingly;

MV-ST Charged Properties means the Charged Properties accepted as such in accordance with the provisions of the Security Trust Deed;

NAB Beneficiaries means the Beneficiaries who have been allocated Charged Properties on a Numerical Apportionment Basis (and **NAB Beneficiary** shall be construed accordingly);

New Property Approval Certificate means a certificate, signed by two Authorised Signatories of the Issuer, substantially in the form set out in Schedule 6 (*Form of New Property Approval Certificate*) to the Note Trust Deed;

New Series Additional Properties has the meaning given to it in Condition 6.1 (*Addition of New Series Charged Properties*);

New Series Substitute Properties has the meaning given to it in Condition 6.2 (*Substitution of Series Charged Properties*);

Numerical Apportionment Basis has the meaning given to it in the Security Trust Deed;

Obligor means the Issuer and each Charging Subsidiary;

Permitted Reorganisation means any amalgamation, merger, consolidation or transfer of engagements of the whole of the Issuer's or, in the case of Secured Notes, any Charging Subsidiary's property (including, for the avoidance of doubt, any statutory procedure as provided for under the Co-operative and Community Benefit Societies Act 2014) made between the Issuer or such Charging Subsidiary, as the case may be, (**Party A**), either by itself or together with other entities, and any other entity (**Party B**), either by itself or together with other entities, provided that (a) any new amalgamated entity to be created as a result thereof will be a Registered Provider of Social Housing at the time such Permitted Reorganisation becomes effective; (b) following any such amalgamation, merger, consolidation or transfer of engagements in respect of which the property of Party A (including, for the avoidance of doubt, any liabilities) shall become vested in such Party B or new amalgamated entity, Party B or such new amalgamated entity, as the case may be, will thereafter be responsible for all the liabilities of Party A pursuant to the Co-operative and Community Benefit Societies Act 2014 (or otherwise); and (c) a certificate executed by two Authorised Signatories of Party A, Party B or such new amalgamated entity confirming the above is provided to the Note Trustee;

Potential Event of Default means any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination, the forming of any opinion or any combination thereof) constitute a Secured Note Event of Default or Unsecured Note Event of Default (as the case may be), and **Secured Note Potential Event of Default** and **Unsecured Note Potential Event of Default** shall be construed accordingly;

Programme Documents means the Note Trust Deed, the Agency Agreement and, in the case of Secured Notes, the Account Agreement and the Security Documents;

Property means all estates or interests of an Obligor in any freehold or leasehold property wheresoever situate now or in future belonging to it and all buildings, fixtures, fittings (other than tenants fixtures and fittings) and fixed plant and machinery from time to time thereon (and **Properties** shall be construed accordingly);

Property Release/Reallocation Certificate means a certificate, signed by two Authorised Signatories of the Issuer, substantially in the form set out in Schedule 8 (*Form of Property Release/Reallocation Certificate*) to the Note Trust Deed;

Receiver means any receiver, manager, receiver and manager or administrative receiver appointed by the Note Trustee under the Note Trust Deed or under the Note Trustee's statutory power relating thereto in respect of the Issuer;

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 or any replacement or successor legislation thereto or a person having a status which, in the opinion of the Issuer and the Note Trustee, is substantially equivalent under any replacement or successor legislation;

Regulator of Social Housing means the Regulator of Social Housing established pursuant to the Legislative Reform (Regulator of Social Housing) (England) Order 2018 and any successor or successors for the time being or any similar future authority or authorities carrying on substantially the same regulatory and/or supervisory functions;

Relevant Date means, in respect of any payment, the date on which such payment first becomes due, but, if the full amount of the money payable has not been 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 money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*);

Relevant Trustee Expenses has the meaning given to it in the Security Trust Deed;

Representative means, in respect of each Series of Secured Notes, the Note Trustee in its capacity as Representative for the relevant Series Secured Parties;

RICS means the Royal Institution of Chartered Surveyors;

Right to Buy means the right of a tenant of a property:

- (a) to buy that property from the Issuer or a Charging Subsidiary under section 180 of the Housing and Regeneration Act or under Part V of the Housing Act 1985 (or any similar right replacing those rights) or under any contract conferring such a right and including, without limitation, such rights preserved notwithstanding any previous transfers of that property to the Issuer from any local authority;
- (b) to acquire an interest in that property from the Issuer or a Charging Subsidiary by means of a shared-ownership lease where the terms of any such lease comply with the regulatory requirements of the Regulator of Social Housing or have been approved by the Issuer or the relevant Charging Subsidiary, as the case may be; or
- (c) to buy or acquire an interest in that property from the Issuer or a Charging Subsidiary under any voluntary scheme approved by the Issuer or the relevant Charging Subsidiary, as the case may be;

Rules means the rules of the Issuer, as amended from time to time;

Secured Note Event of Default has the meaning given to it in Condition 12.1(a) (*Secured Note Events of Default*);

Security Agreement means, in the case of Secured Notes, each security agreement entered into or to be entered into between an Obligor and the Security Trustee under which such Obligor provides security over, *inter alia*, certain Properties in favour of the Security Trustee for the benefit of, *inter alios*, the Series Secured Parties and substantially in the form set out in Schedule 4 to the Security Trust Deed;

Security Assets means all assets, rights and property mortgaged, charged or assigned or the subject to any security created pursuant to any Security Agreement;

Security Documents means the Security Trust Deed and each Security Agreement;

Security Trust Deed means the Security Trust Deed dated 22 September, 2020 between the Issuer 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 Series Secured Parties in respect of each Series of Secured Notes or any successor security trustee appointed thereunder;

Series Charged Property has the meaning given to it in Condition 4.1(d) (*Series Security*);

Series Property Security has the meaning given to it in Condition 4.1(a) (*Series Security*);

Series Secured Parties means, in relation to a Series of Secured Notes, each of the Note Trustee (for itself and on behalf of the Noteholders of such Series), any Receiver or any other appointee of the

Note Trustee, the Paying Agents, the Agent Bank, the Account Bank and the Noteholders in relation to such Series;

Series Security has the meaning given to it in Condition 4.1(d) (*Series Security*);

Series Substitute Properties has the meaning given to it in Condition 6.2 (*Substitution of Series Charged Properties*);

Shared Ownership Property means any property acquired by the Issuer or any Charging Subsidiary then being occupied on shared ownership terms or in respect of which the Issuer or the relevant Charging Subsidiary, as the case may be, grants a lease on shared ownership terms so that the Issuer or the relevant Charging Subsidiary holds, or is intending to hold upon disposal on shared ownership terms, less than 100 per cent. of the beneficial interest in that property and the purchaser of the balance of that beneficial interest has the right to acquire a further portion of the Issuer's or the relevant Charging Subsidiary's retained beneficial interest;

Shared Ownership Sale means the disposal of the whole of, or any interest in, a unit of residential accommodation by the Issuer or any Charging Subsidiary (or of the retained interest of the Issuer or any Charging Subsidiary in any unit of residential accommodation) which, immediately before the disposal, was comprised in a Shared Ownership Property;

Social HomeBuy has the meaning given to that term in the Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2006;

Specific Apportionment Basis has the meaning given to it in the Security Trust Deed;

Statutory Disposal means a Shared Ownership Sale, the exercise of a Right to Buy or a Social HomeBuy disposal;

Statutory Disposal Certificate means a certificate, signed by two Authorised Signatories of the Issuer and, in circumstances where a Charging Subsidiary is withdrawing one or more Charged Properties from the Security Assets pursuant to a Statutory Disposal, the relevant Charging Subsidiary, substantially in the form set out in Schedule 9 (*Form of Statutory Disposal Certificate*) to the Note Trust Deed;

Sterling means pounds sterling;

Subsidiary has the meaning given to it in section 271 of the Housing and Regeneration Act and, in relation to the Issuer, means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar rights of ownership and **control** for this purpose means the powers to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise;

Substitute Property Certificate means a certificate, signed by two Authorised Signatories of the Issuer, substantially in the form set out in Schedule 7 (*Form of Substitute Property Certificate*) to the Note Trust Deed;

Transaction Party means any person who is party to a Programme Document;

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

Unit means, at any time, a Charged Property or part thereof in relation to which there is or, when let, there would be, a separate rental contract entered into with an Obligor and **Units** means all such Charged Properties or parts thereof;

Unsecured Note Event of Default has the meaning given to it in Condition 12.2(a) (*Unsecured Note Events of Default*);

Unsecured Notes Financial Covenant means the financial covenant set out in Condition 5.2(b) (*Unsecured Notes Financial Covenant*);

Valuation means a valuation prepared in accordance with Condition 5.1(d) (*Valuations*);

Value means, at any time and in relation to the Charged Properties, the value of those properties as shown in the then latest Valuation on the basis of EUV-SH or, as the case may be, MV-ST (provided that, if any Charged Property or part thereof is sold pursuant to a Right to Buy, the Value of the relevant Charged Property shall, for the purposes of this definition and with effect from the date of the relevant sale or release, be zero (if the entire relevant Charged Property has been sold) or (if only part of the Issuer's or the relevant Charging Subsidiary's interest in the relevant Charged Property has been sold) shall be the proportion of the value of the Charged Property which has not been sold pursuant to the relevant Right to Buy); and

Valuer means CBRE Limited or such other reputable firm of surveyors which is regulated by the RICS as may be appointed by the Issuer or the Security Trustee from time to time.

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, provided that the minimum denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes). 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 either of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

Definitive Notes are issued with Coupons attached.

This Note may be a Secured Note or an Unsecured Note, as specified in the applicable Pricing Supplement.

Subject as set out below, title to the Notes 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 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 Unsecured Notes and any relative Coupons are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference or priority among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

The Secured Notes and any relative 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 any preference or priority among themselves.

4. SECURITY

This Condition 4 only applies to Secured Notes.

4.1 Series Security

(a) The Issuer's obligations in respect of each Series of Secured Notes are secured (subject as provided in the Conditions, the Note Trust Deed and the Security Documents), pursuant to each Security Agreement, in favour of the Security Trustee for the benefit of itself and the Noteholders and the other Series Secured Parties as follows:

- (i) by way of a first legal mortgage over the Charged Properties together with all buildings and Fixtures thereon, the proceeds of sale of all or any part thereof and (so far as the same are capable of being mortgaged) the benefit of any covenants for title given or entered into by any predecessor in title of the Issuer or any Charging Subsidiary and any moneys paid or payable in respect of such covenants;
- (ii) by way of first fixed charge over:
 - (A) all fixed plant and machinery now or in the future owned by the Issuer or any Charging Subsidiary and its interest in any fixed plant or machinery in its possession, in each case which form part of the Charged Properties;

- (B) all benefits in respect of the Insurances and all claims and returns of premiums in respect of the Charged Properties;
 - (C) the benefit of all present and future licences, consents and authorisations (statutory or otherwise) held in connection with the Issuer's or any Charging Subsidiary's business so far as it relates to the Security Assets or the use of any of the Security Assets specified in paragraph (i) and subparagraph (A) above and the right to recover and receive all compensation which may at any time become payable to it in respect thereof; and
 - (D) if and in so far as the legal mortgage set forth in paragraph (i) above or the assignments referred to in paragraph (iii) shall for any reason be ineffective as legal mortgages or assignments, the assets referred to in those clauses; and
- (iii) by an assignment by way of security of the Issuer's and the Charging Subsidiaries' rights, title and interest arising under:
- (A) the personal agreements and covenants by the tenants, lessees, licensees or other parties under the Letting Documents and by all guarantors in respect thereof and all security held by the Issuer or any Charging Subsidiary in respect of the obligations of the tenants, lessees, licensees or other parties under the Letting Documents (including, without limiting the generality of the foregoing, all moneys due and owing to the Issuer or any Charging Subsidiary or which may become due and owing to the Issuer or any Charging Subsidiary at any time in the future in connection therewith); and
 - (B) all agreements, now or from time to time entered into or to be entered into for the sale, letting or other disposal or realisation of, or in connection with the management, ownership, refurbishment, development, repair, improvement or servicing of, the whole or any part of the Security Assets (including, without limiting the generality of the foregoing, all moneys due and owing to the Issuer or any Charging Subsidiary or which may become due and owing to the Issuer or any Charging Subsidiary at any time in the future in connection therewith),

provided always that, unless and until an Event of Default has occurred and is outstanding (but subject to the terms of the Finance Documents (as defined in the Security Trust Deed)), the Issuer and each Charging Subsidiary shall be entitled to exercise all its rights and claims under or in connection with the agreements and covenants referred to in paragraphs (A) and (B) above, and provided further that the Security Trustee shall not give any notice of assignment contained in this paragraph (iii) to any person unless and until a Potential Event of Default has occurred and is outstanding.

The security created pursuant to the Security Documents referred to above, and/or any deed or document supplemental thereto, which has been allocated for the benefit of the Series Secured Parties, is referred to herein as the **Series Property Security**.

- (b) The security created pursuant to the Security Agreements will be apportioned to the Series Secured Parties 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.

In respect of security allocated on a Numerical Apportionment Basis, a specific number of Units will be allocated to the Series Secured Parties. The initial number of Units in respect of each Series, and the Minimum Value thereof as at the same Issue Date, shall be specified in the applicable Pricing Supplement. The basis of apportionment may only be changed to Specific Apportionment Basis in the limited circumstances, and in accordance with the procedures, specified in the Security Trust Deed. In particular, the basis of the Series Secured Parties' apportionment may only be changed upon the request of the Note Trustee upon the security under the Security Documents in respect of the Charged Properties becoming enforceable and having been enforced.

In respect of security allocated on a Specific Apportionment Basis, the security in respect of such Series will comprise the specific Charged Properties allocated to the Series Secured Parties in respect of such Series and as agreed between the Issuer and the Note Trustee.

- (c) The Issuer's obligations in respect of each Series of Secured Notes are also 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 Series Secured Parties as follows:
- (i) by a first fixed charge over all moneys from time to time standing to the credit of the Charged Account in relation to such Series and all debts represented thereby;
 - (ii) by an assignment by way of security of the Issuer's rights, title and interest arising under the Agency Agreement and the Account Agreement, in each case to the extent they relate to such Series; and
 - (iii) by a first fixed charge over all sums held from time to time by the Paying Agents for the payment of principal or interest in respect of such Series,

provided always that, unless and until a Secured Note Event of Default has occurred and is continuing (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 agreements referred to in paragraph (ii) above.

- (d) The property charged and assigned pursuant to both the Security Documents and the Note Trust Deed referred to above, together with any other property or assets held by and/or assigned to the Security Trustee (and allocated for the benefit of the Series Secured Parties) or the Note Trustee for the benefit of the Series Secured Parties, and/or any deed or document supplemental thereto, is referred to herein as the **Series Charged Property** and the security created thereby (including, for the avoidance of doubt, the Series Property Security) is referred to herein as the **Series Security**.
- (e) No Series of Secured Notes will have access to the Series Security securing another Series of Secured Notes except to the extent set out in Condition 4.2(d) (Post-enforcement).

4.2 Post-enforcement

Following the enforcement of the Series Property Security, the net proceeds of enforcement of the Series Property Security shall be applied in the following order of priority:

- (a) first, in or towards payment of all Relevant Trustee Expenses;

- (b) secondly:
 - (i) where the Numerical Apportionment Basis applies in relation to the relevant Series, by allocating the balance among the NAB Beneficiaries by reference to their NAB Security Percentages (as defined in the Security Trust Deed), with the amount thereby allocated to the Note Trustee, in its capacity as Representative in respect of the relevant Series, to be applied as set out below; or
 - (ii) where the Specific Apportionment Basis applies in relation to the relevant Series, in or towards payment to the Note Trustee, in its capacity as Representative in respect of the relevant Series, to be applied as set out below;
- (c) thirdly, to the extent not already covered, in payment of all outstanding Security Trustee expenses;
- (d) fourthly, by allocating the balance among the other remaining Beneficiaries whose Relevant Liabilities (as defined in the Security Trust Deed) have not been fully discharged *pro rata* to their unpaid liabilities; and
- (e) fifthly, in payment of any surplus to the relevant Obligor.

Following the enforcement of the Series Security in respect of a Series, all monies standing to the credit of the relevant Charged Account and the net proceeds of enforcement of the Series Security (in respect of the Series Charged Property, following application as set out above) shall be applied in the following order of priority:

- (i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Note Trustee, any Appointee or any receiver in preparing and executing the trusts under the Note Trust Deed (including the costs of realising the Security and the Note Trustee's, any such Appointee's and any such receiver's remuneration), in each case, insofar as they relate to the relevant Series or, to the extent not referable to a specific Series, the Expense Apportioned Part thereof;
- (ii) secondly, on a *pro rata* and *pari passu* basis, in payment of all amounts owing to the Paying Agents and the Agent Bank under the Agency Agreement and the Account Bank under the Account Agreement insofar as they relate to the relevant Series or, to the extent not referable to a specific Series, the Expense Apportioned Part thereof;
- (iii) thirdly, 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;
- (iv) fourthly, in payment, on a *pro rata* and *pari passu* basis, to the Noteholders of such Series of any principal and premium due and payable in respect of the Notes; and
- (v) fifthly, in payment of the surplus (if any) to the Issuer.

5. COVENANTS

5.1 Covenants in respect of Secured Notes

If this Note is a Secured Note, the Issuer covenants as set out in this Condition 5.1.

(a) **General Covenant**

For so long as any of the Notes remains outstanding (as defined in the Note Trust Deed), the Issuer covenants to comply with, and to procure that each Charging Subsidiary complies with, its various undertakings set out in the Note Trust Deed and the Security Documents including, but not limited to, undertakings as to the maintenance of the Charged Properties.

(b) **Negative Pledge and Disposals**

The Issuer covenants, and each Charging Subsidiary will covenant in the Note Trust Deed, in each case for so long as any of the Notes remains outstanding, save as expressly permitted by the Note Trust Deed and/or the Security Documents, 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, excluding, for this purpose any security interest created by or pursuant to the Note Trust Deed or by operation of law.

The Issuer also covenants, and each Charging Subsidiary will covenant in the Note Trust Deed, that it shall not, save as expressly permitted by the Note Trust Deed and/or the Security Documents, sell, transfer, grant or lease or otherwise dispose of all or any part of, or any interest in, the Series Charged Property without the prior written consent of the Note Trustee or the Security Trustee, as applicable, or as permitted under the Conditions, the Note Trust Deed and/or the Security Documents.

(c) **Asset Cover Covenant**

The Issuer covenants, for so long as any of the Notes remains outstanding, that it shall at all times ensure that the sum of:

- (i) the Minimum Value of the Charged Properties in respect of the relevant Series of Notes; and
- (ii) the Charged Cash in respect of such Series of Notes,

will not be less than the aggregate principal amount of the Notes of such Series that remain outstanding.

A Compliance Certificate confirming compliance with the Asset Cover Test, and setting out the relevant calculations, may, in the absence of manifest error, be relied on by the Note Trustee and, if so relied on, shall be conclusive and binding on the Issuer, the Noteholders and the Couponholders.

(d) **Valuations**

- (i) The Issuer covenants, for so long as any of the Notes remains outstanding, that it shall deliver a Valuation to the Note Trustee and the Security Trustee in the period between 30 September and the date falling 60 days after 30 September in each year whereby the Valuer values:
 - (A) not less than 20 per cent. of the Charged Properties on a Full Valuation Basis; and
 - (B) the remaining Charged Properties on a Desk Top Valuation Basis.

For the purposes of this Condition 5.1(d)(i):

- I. the Charged Properties to be valued on a Full Valuation Basis in any year must not include any Charged Properties which have been valued on a Full Valuation Basis in the preceding two years; and
 - II. in any five year period, 100 per cent. of the Charged Properties must be valued on a Full Valuation Basis taking into account any additions and withdrawals of Charged Properties in accordance with the Conditions.
- (ii) Notwithstanding Condition 5.1(d)(i), the Issuer may elect, by notice to the Note Trustee and (for so long as security is allocated to the relevant Series Secured Parties on a Numerical Apportionment Basis) to the other NAB Beneficiaries, to provide Valuations as follows:
- (A) it shall deliver a Full Valuation to the Note Trustee and the Security Trustee at least once in every period of five calendar years. The first Full Valuation must be delivered in the period between the next 30 September following the relevant election and the date following 60 days thereafter, and subsequent Full Valuations must be delivered in the period between 30 September and the date falling 60 days after 30 September in the relevant year; and
 - (B) it shall deliver to the Note Trustee and the Security Trustee a Desk Top Valuation in the period between 30 September and the date falling 120 days thereafter in each year (beginning in the year following the year in which a Full Valuation is first provided in accordance with Condition 5.1(d)(ii)(A)) other than a year in respect of which a Full Valuation is required to be delivered pursuant to paragraph 5.1(d)(ii)(A).

For the avoidance of doubt, where such an election has been made and Valuations are provided in accordance with this Condition 5.1(d)(ii), the Issuer shall not be required to deliver a Valuation in accordance with Condition 5.1(d)(i).

- (iii) Each Valuation shall set out in reasonable detail the Value of the Charged Properties as at a date no more than 90 days prior to the date of delivery of the Valuation.
 - (iv) Each Charging Subsidiary will be required to covenant (pursuant to the Note Trust Deed) to provide all reasonable assistance to the Issuer for the preparation and delivery to the Note Trustee of such Valuations.
- (e) **Information Covenant**

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

- (i) send to the Note Trustee not later than 180 days after the end of each Financial Year:
 - (A) a copy of its consolidated audited financial statements for such Financial Year; and
 - (B) a Compliance Certificate,

and, upon request by any Noteholder to the Issuer, (i) make copies of such documents available to the Noteholders at the Issuer's registered office during

normal business hours or (ii) provide copies of such documents by email to a Noteholder requesting a copy, subject to such Noteholder producing evidence satisfactory to the Issuer as to its holding of Notes and identity; and

- (ii) at the request of Noteholders holding not less than 33 per cent. in principal amount of the Notes for the time being outstanding, convene a meeting of the Noteholders (including by way of conference call or by use of a videoconference platform) to discuss the financial position of the Issuer and each Charging Subsidiary, provided, however, that the Issuer shall not be required to convene any such meeting pursuant to this Condition 5.1(e)(ii) 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 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 it and of each Charging Subsidiary 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 5.1(e) are in addition to the meetings provisions set out in Condition 18.1 (*Meetings of Noteholders*).

5.2 Covenants in respect of Unsecured Notes

If this Note is an Unsecured Note, the Issuer covenants as set out in this Condition 5.2.

(a) General Covenant

For so long as any of the Notes remains outstanding, the Issuer covenants to comply with its various undertakings set out in the Note Trust Deed.

(b) Unsecured Notes Financial Covenant

(i) Financial Covenant

The Issuer covenants, for so long as any of the Notes remains outstanding, that it shall ensure that the Unencumbered Assets of the Group shall not be less than 125 per cent. of the Unsecured Financial Indebtedness of the Group.

(ii) Definitions

For the purposes of this Condition 5.2(b):

Unencumbered Assets of the Group means the consolidated value of:

- (a) the housing properties;
- (b) adding the value of investment properties;
- (c) adding the amount of cash and cash equivalents;
- (d) deducting the principal amount of secured loans and secured debt securities due within one year;

- (e) deducting the principal amount of secured loans and secured debt securities due after more than one year; and
- (f) deducting the amount of unamortised grant liability,

in each case of the Group, so that no amount shall be added (or deducted) more than once and in each case as reflected in the statement of financial position (and related notes) from the most recently published consolidated audited financial statements of the Issuer; and

Unsecured Financial Indebtedness of the Group means the consolidated value of:

- (a) the principal amount of unsecured loans and unsecured debt securities;
- (b) adding the amount of derivative liabilities; and
- (c) deducting the amount of derivative assets,

in each case of the Group, so that no amount shall be added (or deducted) more than once and in each case as reflected in the statement of financial position (and related notes) from the most recently published consolidated audited financial statements of the Issuer.

A Compliance Certificate confirming compliance with the Unsecured Notes Financial Covenant, and setting out the relevant calculations, may, in the absence of manifest error, be relied on by the Note Trustee and, if so relied on, shall be conclusive and binding on the Issuer, the Noteholders and the Couponholders.

(c) **Information Covenant**

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

- (i) send to the Note Trustee not later than 180 days after the end of each Financial Year:
 - (A) a copy of its consolidated audited financial statements for such Financial Year; and
 - (B) a Compliance Certificate,

and, upon request by any Noteholder to the Issuer, (i) make copies of such documents available to the Noteholders at the Issuer's registered office during normal business hours or (ii) provide copies of such documents by email to a Noteholder requesting a copy, subject to such Noteholder producing evidence satisfactory to the Issuer as to its holding of Notes and identity; and

- (ii) at the request of Noteholders holding not less than 33 per cent. in principal amount of the Notes for the time being outstanding, convene a meeting of the Noteholders (including by way of conference call or by use of a videoconference platform) to discuss the financial position of the Issuer, provided, however, that the Issuer shall not be required to convene any such meeting pursuant to this Condition 5.2(c)(ii) 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 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 its financial position 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 5.2(c)(ii) are in addition to the meetings provisions set out in Condition 18.1 (*Meetings of Noteholders*).

6. CHARGED PROPERTIES AND CHARGED CASH

This Condition 6 only applies to Secured Notes.

6.1 Addition of New Series Charged Properties

The Issuer may, in respect of each Series of Secured Notes, (i) charge, and procure that any Charging Subsidiary charges, additional properties pursuant to the Security Documents and/or (ii) allocate, and procure that any Charging Subsidiary allocates, such additional properties as Series Charged Properties (the **New Series Additional Properties**) for the benefit of the NAB Beneficiaries (where the Numerical Apportionment Basis applies) or the Series Secured Parties (where the Specific Apportionment Basis applies) (and the Note Trustee, in its capacity as Representative, shall consent (without requiring the consent or sanction of the Noteholders or any other Series Secured Party) to such charging and/or allocation and countersign an amended Apportionment Certificate to reflect the same) subject to:

- (a) the delivery by the Issuer or the relevant Charging Subsidiary to the Security Trustee of the condition precedent documents specified in Schedule 3 to the Security Trust Deed in a form satisfactory to the Security Trustee (acting reasonably) in respect of the charging of such New Series Additional Properties; and
- (b) the delivery by the Issuer to the Note Trustee of:
 - (i) a completed New Property Approval Certificate certifying that, *inter alia*, the New Series Additional Properties are residential properties of a type and nature that are usually owned by Registered Providers of Social Housing; and
 - (ii) a Full Valuation in relation to the New Series Additional Properties prepared by the Valuer as at a valuation date no earlier than three months prior to the date on which the New Series Additional Properties are to be/were charged.

6.2 Substitution of Series Charged Properties

This Condition 6.2 applies where the Specific Apportionment Basis applies in respect of the relevant Series.

The Issuer or any Charging Subsidiary may substitute any one or more of the Charged Properties (the **Series Substitute Properties**) with other properties (the **New Series Substitute Properties**) (and the Note Trustee, in its capacity as Representative, shall consent (without requiring the consent or sanction of the Noteholders or any other Series Secured Party) to such substitution and countersign an amended Apportionment Certificate to reflect the same) subject to:

- (a) the delivery by the Issuer or the relevant Charging Subsidiary to the Security Trustee of the condition precedent documents specified in Schedule 3 to the Security Trust Deed in a form satisfactory to the Security Trustee in respect of the charging of such New Series Substitute Properties; and

- (b) the delivery by the Issuer to the Note Trustee of:
 - (i) a completed Substitute Property Certificate certifying, *inter alia*, that (x) the New Series Substitute Properties are residential properties of a type and nature that are usually owned by Registered Providers of Social Housing, (y) the Issuer is (as at the date of the Substitute Property Certificate) in compliance with the Asset Cover Test and that, immediately following the substitution, the Issuer will be in compliance with the Asset Cover Test and (z) no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing; and
 - (ii) a Full Valuation in relation to the New Series Substitute Properties prepared by the Valuer as at a valuation date no earlier than three months prior to the date on which the New Series Substitute Properties are to be/were charged.

6.3 Release and/or Reallocation of Series Charged Properties

The Issuer or any Charging Subsidiary may withdraw or reallocate any one or more of the Series Charged Properties from the Series Security (and the Note Trustee, in its capacity as Representative, shall consent (without requiring the consent or sanction of the Noteholders or any other Series Secured Party) to such withdrawal or reallocation and countersign an amended Apportionment Certificate to reflect the same), provided that the Issuer delivers to the Note Trustee a completed Property Release/Reallocation Certificate, certifying that (a) the Issuer is (as at the date of the Property Release/Reallocation Certificate) in compliance with the Asset Cover Test and that, immediately following such release, the Issuer will be in compliance with the Asset Cover Test and (b) no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing.

6.4 Statutory Disposals

The Issuer or any Charging Subsidiary shall have the right to withdraw a Series Charged Property from the Series Security pursuant to any Statutory Disposal without the need for the consent of the Security Trustee or the Note Trustee (in its capacity as Representative), provided however, that the Issuer and, in circumstances where a Charging Subsidiary is withdrawing one or more Series Charged Properties from the Series Security pursuant to a Statutory Disposal, the relevant Charging Subsidiary shall deliver to the Note Trustee, as soon as reasonably practicable after the Issuer or the relevant Charging Subsidiary has received notice of such Statutory Disposal, a completed Statutory Disposal Certificate, certifying that the relevant withdrawal relates to a Statutory Disposal.

Without prejudice to the aforementioned right to withdraw a Series Charged Property from the Series Security pursuant to any Statutory Disposal, the Issuer covenants that, if following such withdrawal the Issuer will no longer be in compliance with the Asset Cover Test, as soon as practicable thereafter (and, in any event, prior to the expiry of the applicable grace period in Condition 12.1(a)(iii) (*Secured Note Events of Default*), it shall (or shall procure that a Charging Subsidiary shall) charge and/or allocate additional properties as Series Charged Properties pursuant to Condition 6.1 (*Addition of New Series Charged Properties*) and/or it shall deposit money into the Charged Account relating to the relevant Series pursuant to Condition 6.6 (*Charged Cash*) in an aggregate amount sufficient to ensure that the Issuer will be in compliance with the Asset Cover Test.

6.5 Apportionment

Without prejudice to the other provisions of this Condition 6, the Note Trustee shall agree (and shall be deemed to have confirmed to the Security Trustee under the Security Trust Deed its agreement) to any adjustment of the Series Secured Parties' Apportioned Part as a result of any additions,

substitutions, releases, reallocations or disposals pursuant to this Condition 6 (provided that the Issuer would continue to be in compliance with the Asset Cover Test immediately after such adjustment), such adjustment to be evidenced by an amended Apportionment Certificate.

6.6 Charged Cash

The Issuer may, at any time, deposit money into the Charged Account relating to a Series of Secured Notes to ensure compliance with the Asset Cover Test relating to that Series. The Issuer may only withdraw Charged Cash from such Charged Account if:

- (a) it is, at the relevant time, in compliance with the Asset Cover Test and no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing; and
- (b) either:
 - (i) such Charged Cash is to be applied by the Issuer in the acquisition of a Property which is to be charged pursuant to the Security Documents and allocated for the benefit of the Series Secured Parties and, immediately following the acquisition, charging and allocation of such property, the Issuer will be in compliance with the Asset Cover Test; or
 - (ii) such Charged Cash is to be used for any other purpose permitted by its Rules and, immediately following the withdrawal, the Issuer will be in compliance with the Asset Cover Test.

For these purposes, the Note Trustee may call for and shall be at liberty to accept a certificate signed by any two Authorised Signatories of the Issuer (including, for the avoidance of doubt, a Compliance Certificate), as sufficient evidence that (a) the Issuer is, at the relevant time, in compliance with the Asset Cover Test and that no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing and/or (b) the requirements of (i) or (ii) above, as the case may be, are met.

7. INTEREST

7.1 Interest on Fixed Rate Notes

Subject as provided in Condition 7.4 below, 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.

Day Count Fraction means, in respect of the calculation of an amount of interest, in accordance with this Condition 7.1:

- (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 (A) the number of days in such Determination Period and (B) 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:
 - (A) 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
 - (B) 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.

In the Conditions:

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

(a) Interest Payment Dates

Subject as provided in Condition 7.4 below, 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 the 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 7.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply mutatis mutandis or (b) 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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) 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 the Conditions, **Business Day** means:

- (a) 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;
- (b) 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
- (c) 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 (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) 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) Screen Rate Determination – Term Rate

This Condition 7.2(b)(i) applies where the applicable Pricing Supplement specifies both "Screen Rate Determination" and "Term Rate" to be 'Applicable'.

The Rate of Interest for each Interest Period will, subject to Condition 7.2(c) and 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) 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) 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.

The applicable Pricing Supplement will specify whether or not a Minimum Rate of Interest shall apply and, if it does, whether it is zero or some other level.

(ii) Screen Rate Determination – Overnight Rate – Compounded Daily SONIA – Non-Index Determination

This Condition 7.2(b)(ii) applies where the applicable Pricing Supplement specifies: (1) "Screen Rate Determination" and "Overnight Rate" to be 'Applicable'; (2) "Compounded Daily SONIA" as the Reference Rate; and (3) "Index Determination" to be 'Not Applicable'.

(A) The Rate of Interest for an Interest Accrual Period will be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Agent Bank.

Compounded Daily SONIA means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Agent Bank as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

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

where:

d is the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, the relevant Observation Period;

D is the number specified as such in the applicable Pricing Supplement (or, if no such number is specified, 365);

d_o means:

- (i) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the number of London Banking Days in the relevant Interest Accrual Period; or

- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, the number of London Banking Days in the relevant Observation Period;

i is a series of whole numbers from one to " d_o ", each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

- (i) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the relevant Interest Accrual Period to, and including, the last London Banking Day in the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, the relevant Observation Period to, and including, the last London Banking Day in the relevant Observation Period;

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

n_i for any London Banking Day "*i*", means the number of calendar days from (and including) such London Banking Day "*i*" up to (but excluding) the following London Banking Day;

Observation Period means the period from (and including) the date falling "*p*" London Banking Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling "*p*" London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

p means:

- (i) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the number of London Banking Days specified as the "Lag Period" in the applicable Pricing Supplement (which for the avoidance of doubt shall not be less than five London Banking Days) (or, if no such number is so specified, five London Banking Days); or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, the number of London Banking Days specified as the "Observation Shift Period" in the applicable Pricing Supplement (which for the avoidance of doubt shall not be less than five London Banking Days) (or, if no such number is specified, five London Banking Days);

the **SONIA reference rate**, in respect of any London Banking Day (**LBD_x**), is a reference rate equal to the daily Sterling Overnight Index Average (**SONIA**) rate for such LBD_x as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Banking Day immediately following LBD_x; and

SONIA_i means the SONIA reference rate for:

- (i) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the London Banking Day falling "*p*" London Banking Days prior to the relevant London Banking Day "*i*"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, the relevant London Banking Day "*i*".

(B) If, where any Rate of Interest is to be calculated pursuant to Condition 7.2(b)(ii)(A) above, in respect of any London Banking Day on which an applicable SONIA reference rate is required to be determined, such SONIA reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the SONIA reference rate in respect of such London Banking Day shall be the rate determined by the Agent Bank as:

- (1) the sum of (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at 5.00 p.m. (London time) (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (2) if the Bank Rate under (1)(i) above is not available at the relevant time, either (A) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day in respect of which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (B) if this is more recent, the latest rate determined under (1) above,

and, in each case, references to "SONIA reference rate" in Condition 7.2(b)(ii)(A) above shall be construed accordingly.

(C) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 7.2(b)(ii), the Rate of Interest shall be:

- (1) that determined as at the last preceding Interest Determination Date on which the Rate of Interest was so determined (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum

Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period); or

- (2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case as determined by the Agent Bank.

- (iii) Screen Rate Determination – Overnight Rate - Compounded Daily SONIA - Index Determination

This Condition 7.2(b)(iii) applies where the applicable Pricing Supplement specifies: (1) "Screen Rate Determination" and "Overnight Rate" to be 'Applicable'; (2) "Compounded Daily SONIA" as the Reference Rate; and (3) "Index Determination" to be 'Applicable'.

- (A) The Rate of Interest for an Interest Accrual Period will be the Compounded Daily SONIA Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the applicable Margin (if any), all as determined by the Agent Bank.

Compounded Daily SONIA Rate means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) (expressed as a percentage and rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) determined by the Agent Bank by reference to the screen rate or index for compounded daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service from time to time on the relevant Interest Determination Date, as further specified in the applicable Pricing Supplement (the **SONIA Compounded Index**) and in accordance with the following formula:

$$\text{Compounded Daily SONIA Rate} = \left(\frac{\text{SONIA Compounded Index}_{\text{End}}}{\text{SONIA Compounded Index}_{\text{Start}}} - 1 \right) \times \frac{365}{d}$$

where:

- d* is the number of calendar days from (and including) the day in relation to which SONIA Compounded Index_{Start} is determined to (but excluding) the day in relation to which SONIA Compounded Index_{End} is determined;

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

Relevant Number is the number specified as such in the applicable Pricing Supplement (or, if no such number is specified, five);

SONIA Compounded Index_{Start} means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of such Interest Accrual Period; and

SONIA Compounded Index_{End} means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (A) the Interest Payment Date for such Interest Accrual Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Accrual Period).

- (B) If the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or of such other information service, as the case may be) on the relevant Interest Determination Date, the Compounded Daily SONIA Rate for the applicable Interest Accrual Period for which the SONIA Compounded Index is not available shall be "Compounded Daily SONIA" determined in accordance with Condition 7.2(b)(ii) above as if "*Index Determination*" were specified in the applicable Pricing Supplement as being "Not Applicable", and for these purposes: (i) the "*Observation Method*" shall be deemed to be "*Observation Shift*" and (ii) the "*Observation Shift Period*" shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the applicable Pricing Supplement.

(iv) Interest Accrual Period

As used herein, an **Interest Accrual Period** means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with Condition 12, shall be the date on which such Notes become due and payable).

(v) Determination of Rate of Interest following acceleration

If the relevant Series of Notes becomes due and payable in accordance with Condition 12, the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition 7.3 and the Note Trust Deed.

(c) Benchmark Replacement

This Condition 7.2(c) applies in respect of each issue of Floating Rate Notes unless "Benchmark Replacement" is specified in the applicable Pricing Supplement to be 'Not Applicable'. In the event that "Benchmark Replacement" is specified in the applicable Pricing Supplement to be 'Not Applicable', any references in these Conditions to Condition 7.2(c) shall be deemed deleted and shall have no effect.

(i) Independent Adviser

Notwithstanding Condition 7.2(b)(i), 7.2(b)(ii) and 7.2(b)(iii), 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 such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine, following consultation with the Issuer, a Successor Rate, failing which an Alternative Rate (in accordance with Condition 7.2(c)(ii)) and, in either case, an Adjustment Spread (in accordance with Condition 7.2(c)(iii)) and any Benchmark Amendments (in accordance with Condition 7.2(c)(iv)).

An Independent Adviser appointed pursuant to this Condition 7.2(c) shall act in good faith and in a commercially reasonable manner in 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). 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 (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 7.2(c)(i) prior to the relevant Interest Determination Date, 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).

(ii) Successor Rate or Alternative 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)) 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)); or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 7.2(c)(iii)) 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 subsequent operation of this 7.2(c)).

(iii) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

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)(iv). The Principal Paying Agent or the Agent Bank, as applicable, shall apply such Adjustment Spread to the Successor Rate or the Alternative 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 Rate (as applicable).

(iv) Benchmark Amendments

If any Successor Rate or Alternative Rate and Adjustment Spread is determined in accordance with this Condition 7.2(c) and the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines (i) that amendments to the Conditions, the Note Trust Deed or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) 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)(v), without any requirement for the consent or approval of Noteholders, vary the Conditions, 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 two Authorised Signatories of the Issuer pursuant to Condition 7.2(c)(v), the Note Trustee shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders or the Couponholders (or, in the case of Secured Notes, 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 the 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 variation in accordance with this Condition 7.2(c)(iv), 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) Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 7.2(c) will be notified promptly by the Issuer to the Note Trustee, the Paying Agents, the Agent Bank (if applicable) 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 two Authorised Signatories of the Issuer:

- (A) confirming (I) that a Benchmark Event has occurred, (II) the Successor Rate or, as the case may be, the Alternative Rate, (III) any Adjustment Spread and (IV) the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 7.2(c); and
- (B) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative 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 Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the 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.

(vi) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer or the Independent Adviser under Conditions 7.2(c)(i), (ii), (iii), (iv) and 7.2(c)(iv), the Original Reference Rate and the fallback provisions provided for in Condition 7.2(b) and the Agency Agreement will continue to apply unless and until a Benchmark Event has occurred and the Note Trustee has been notified of the Successor Rate or the Alternative Rate (as the case may be), the Adjustment Spread and any Benchmark Amendments, in accordance with Condition 7.2(c)(v).

(vii) Definitions

As used in this Condition 7.2(c):

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 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 Rate (as the case may be) and is the spread, formula or methodology which:

- (a) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant

Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

- (b) the Independent Adviser, 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 Rate (as the case may be); or (if the Independent Adviser, in consultation with the Issuer, determines that no such industry standard is recognised or acknowledged);
- (c) 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 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) 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 part thereof) in the same Specified Currency as the Notes;

Benchmark Amendments has the meaning given to it in Condition 7.2(c)(iv);

Benchmark Event means;

- (a) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (b) 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 the date specified in (i); or
- (c) 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
- (d) 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
- (e) 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

- (f) 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 payments due to be made to any Noteholders using the Original Reference Rate;

Independent Adviser means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer at its own expense under Condition 7.2(c)(i) 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 or alternative rate (or any component part(s) thereof) determined and applicable to the Notes pursuant to the earlier operation of this Condition 7.2(c);

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

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

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 (or any Interest Accrual Period falling within such Interest Period) determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period (or any Interest Accrual Period falling within 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 (or any Interest Accrual Period falling within such Interest Period) determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period (or any Interest Accrual Period falling within 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 (or other Interest Accrual Period).

The Agent Bank will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period (or other Interest Accrual 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:

- (i) 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);
- (ii) if "Actual/365 (Fixed)" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (iii) 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;
- (iv) if "Actual/360" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;
- (v) if "30/360", "360/360" or "Note 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:

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

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;

- (vi) 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:

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

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;

- (vii) 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:

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

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, 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 it determines appropriate.

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

(i) Except where the applicable Pricing Supplement specifies both "*Screen Rate Determination*" and "*Overnight Rate*" to be 'Applicable', 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*).

(ii) Where the applicable Pricing Supplement specifies both "*Screen Rate Determination*" and "*Overnight Rate*" to be 'Applicable', the Agent Bank, as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Accrual 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 second London Business Day thereafter. Each Rate of Interest, 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 relevant Interest Accrual 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 Condition 7.2(g), 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) Inability or failure of Agent Bank to make determinations or calculations

The Agent Bank shall not be obliged to make any determination or calculation required by the Conditions if it is not legally permitted to do so. If for any reason at any relevant time the Agent Bank is unable, or fails, to determine the Rate of Interest or to calculate any Interest Amount in accordance with subparagraph (b)(i) above, the Issuer shall be obliged to appoint an alternative agent approved by the Note Trustee to make such determination or calculation or a successor Agent Bank in accordance with paragraph (j) below.

(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 by the Agent Bank shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agents, the Agent Bank, the Note Trustee and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Note Trustee, the Noteholders or the Couponholders shall attach to the Agent Bank 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.

7.3 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:

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

7.4 Step Up

This Condition 7.4 is applicable only to Notes where the applicable Pricing Supplement specifies "*Step Up*" to be 'Applicable' (**Sustainability-Linked Bonds**).

- (a) If a Step Up Event occurs, the rate of interest on the Notes shall be increased such that with effect from the Interest Period commencing on (and including) the Step Up Effective Date, the rate of interest shall be increased by the Step Up Margin.

For the avoidance of doubt such increase in the rate of interest shall occur with effect from the Step Up Effective Date notwithstanding that the Step Up Event may occur after that date.

- (b) The Issuer will give irrevocable notice to the Note Trustee, the Paying Agents and, in accordance with Condition 16 (*Notices*), the Noteholders as soon as reasonably practicable and in no event later than the fifth Business Day after the Publication Date as to whether or not a Step Up Event has occurred and whether or not the KPI 1 Condition, the KPI 2 Condition and/or the KPI 3 Condition (in each case, as applicable) have been satisfied.
- (c) For each financial year ending on 31 March to (and including) the financial year ending on the KPI Reference Date, the Issuer will publish on its website, by no later than 30 September following the end of that financial year, the Sustainability Report for that financial year. On or before the Publication Deadline the Issuer will publish on its website the Verification Statement and, if applicable, any KPI 1 Baseline Assurance Statement issued by the External Verifier. In these Conditions, any reference to the publication of any Sustainability Report, the Verification Statement or any KPI 1 Baseline Assurance Statement shall mean publication in accordance with this paragraph.
- (d) Neither the Note Trustee nor any Paying Agent shall be obliged to monitor or inquire as to whether a Step Up Event has occurred or have any liability in respect thereof and the Note Trustee and each Paying Agent shall be entitled to rely absolutely on any notice given to it by the Issuer pursuant to this Condition 7.4 without further enquiry or liability.
- (e) In these Conditions:

External Verifier means such external auditor or appropriate qualified and independent verification agent(s) or independent rating agency appointed by the Issuer to review (*inter alia*) the Issuer's performance in relation to KPI 1, KPI 2 and KPI 3 and recalculation of the KPI 1 Baseline;

KPI 1 means, for any financial year ending on 31 March, in thousands of metric tons of carbon dioxide equivalent (ktCO₂e) calculated as the sum of:

- (a) direct greenhouse gas emissions from owned or controlled sources of the Group (**Scope 1 Emissions**); and
- (b) indirect greenhouse gas emissions from electricity purchased or acquired by the Group (**Scope 2 Emissions**),

in each case as calculated in good faith by the Issuer in respect of such financial year in accordance with SECR and externally verified by the External Verifier;

KPI 1 Baseline means KPI 1 in respect of the financial year ending on 31 March 2020 of 33ktCO₂e, and, if required, recalculated in good faith by the Issuer in respect of any subsequent financial year (a **Reporting Year**) to reflect any significant or structural changes to the Group or any changes in carbon emissions reporting methodology in that Reporting Year in line with the Recalculation Policy, all as reported by the Issuer in the latest Sustainability Report and subsequently confirmed by the External Verifier in a KPI 1 Baseline Assurance Statement;

KPI 1 Baseline Assurance Statement means, for any financial year ending on 31 March to (and including) the financial year ending on the KPI Reference Date in respect of which the Issuer has recalculated the KPI 1 Baseline, an assurance statement for such financial year issued by the External Verifier confirming the recalculation of the KPI 1 Baseline in accordance with the Recalculation Policy;

KPI 1 Condition means the condition that:

- (a) each of the Sustainability Report for the financial year ending on the KPI Reference Date, the Verification Statement and (if applicable) the KPI 1 Baseline Assurance Statement has been published by no later than the Publication Deadline; and
- (b) KPI 1 in respect of the financial year ending on the KPI Reference Date, as reported by the Issuer in the Sustainability Report for the financial year ending on the KPI Reference Date and as shown in the Verification Statement, represents a reduction of at least the KPI 1 Number compared with the KPI 1 Baseline ¹;

and if the requirements of paragraph (a) or paragraph (b) are not satisfied, the KPI 1 Condition shall be deemed not to have been satisfied;

KPI 1 Number has the meaning in the applicable Pricing Supplement;

KPI 1 Step Up Event means the event which occurs if the KPI 1 Condition is not satisfied, which shall occur on the day of publication of the Verification Statement (if the condition in paragraph (b) of the definition of "KPI 1 Condition" is not satisfied), or on the day following the Publication Deadline (if the condition in paragraph (a) of the definition of "KPI 1 Condition" is not satisfied);

KPI 2 means the average energy rating for the properties where the Group has operational control, measured by the average of standard assessment procedures (**SAP**) ratings shown on Energy Performance Certificates, with such average calculated in good faith on a consistent basis by the Issuer and externally verified by the External Verifier. Where (i) SAPs are unknown in relation to any property or (ii) works have taken place in relation to any property but the SAP for such property has not been updated, the Issuer may use such modelling as it shall deem appropriate to estimate the energy efficiency or improvement in energy efficiency (the methodology for which shall be disclosed by the Issuer in the relevant Sustainability Report and shall be applied on a consistent basis);

KPI 2 Condition means the condition that:

- (a) each of the Sustainability Report for the financial year ending on the KPI Reference Date and the Verification Statement has been published by no later than the Publication Deadline; and
- (b) KPI 2 as at the KPI Reference Date, as reported by the Issuer in the Sustainability Report for the financial year ending on the KPI Reference Date and as shown in the Verification Statement, is the KPI 2 Number or above²;

and if the requirements of paragraph (a) or paragraph (b) are not satisfied, the KPI 2 Condition shall be deemed not to have been satisfied;

KPI 2 Number has the meaning in the applicable Pricing Supplement;

KPI 2 Step Up Event means the event which occurs if the KPI 2 Condition is not satisfied, which shall occur on the day of publication of the Verification Statement (if the condition in paragraph (b) of the definition of "KPI 2 Condition" is not satisfied), or on the day following the Publication Deadline (if the condition in paragraph (a) of the definition of "KPI 2 Condition" is not satisfied);

¹ This corresponds to SPT1 of KPI 1 in the Issuer's Sustainability Finance Framework (as described below) current as at the Issue Date.

² This corresponds to SPT1 of KPI 2 in the Issuer's Sustainability Finance Framework (as described below) current as at the Issue Date.

KPI 3 means (i) the number of new homes built by the Group from 1 April 2020 (**New Homes**) or (ii) (if lower) the product of (A) two and (B) the number of New Homes provided as “social housing” (as defined in the Housing and Regeneration Act 2008 (as amended as at the Issue Date)), as calculated in good faith by the Issuer and externally verified by the External Verifier;

KPI 3 Condition means the condition that:

- (a) each of the Sustainability Report for the financial year ending on the KPI Reference Date and the Verification Statement has been published by no later than the Publication Deadline; and
- (b) KPI 3 as at the KPI Reference Date, as reported by the Issuer in the Sustainability Report for the financial year ending on the KPI Reference Date and as shown in the Verification Statement, is the KPI 3 Number or above³;

and if the requirements of paragraph (a) or paragraph (b) are not satisfied, the KPI 3 Condition shall be deemed not to have been satisfied;

KPI 3 Number has the meaning in the applicable Pricing Supplement;

KPI 3 Step Up Event means the event which occurs if the KPI 3 Condition is not satisfied, which shall occur on the day of publication of the Verification Statement (if the condition in paragraph (b) of the definition of "KPI 3 Condition" is not satisfied), or on the day following the Publication Deadline (if the condition in paragraph (a) of the definition of "KPI 3 Condition" is not satisfied);

KPI Reference Date means the date specified in the applicable Pricing Supplement;

Publication Date means the date on which the Issuer shall publish on its website the Verification Statement and, if applicable, any KPI 1 Baseline Assurance Statement issued by the External Verifier, which date shall fall on or before the Publication Deadline;

Publication Deadline means the 30 December immediately following the KPI Reference Date or (if earlier) the date falling 90 days after the publication by the Issuer of its Sustainability Report in respect of the financial year ending on the KPI Reference Date;

Recalculation Policy means the Group's carbon footprint recalculation policy, as published on the Issuer's website as at the Issue Date;

SECR means the UK government's policy on Streamlined Energy and Carbon Reporting (as amended as at the Issue Date);

Step Up Effective Date means the date specified in the applicable Pricing Supplement;

Step Up Event means the occurrence of one or more of (if KPI 1 is specified as applicable in the applicable Pricing Supplement) a KPI 1 Step Up Event, (if KPI 2 is specified as applicable in the applicable Pricing Supplement) a KPI 2 Step Up Event and/or (if KPI 3 is specified as applicable in the applicable Pricing Supplement) a KPI 3 Step Up Event. For the avoidance of doubt, the applicable Pricing Supplement shall state one or more of a KPI 1 Step Up Event, a KPI 2 Step Up Event and/or a KPI 3 Step Up Event as being applicable and a Step Up Event shall occur if any of such events as are so specified as applicable shall occur;

Step Up Margin means the margin specified in the applicable Pricing Supplement;

³ This corresponds to SPT1 of KPI 3 in the Issuer's Sustainability Finance Framework (as described below) current as at the Issue Date

Sustainability Report means, in respect of each financial year ending on 31 March to (and including) the financial year ending on the KPI Reference Date, a report published by the Issuer setting out (*inter alia*), the then-current KPI 1 Baseline, the KPI 1 for that financial year, the KPI 2 for that financial year and the KPI 3 for that financial year; and

Verification Statement means, in respect of the financial year ending on the KPI Reference Date, a verification statement issued by the External Verifier in respect of (*inter alia*) KPI 1, KPI 2 and KPI 3 as set out in the Sustainability Report for that financial year.

8. PAYMENTS

8.1 Method of payment

Subject as provided below:

- (a) 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 (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) 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.

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 and Coupons

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, and 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)).

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.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmaturing Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmaturing 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.

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

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 obligations of 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 his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

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:

- (a) 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;
- (b) 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

- (c) 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 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) 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;
- (b) 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
- (c) either (1) 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 (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

8.6 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) 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;
- (b) the Final Redemption Amount of the Notes; and
- (c) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

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 in the relevant Specified Currency on the Maturity Date, all as 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

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Note Trustee and the Principal Paying Agent and, in accordance with Condition 16 (*Notices*), the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Note Trustee immediately before the giving of such notice that:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 10 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 10 (*Taxation*)) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Note Trustee (i) a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. The Note Trustee shall be entitled to accept without further enquiry such certificate and legal opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Notes redeemed pursuant to this Condition 9.2 will be redeemed at their principal amount outstanding with interest accrued to (but excluding) the date of redemption.

9.3 Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Pricing Supplement, the Issuer may, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 16 (*Notices*); and
- (b) notice to the Note Trustee and the Principal Paying Agent not less than 15 days before the giving of the notice referred to in (a),

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all of the Notes or, subject as provided in Condition 9.6, some only (provided, however, that in respect of a redemption in part, such redemption shall be in respect of not less than £5,000,000 in aggregate principal amount of Notes of the relevant Series).

Redemption of Notes pursuant to this Condition 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 date of redemption.

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.

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:

- (A) par; and
- (B) 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 whose identity is 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.

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 two Business Days prior to the dispatch of the notice referred to in (a) above;

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 Par Call Option

If Maturity Par Call Option is specified as being applicable in the applicable Pricing Supplement, the Issuer may at any time from the Call Option Date specified in the applicable Pricing Supplement (which shall be no earlier than 90 days before the Maturity Date) to the Maturity Date, having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 16 (*Notices*); and
- (b) notice to the Note Trustee and the Principal Paying Agent not less than 15 days before the giving of the notice referred to in (a),

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all the Notes or, subject as provided in Condition 9.6, some only at par, together with any interest accrued up to (but excluding) the date of redemption.

9.5 Residual Call Option

If Residual Call Option is specified as being applicable in the applicable Pricing Supplement and, at any time, the aggregate outstanding principal amount of the Notes is 20 per cent. or less of the aggregate principal amount of the Notes issued, the Issuer may, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 16 (*Notices*); and
- (b) notice to the Note Trustee and the Principal Paying Agent not less than 15 days before the giving of the notice referred to in (a),

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem the Notes in whole, but not in part, at the Residual Call Amount specified in the applicable Pricing Supplement, together with any interest accrued up to (but excluding) the date of redemption, provided that, if the Issuer has exercised the Issuer Call option as specified in Condition 9.3 in respect of part only of a relevant Series of Notes, the provisions of this Condition 9.5 shall not apply to the same Series of Notes for a period of 12 months from the applicable date of redemption of the Notes of such Series.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Note Trustee a certificate signed by two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the condition precedent to the right of the Issuer so to redeem has occurred. The Note Trustee shall be entitled to accept without further enquiry such certificate as sufficient evidence of the satisfaction of the condition precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

9.6 Provisions relating to Partial Redemption

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

9.7 Redemption at the option of the Noteholders (Investor Put)

If Investor Put is specified as being applicable in the applicable Pricing Supplement, upon the holder of any Note giving to the Issuer in accordance with Condition 16 (*Notices*) not less than the minimum nor more than the maximum period of notice specified in the applicable Pricing Supplement, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition and the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on the holder's instruction by Euroclear, Clearstream, Luxembourg or any common depository or common safekeeper, as the case may be, for it to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

9.8 Calculations

Each calculation, by or on behalf of the Issuer, for the purposes of this Condition 9 shall, in the absence of manifest error, be final and binding on all persons.

9.9 Purchases

The Issuer or any of its Subsidiaries may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes purchased by the Issuer or any of its

Subsidiaries may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

9.10 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 9.9 (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

10. TAXATION

All payments of principal and interest in respect of the Notes 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. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) presented for payment in the Tax Jurisdiction; or
- (b) the holder of which is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 8.5 (*Payment Day*)).

As used herein **Tax Jurisdiction** means the UK 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 payments made by the Issuer of principal and interest on the Notes become generally subject.

11. PRESCRIPTION

The Notes 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.

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 and Coupons*) or any Talon which would be void pursuant to Condition 8.2 (*Presentation of definitive Notes and Coupons*).

12. EVENTS OF DEFAULT AND ENFORCEMENT

12.1 Secured Note Events of Default and Enforcement in respect of Secured Notes

This Condition 12.1 only applies to Secured Notes.

(a) Secured Note Events of Default

The Note Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being secured and/or indemnified and/or prefunded to its satisfaction), (but, in the case of the happening of any of the events described in subparagraphs (ii) and (xi) below, 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 its principal amount, together with accrued interest as provided in the Note Trust Deed, and the Series Security shall become enforceable, if any of the following events (each a **Secured Note Event of Default**) shall occur:

- (i) 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 seven days in the case of principal or 14 days in the case of interest; or
- (ii) the Issuer or any Charging Subsidiary fails to perform or observe any of its other obligations under the Conditions (other than in respect of Condition 5.1(c) (*Asset Cover Covenant*)), the Note Trust Deed or the Security Documents or if any representation given by the Issuer or any Charging Subsidiary to the Note Trustee in the Note Trust Deed or the Security Documents is found to be untrue or incorrect 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 or inaccuracy continues for the period of 30 days following the service by the Note Trustee on the Issuer of notice in writing requiring the same to be remedied; or
- (iii) the Issuer fails to perform or observe its obligations under Condition 5.1(c) (*Asset Cover Covenant*) and (except in any case where, in the opinion of the Note Trustee, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 60 days following the service by the Note Trustee on the Issuer of notice in writing requiring the same to be remedied; or
- (iv) (A) any other present or future indebtedness of the Issuer or any Charging Subsidiary 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); or
(A) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period; or
(B) the Issuer or any Charging Subsidiary 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 (A), (B) or (C) have occurred equals or exceeds £10,000,000 or its equivalent in other currencies (as reasonably determined by the Note Trustee); or

- (v) any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or any Charging Subsidiary save for the purposes of a reorganisation on terms previously approved in writing by the Note Trustee or by an Extraordinary Resolution or for the purposes of a Permitted Reorganisation; or
- (vi) the Issuer or any Charging Subsidiary ceases or threatens to cease to carry on the whole or, in the opinion of the Note Trustee, a substantial part of its business, save for the purposes of a reorganisation on terms previously approved in writing by the Note Trustee or by an Extraordinary Resolution or for the purposes of a Permitted Reorganisation; or
- (vii) the Issuer or any Charging Subsidiary stops or threatens to stop payment of, or is unable to, or admits its 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
- (viii) (A) proceedings are initiated against the Issuer or any Charging Subsidiary 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, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any Charging Subsidiary or, as the case may be, in relation to all or substantially all of the undertaking or assets of the Issuer or any Charging Subsidiary or an encumbrancer takes possession of all or substantially all of the undertaking or assets of the Issuer or any Charging Subsidiary, 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 or any Charging Subsidiary; and
(A) in any such case (other than the appointment of an administrator (if applicable)) is not discharged within 14 days,
save for the purposes of a reorganisation on terms previously approved in writing by the Note Trustee or by an Extraordinary Resolution or for the purposes of a Permitted Reorganisation; or
- (ix) the Issuer or any Charging Subsidiary (or any of their respective board members or shareholders) 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
- (x) the Issuer or any Charging Subsidiary (or any of their respective board members or shareholders) 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) save for the purposes of a reorganisation on terms previously approved in writing by the Note

Trustee or by an Extraordinary Resolution or for the purposes of a Permitted Reorganisation; or

- (xi) it is or becomes unlawful for the Issuer or any Charging Subsidiary to perform or comply with any of its obligations under or in respect of the Notes, the Note Trust Deed or the Security Documents.

(b) Enforcement in respect of Secured Notes

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) against or in relation to the Issuer or any Charging Subsidiary as it may think fit to enforce the provisions of the Note Trust Deed, the Notes, the Coupons and/or any of the other Programme Documents or otherwise or (in its capacity as Representative) to direct the Security Trustee to take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) against or in relation to the Issuer or any Charging Subsidiary as it may think fit to enforce the provisions of the Security Trust Deed, but it shall not be bound to take any such proceedings or any other steps or action in relation to the Note Trust Deed, the Notes, the Coupons or any of the other Programme Documents or otherwise or to direct the Security Trustee, as aforesaid, unless (a) it has been so directed by an Extraordinary Resolution of the holders of the Notes or so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding and (b) it has been secured and/or indemnified and/or prefunded to its satisfaction.

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, 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.

No Noteholder, Couponholder or any other Series Secured Party (other than the Note Trustee) shall be entitled (i) to take any steps or action against the Issuer or any Charging Subsidiary to enforce the performance of any of the provisions of the Note Trust Deed, the Notes, the Coupons or any of the other Programme Documents; (ii) to take any steps or action against the Issuer or any Charging Subsidiary (or direct the Security Trustee to take any steps or action against the Issuer or any Charging Subsidiary) to enforce the performance of the provisions of the Security Trust Deed; or (iii) to take any other action (including lodging an appeal in any proceedings) in respect of or concerning the Issuer or any Charging Subsidiary, in each case unless the Note Trustee, having become bound so to take any such steps, actions or proceedings, is unable or fails so to do within 60 days and the inability or failure shall be continuing.

12.2 Unsecured Note Events of Default and Enforcement in respect of Unsecured Notes

This Condition 12.2 only applies to Unsecured Notes.

(a) Unsecured Note Events of Default

The Note Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being secured and/or indemnified

and/or prefunded to its satisfaction), (but, in the case of the happening of any of the events described in subparagraphs (ii) (except in the case of a breach of the Unsecured Notes Financial Covenant) and(x) below, 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 its principal amount, together with accrued interest as provided in the Note Trust Deed, if any of the following events (each an **Unsecured Note Event of Default**) shall occur:

- (i) 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 seven days in the case of principal or 14 days in the case of interest; or
- (ii) the Issuer fails to perform or observe any of its other obligations under the Conditions or the Note Trust Deed and (except in any case where, in the opinion of the Note Trustee, the failure 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 following the service by the Note Trustee on the Issuer of notice in writing requiring the same to be remedied; or
- (iii) (A) 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); or
(A) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period; or
(B) 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 (A), (B) or (C) have occurred equals or exceeds £10,000,000 or its equivalent in other currencies (as reasonably determined by the Note Trustee); or
- (iv) 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 a reorganisation on terms previously approved in writing by the Note Trustee or by an Extraordinary Resolution or for the purposes of a Permitted Reorganisation; or
- (v) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of a reorganisation on terms previously approved in writing by the Note Trustee or by an Extraordinary Resolution or for the purposes of a Permitted Reorganisation; or
- (vi) the Issuer stops or threatens to stop payment of, or is unable to, or admits its 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
- (vii) (A) 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, administrator or other similar official, or an administrative or other receiver, manager, 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

- (A) in any such case (other than the appointment of an administrator (if applicable)) is not discharged within 14 days,

save for the purposes of a reorganisation on terms previously approved in writing by the Note Trustee or by an Extraordinary Resolution or for the purposes of a Permitted Reorganisation; or

- (viii) the Issuer (or any of its board members or shareholders) 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
- (ix) the Issuer (or any of its board members or shareholders) 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) save for the purposes of a reorganisation on terms previously approved in writing by the Note Trustee or by an Extraordinary Resolution or for the purposes of a Permitted Reorganisation; or
- (x) it is or becomes unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or the Note Trust Deed.

(b) **Enforcement in respect of Unsecured Notes**

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) against or in relation to the Issuer as it may think fit to enforce the provisions of the Note Trust Deed, the Notes, the Coupons and/or any of the other Programme Documents or otherwise, but it shall not be bound to take any such proceedings or any other steps or action in relation to the Note Trust Deed, the Notes, the Coupons or any of the other Programme Documents, as aforesaid, unless (a) it has been so directed by an Extraordinary Resolution of the holders of the Notes or so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding and (b) it has been secured and/or indemnified and/or prefunded to its satisfaction.

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, 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.

No Noteholder or Couponholder shall be entitled (i) to take any steps or action against the Issuer to enforce the performance of any of the provisions of the Note Trust Deed, the Notes, 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, is unable or fails so to do within 60 days and the inability or failure shall be continuing.

13. REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent 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, Coupons or Talons must be surrendered before replacements will be issued.

14. PAYING AGENTS

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.

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 Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent;
- (b) 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
- (c) if at any time (i) any withholding or deduction of any amount for or on account of any taxes or duties upon the Notes or Coupons is required upon the Notes or Coupons being presented for payment in a Tax Jurisdiction; and (ii) such withholding or deduction would not be required were the Notes or Coupons to be presented for payment outside such Tax Jurisdiction, there will at such times be a Paying Agent in a jurisdiction within Europe, other than such Tax Jurisdiction.

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*).

In acting under the Agency Agreement, the 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 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

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 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. 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.

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 and, 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. Any such notice shall be deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

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

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 or the Couponholders or, in respect of a Series of Secured Notes, any Series Secured Party, to 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 Coupons and the Note Trust Deed of another company, registered society or other entity subject to:

- (a) the Note Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution; and

- (b) certain other conditions set out in the Note Trust Deed being complied with.

For the avoidance of doubt, these provisions do not apply to a Permitted Reorganisation, in respect of which the consent of the Note Trustee shall not be required.

Any such substitution shall be binding on all Noteholders and Couponholders and shall be notified to the Noteholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter.

18. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND AUTHORISATION

18.1 Meetings of Noteholders

The Note Trust Deed contains provisions for convening meetings of the Noteholders (including by way of conference call or by use of a videoconference platform) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Note Trust Deed. 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 ten 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, in respect of Secured Notes, the Charging Subsidiaries, which shall be requested in accordance with, and shall be subject to, (in the case of Secured Notes) Condition 5.1(e)(ii) (*Information Covenant*)) or (in the case of Unsecured Notes) Condition 5.2(c)(ii) (*Information Covenant*). 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 any matter defined in the Note Trust Deed as a Basic Terms Modification, including, *inter alia*, modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons, the quorum shall be one or more persons holding or representing in aggregate not less than 66 per cent. in principal amount of the Notes for the time being outstanding, or at any such adjourned meeting one or more persons holding or representing in aggregate not less than 33 per cent. in principal amount of the Notes for the time being outstanding. In addition, 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) (in a form satisfactory to the Note Trustee) 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 shall 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, and on all Couponholders.

18.2 Modification, Waiver, Authorisation and Determination

The Note Trustee may agree, without the consent of the Noteholders, Couponholders or, in respect of a Series of Secured Notes, any 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 Conditions or any of the provisions of the Note Trust Deed or any other Programme Document, or determine, without any such consent as aforesaid, that any Potential Event of Default or Event of Default shall not be treated as such (provided that, in any such case, it is not, in the opinion of the

Note Trustee, materially prejudicial to the interests of the Noteholders) or may agree, without any such consent as aforesaid, to any modification which, in its opinion, 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. For the avoidance of doubt, no modification shall be made to Condition 4.2 (*Post-enforcement*) without the consent of each Series Secured Party.

In addition, the Note Trustee shall (subject to the provisions of Condition 7.2(c) (*Benchmark Replacement*)) be obliged to use its best endeavours to implement any modifications to the Note Trust Deed, the Agency Agreement and the 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, Couponholders or, in respect of a Series of Secured Notes, any Series Secured Party. Any such modification shall be binding on the Noteholders and the Couponholders of that Series and, unless the Note Trustee agrees otherwise, shall be notified to the Noteholders of that Series 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 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 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 or Couponholder be entitled to claim, from the Issuer, (in the case of Secured Notes) any Charging Subsidiary, the Note Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders 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.

18.4 Notification to the Noteholders

Any such modification, waiver, authorisation and/or determination shall be binding on the Noteholders, the Couponholders and, in the case of Secured Notes, the other Series Secured Parties and (unless the Note Trustee agrees otherwise) shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 16 (*Notices*).

19. INDEMNIFICATION AND PROTECTION OF THE NOTE TRUSTEE AND THE SECURITY TRUSTEE AND THE NOTE TRUSTEE AND THE SECURITY TRUSTEE CONTRACTING WITH THE ISSUER AND THE CHARGING SUBSIDIARIES

The Note Trust Deed and, in the case of Secured Notes, the Security Trust Deed contain provisions for the indemnification of the Note Trustee and the Security Trustee, respectively, and for their relief from responsibility and liability towards the Issuer, the Charging Subsidiaries (in the case of Secured Notes), the Noteholders, the Couponholders and (in the case of Secured Notes) the other Series Secured Parties, including (i) provisions relieving them from taking action unless secured and/or indemnified and/or prefunded to their satisfaction and (ii) provisions limiting or excluding their liability in certain circumstances. In respect of each Series of Secured Notes, the Note Trustee and the Security Trustee are each 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 such 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.

The Note Trust Deed and, in the case of Secured Notes, the Security Trust Deed also contain provisions pursuant to which the Note Trustee and the Security Trustee, respectively, are entitled, *inter alia*, (a) to enter into or be interested in any contract or financial or other transaction or arrangement with the Issuer, any Subsidiary or any other Transaction Party or any person or body corporate associated with the Issuer, any Subsidiary or any Transaction Party, (b) to accept or hold the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to the Issuer, any Subsidiary or any Transaction Party or any such person or body corporate so associated or any other office of profit under the Issuer, any Subsidiary or any Transaction Party or any such person or body corporate so associated and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith. Neither the Note Trustee nor the Security Trustee shall be bound to take any step or action in connection with the Note Trust Deed or the Notes or the Security Trust Deed, as applicable, 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.

The Note Trust Deed provides that, when determining whether an indemnity or any security or pre-funding is satisfactory to it, the Note Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) 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 indemnity or security.

In the case of Secured Notes, neither the Note Trustee nor the Security Trustee shall have any responsibility for the validity, sufficiency or enforceability of the Series Security. Neither the Note Trustee nor the Security Trustee shall be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Programme Documents.

20. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further Notes having terms and conditions the same as the Notes (including, in the case of Secured Notes, secured on 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.

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 Note Trust Deed, the Agency Agreement, the Account Agreement, the Security Documents, the Notes and the Coupons, and any non-contractual obligations or matters arising out of or in connection with them, shall be governed by, and construed in accordance with, English law.

22.2 Submission to jurisdiction

- (a) Subject to Condition 22.2(c), the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Note Trust Deed, the Notes 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 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 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 Agency Agreement, the Account Agreement and the Security Documents submitted to the jurisdiction of the English Courts.

SCHEDULE 2

FORMS OF GLOBAL AND DEFINITIVE NOTES, COUPONS AND TALONS

PART 1

FORM OF TEMPORARY 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.]⁴

LONDON & QUADRANT HOUSING TRUST

(the **Issuer**)

(Incorporated in England with limited liability under the Co-operative and Community Benefit Societies Act 2014 with registration number 30441R and registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008, as amended by the Localism Act 2011, with registration number L4517)

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 Aggregate Principal Amount, Specified Currency(ies) and Specified Denomination(s) as are specified in the Pricing Supplement applicable to the Notes (the **Pricing Supplement**). References herein to the Conditions shall be to the Terms and Conditions of the Notes as set out in Schedule 1 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 said Conditions and such information in the Pricing Supplement, such information 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 an amended and restated Note Trust Deed (such Note Trust Deed as modified and/or supplemented and/or restated from time to time, the **Note Trust Deed**) dated 10 September, 2021 and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Notes.

For value received, 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.

⁴ Delete where the original maturity of the Notes is 1 year or less.

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 of 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, 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, Luxembourg or 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 be entitled to receive any payment hereon due on or after the Exchange Date unless upon due certification exchange of this Global Note is improperly withheld or refused.

On or after the date (the **Exchange Date**) which is 40 days after the Issue Date this Global Note may be exchanged (free of charge) in whole or in part for, as specified in the Pricing Supplement, either (a) Definitive Notes and (if applicable) Coupons and/or Talons (on the basis that all the appropriate details have been included on the face of such Definitive Notes 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 Notes) or (b) either (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 (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 thereto).

If Definitive Notes and (if applicable) 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) Coupons and/or Talons pursuant to the terms hereof. This Global Note may be exchanged by the bearer hereof on any day (other than a Saturday or Sunday) on which banks are open for business in the United Kingdom.

The Issuer shall procure that Definitive Notes or (as the case may be) the interests in the Permanent Global Note shall (in the case of Definitive Notes) be issued and delivered and (in the case of the Permanent Global Note 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 or to the order of 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 Coupons and/or Talons (if any) in the form(s) set out in Part 3, Part 4 and Part 5 (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 Note 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 HSBC Bank plc 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 by a person duly authorised on its behalf.

Issued as of [].

London & Quadrant Housing Trust

By:
Duly Authorised

By:
Duly Authorised

Authenticated without recourse, warranty or liability by
HSBC Bank plc as Principal Paying Agent

By:
Authorised Officer

[Effectuated without recourse,
warranty or liability by

.....
as common safekeeper

By:]

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

Schedule One⁵

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
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

⁵ 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 III

PURCHASES AND CANCELLATIONS

Date made	Part of principal amount of this Global Note purchased and cancelled	Remaining principal amount of this Global Note following such purchase and cancellation ⁷	Confirmation of purchase and cancellation by or on behalf of the Issuer
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

⁷ See most recent entry in Part II or III 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.]¹⁰

LONDON & QUADRANT HOUSING TRUST (the Issuer)

(Incorporated in England with limited liability under the Co-operative and Community Benefit Societies Act 2014 with registration number 30441R and registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008, as amended by the Localism Act 2011, with registration number L4517)

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 Aggregate Principal Amount, Specified Currency(ies) and Specified Denomination(s) as are specified in the Pricing Supplement applicable to the Notes (the **Pricing Supplement**). References herein to the Conditions shall be to the Terms and Conditions of the Notes as set out in Schedule 1 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 said Conditions and such information in the Pricing Supplement, such information 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 an amended and restated Note Trust Deed (such Note Trust Deed as modified and/or supplemented and/or restated from time to time, the **Note Trust Deed**) dated 10 September, 2021 and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Notes.

For value received, 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

¹⁰ Delete where the original maturity of the Notes is 1 year or less.

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 Part III of Schedule One hereto or in Schedule Two hereto.

On any redemption or payment of 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, 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.

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) Coupons and/or Talons in or substantially in the forms set out in Part 3, Part 4 and Part 5 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 Notes 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 Notes) either, as specified in the applicable Pricing Supplement:

- (a) 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
- (b) only upon the occurrence of an Exchange Event.

An Exchange Event means:

- (a) an Event of Default has occurred and is continuing; or
- (b) 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
- (c) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form and a certificate to such effect from two Authorised Signatories of the Issuer has been given to the Note Trustee.

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

- (i) the Issuer will promptly give notice to Noteholders in accordance with Condition 16 (*Notices*) upon the occurrence of such Exchange Event; and
- (ii) 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 (c) 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 on any day (other than a Saturday or a Sunday) on which banks are open for business in the United Kingdom by the bearer of this Global Note.

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 Coupons and/or Talons (if any) in the form(s) set out in Parts 3, 4, 5 and 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.

This Global Note shall not be valid unless authenticated by HSBC Bank plc 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 by a person duly authorised on its behalf.

Issued as of [].

London & Quadrant Housing Trust

By:

Duly Authorised

By:

Duly Authorised

Authenticated without recourse, warranty or liability by
HSBC Bank plc as Principal Paying Agent

By:

Authorised Officer

[Effectuated without recourse,
warranty or liability by

.....
as common safekeeper

By:]

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

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.]¹⁶

LONDON & QUADRANT HOUSING TRUST (the Issuer)

(Incorporated in England with limited liability under the Co-operative and Community Benefit Societies Act 2014 with registration number 30441R and registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008, as amended by the Localism Act 2011, with registration number L4517)

[Specified Currency and Aggregate Principal Amount of Tranche] [SECURED/UNSECURED] NOTES DUE [Year of Maturity]

This Note is one of a Series of Notes of [Specified Currency(ies) and Specified Denomination(s)] each of the Issuer (the **Notes**). References herein to the Conditions shall be to the Terms and Conditions [endorsed hereon/set out in Schedule 1 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 said Conditions and such information in the Pricing Supplement, such information 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 an amended and restated Note Trust Deed (such Note Trust Deed as modified and/or supplemented and/or restated from time to time, the **Note Trust Deed**) dated 10 September, 2021 and made between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Notes.

For value received, 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 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 HSBC Bank plc as Principal Paying Agent.

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

IN WITNESS whereof the Issuer has caused this Note to be signed manually by a person duly authorised on its behalf.

Issued as of [].

London & Quadrant Housing Trust

By:
Duly Authorised

By:
Duly Authorised

Authenticated without recourse, liability or warranty by
HSBC Bank plc as Principal Paying Agent

By:
Authorised Officer

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

[Conditions]

[Conditions to be as set out in Schedule 1 to this Note Trust Deed or such other form as may be agreed between the Issuer and the Note Trustee, but shall not be endorsed if not required by the relevant stock exchange or other relevant authorities.]

[Pricing Supplement]

[Here to be set out the text of the relevant information supplementing, replacing or modifying the Conditions which appear in the Pricing Supplement relating to the Notes.]

PART 4

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.]¹⁷

LONDON & QUADRANT HOUSING TRUST

**[Specified Currency and Aggregate Principal Amount of Tranche]
[SECURED/UNSECURED] NOTES DUE
[Year of Maturity]**

Series No. [●]

[Coupon appertaining to a Note in the denomination of [Specified Currency and Specified Denomination]].

Part A

[For Fixed Rate Notes

This Coupon is payable to bearer, separately Coupon for [●] due on [●], [●] negotiable and subject to the Terms and Conditions of the said Notes.

Part B

[For Floating Rate Notes

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

This Coupon is payable to bearer, separately negotiable and subject to such Terms and Conditions, under which it may become void before its due date.]

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

PART 5
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.]¹⁸

LONDON & QUADRANT HOUSING TRUST

**[Specified Currency and Aggregate Principal Amount of Tranche]
[SECURED/UNSECURED] NOTES DUE
[Year of Maturity]**

Series No. [●]

[Talon appertaining to a Note in the denomination of £[●].]

On and after [●] further Coupons [and a further Talon]¹⁹ 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 Terms and Conditions endorsed on the Note to which this Talon appertains.

¹⁸ Delete where the original maturity of the Notes is 1 year or less.

¹⁹ Not required on last Coupon sheet.

[Reverse of Coupons and Talons]

PRINCIPAL PAYING AGENT

HSBC Bank plc
8 Canada Square
London E14 5HQ

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

SCHEDULE 3

PROVISIONS FOR MEETINGS OF NOTEHOLDERS

DEFINITIONS

1. 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 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 3(e) 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 Notes 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 subclause 1.2(e) of this 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; and
- (c) a proxy specified in any Block Voting Instruction;

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.

EVIDENCE OF ENTITLEMENT TO ATTEND AND VOTE

2. 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.

For the purposes of paragraph 3, the Principal Paying Agent and each 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 Paying Agent.

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.

PROCEDURE FOR ISSUE OF VOTING CERTIFICATES, BLOCK VOTING INSTRUCTIONS AND PROXIES

3. (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 23) 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 (an **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.

(d) 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, 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 proposes to vote, and in default the Block Voting Instruction 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 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.

(e) Any vote given in accordance with the terms of a Block Voting Instruction shall be valid notwithstanding the previous revocation or amendment of the Block Voting Instruction 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 is to be used.

CONVENING OF MEETINGS, QUORUM AND ADJOURNED MEETINGS

4. 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 10 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 (which need not be a physical place and instead may be by way of a conference call, or by use of a videoconference platform) as the Note Trustee may appoint or approve in writing.

5. 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 or Block Voting Instructions to 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).
6. 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.
7. At any such meeting one or more Eligible Persons present and holding or representing in the aggregate more 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 Clauses 24.2 and 26 of this 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 66 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 is present at the commencement of the relevant business.
8. 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.
9. 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 33 per cent. in the principal amount of the Notes for the time being outstanding.

10. 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 5 and such notice shall state the required quorum.

CONDUCT OF BUSINESS AT MEETINGS

11. 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).
12. 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.
13. Subject to paragraph 15, 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.
14. 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.
15. 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.
16. Any director or officer of the Note Trustee, its lawyers and financial advisers, any board member or officer of the Issuer, its 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 of the Note Trust Deed.
17. 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 £1.00 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 determined in accordance with paragraph 23(b) below), 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, 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.

18. The proxies named in any Block Voting Instruction need not be Noteholders. Nothing herein shall prevent any of the proxies named in any Block Voting Instruction from being a board member, officer or representative of or otherwise connected with the Issuer.
19. 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 7 and 9) namely:
 - (a) Power to sanction any compromise or arrangement proposed to be made between the Issuer, any Charging Subsidiary, the Note Trustee, any Appointee and the Noteholders 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 Couponholders or the Issuer or any Charging Subsidiary 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.
20. Any Extraordinary Resolution (i) passed at a meeting of the Noteholders duly convened and held in accordance with these presents, (ii) passed as an Extraordinary Resolution in writing in accordance with these presents or (iii) 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 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.

21. 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.
22. 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.

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 and Couponholders, even if the relevant consent or instruction proves to be defective. None of the Issuer or 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 Note Trust Deed. Alternatively, the Proposer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as shall be agreed with the 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 4 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 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.

23. 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 Coupons and Talons whether or not they participated in such Extraordinary Resolution in writing and/or Electronic Consent.

- (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 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 an actual or potential 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 Electronic 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 4, be the equivalent in pounds sterling at the spot rate of a bank nominated by the Issuer (and approved 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 7, 9 and 17 (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 £1.00 (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.

24. Subject to all other provisions of these presents the Note Trustee may (after consultation with the Issuer where the Note Trustee considers such consultation to be practicable but without the consent of the Issuer, the Noteholders or the Couponholders) prescribe such further or alternative regulations regarding the requisitioning and/or the holding of meetings and attendance and voting thereat as the Note Trustee may in its sole discretion reasonably think fit (including, without limitation, (i) the

substitution for periods of 24 Hours and 48 Hours referred to in this Schedule of shorter periods or (ii) holding meetings by conference call or by use of a videoconference platform in circumstances where it may be impossible or inadvisable to hold physical meetings). Such 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 or alternative 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 AUTHORISED SIGNATORIES' CERTIFICATE

[ON THE HEADED PAPER OF THE ISSUER]

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

For the attention of: Trust Management Ref: 203544

[Date]

Dear Sir or Madam

London & Quadrant Housing Trust: £2,500,000,000 Euro Medium Term Note Programme

This certificate is delivered to you in accordance with Clause 19.2(c) of the amended and restated Note Trust Deed dated 9 September 2022 (the **Note Trust Deed**) and made between London & Quadrant Housing Trust (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.

We hereby certify that:

- (a) as at []²⁰, no Event of Default or Potential Event of Default existed [other than []]²¹ and no Event of Default or Potential Event of Default had existed [or happened] at any time since []²² [the certification date (as defined in the Note Trust Deed) of the last certificate delivered under Clause 19.2(c)]²³ [other than []]²⁴; and
- (b) from and including []²² [the certification date of the last certificate delivered under Clause 19.2(c)]²³ to and including []²⁰, each of the Issuer and the Charging Subsidiaries (if any) have complied in all respects with their obligations under these presents (as defined in the Note Trust Deed) [other than []]²⁵.

For and on behalf of

London & Quadrant Housing Trust

.....
Authorised Signatory

.....
Authorised Signatory

²⁰ Specify a date not more than 7 days before the date of delivery of the certificate.

²¹ If any Event of Default or Potential Event of Default did exist, give details; otherwise delete.

²² Insert date of Note Trust Deed in respect of the first certificate delivered under **Clause 19.2(c)**, otherwise delete.

²³ Include unless the certificate is the first certificate delivered under **Clause 19.2(c)**, in which case delete.

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

²⁵ If the Issuer or the Charging Subsidiaries (if any) have failed to comply with any obligation(s), give details; otherwise delete.

SCHEDULE 5

FORM OF COMPLIANCE CERTIFICATE

[On the Letterhead of the Issuer]

To: **THE LAW DEBENTURE TRUST CORPORATION p.l.c.** as Note Trustee

From: **LONDON & QUADRANT HOUSING TRUST**

Date: [●]

LONDON & QUADRANT HOUSING TRUST
£2,500,000,000 Euro Medium Term Note Programme
constituted by an amended and restated Note Trust Deed dated 9 September 2022 (the Note Trust Deed)

1. We refer to the Note Trust Deed. This is a Compliance Certificate.
2. We confirm that, with respect to the Secured Notes, as at [relevant testing date, being not more than seven days before the date of the certificate]:
 - (a) (i) the Minimum Value of the Charged Properties [was/is] [●]; and
 - (ii) the Charged Cash [was/is] [●],
(the sum of which being the **Aggregate Asset Value**); and
 - (b) the aggregate principal amount of the Notes outstanding [was/is] [●],
therefore, the Aggregate Asset Value [is/was] [not] less than the aggregate principal amount of the Notes of such Series that remain outstanding. Accordingly the Issuer [is/is not] in compliance with the Asset Cover Test.
3. We set out below calculations establishing the figures in paragraph 2 above:
[●].
4. We confirm that, with respect to the Unsecured Notes, as at [relevant testing date, being not more than seven days before the date of the certificate]:
 - (a) the Unencumbered Assets [was/is] [●]; and
 - (b) the value of the Unsecured Financial Indebtedness [was/is] [●],
therefore, the Unencumbered Assets [was/is] [not] less than 125 per cent. of the Unsecured Financial Indebtedness.
5. We set out below calculations establishing the figures in paragraph 4 above:
[●].

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

LONDON & QUADRANT HOUSING TRUST

.....
Authorised Signatory

.....
Authorised Signatory

SCHEDULE 6

FORM OF NEW PROPERTY APPROVAL CERTIFICATE

[On the Letterhead of the Issuer]

To: **THE LAW DEBENTURE TRUST CORPORATION p.l.c.** as Note Trustee

From: **LONDON & QUADRANT HOUSING TRUST**

Date: [●]

LONDON & QUADRANT HOUSING TRUST
£2,500,000,000 Euro Medium Term Note Programme
constituted by an amended and restated Note Trust Deed dated 9 September 2022 (the Note Trust Deed)

1. We refer to the Note Trust Deed. This is a New Property Approval Certificate.
2. We refer to the Properties in Annex 1 hereof (being the **New Series Additional Properties**).
3. We confirm that:
 - (a) the New Additional Properties are residential properties of a type and nature that are usually owned by Registered Providers of Social Housing;
 - (b) we have provided a Full Valuation in relation to such New Series Additional Properties to the Note Trustee under the Note Trust Deed as at a valuation date no earlier than three months prior to the date on which such properties [are to be][were] charged; and
 - (c) we have provided the Security Trustee with the conditions precedent documents in Schedule 2 to the Security Trust Deed in respect of the New Series Additional Properties.

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

LONDON & QUADRANT HOUSING TRUST

.....
Authorised Signatory

.....
Authorised Signatory

Annex 1

Description of New Series Additional Properties

[●]

SCHEDULE 7

FORM OF SUBSTITUTE PROPERTY CERTIFICATE

[On the Letterhead of the Issuer]

To: **THE LAW DEBENTURE TRUST CORPORATION p.l.c.** as Note Trustee

From: **LONDON & QUADRANT HOUSING TRUST**

Date: [●]

LONDON & QUADRANT HOUSING TRUST
£2,500,000,000 Euro Medium Term Note Programme
constituted by an amended and restated Note Trust Deed dated 9 September 2022 (the Note Trust Deed)

1. We refer to the Note Trust Deed. This is a Substitute Property Certificate.
2. We refer to the Charged Properties in Annex 1 hereof (being the **Substitute Properties**).
3. We refer to the Properties in Annex 2 hereof (being the **New Substitute Properties**).
4. We refer to the Full Valuation in respect of the New Substitute Properties and the Substitute Properties dated [●]²⁶ and we confirm that (i) the Issuer is (on the date hereof) in compliance with the Asset Cover Test and (ii) immediately following the release of the Substitute Properties from the Security and the substitution of the New Substitute Properties as Charged Properties, the Issuer will be in compliance with the Asset Cover Test.

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

5. We confirm that:
 - (a) the New Substitute Properties are residential properties of a type and nature that are usually owned by Registered Providers of Social Housing;
 - (b) we have provided a Full Valuation to the Note Trustee under the Note Trust Deed in relation to the Substitute Properties and the New Substitute Properties prepared by the Valuer as at a valuation date no earlier than three months prior to the date on which the New Substitute Properties [are to be][were] charged;
 - (c) we have provided the Security Trustee with the conditions precedent documents in Schedule 2 to the Security Trust Deed in respect of the New Substitute Properties; and
 - (d) as at the date hereof, no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing.

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

²⁶ Full Valuation to be at a valuation date not more than three months prior to the date of the substitution

LONDON & QUADRANT HOUSING TRUST

.....
Authorised Signatory

.....
Authorised Signatory

Annex 1

Description of Substitute Properties

[●]

Annex 2

Description of New Substitute Properties

[●]

SCHEDULE 8

FORM OF PROPERTY RELEASE/REALLOCATION CERTIFICATE

[On the Letterhead of the Issuer]

To: **THE LAW DEBENTURE TRUST CORPORATION p.l.c.** as Note Trustee

From: **LONDON & QUADRANT HOUSING TRUST**

Date: [●]

LONDON & QUADRANT HOUSING TRUST
£2,500,000,000 Euro Medium Term Note Programme
constituted by an amended and restated Note Trust Deed dated 9 September 2022 (the Note Trust Deed)

1. We refer to the Note Trust Deed. This is a Property Release/Reallocation Certificate.
2. We refer to the Series Charged Properties in Annex 1 hereof (being the **Released/Reallocated Properties**).
3. We confirm that (i) the Issuer is (on the date hereof) in compliance with the Asset Cover Test, (ii) immediately following the [release][reallocation] of the Released/Reallocated Properties from the Series Security, the Issuer will be in compliance with the Asset Cover Test and (iii) as at the date hereof, no Secured Note Event of Default or Secured Note Potential Event of Default has occurred and is continuing.

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

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

LONDON & QUADRANT HOUSING TRUST

.....
Authorised Signatory

.....
Authorised Signatory

Annex 1

Description of Released/Reallocated Properties

[●]

SCHEDULE 9

FORM OF STATUTORY DISPOSAL CERTIFICATE

[On the Letterhead of the Issuer]

To: **THE LAW DEBENTURE TRUST CORPORATION p.l.c.** as Note Trustee

From: **LONDON & QUADRANT HOUSING TRUST**

[and: *[Insert name of relevant Charging Subsidiary]]*²⁷

Date: [●]

LONDON & QUADRANT HOUSING TRUST
£2,500,000,000 Euro Medium Term Note Programme
constituted by an amended and restated Note Trust Deed dated 9 September 2022 (the Note Trust Deed)

1. We refer to the Note Trust Deed. This is a Statutory Disposal Certificate.
2. We refer to the Series Charged Properties in Annex 1 hereof (being the **Relevant Properties**).
3. We confirm that the Relevant Properties [have been][are to be] disposed of pursuant to a Statutory Disposal and that[, immediately following such disposal,] the Issuer [will be/is/will not be/is not] in compliance with the Asset Cover Test.

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

4. [We confirm that we shall procure that further Properties will be charged and allocated so as to become Series Charged Properties in accordance with the Security Trust Deed and/or the Issuer will deposit cash into the Charged Account in accordance with the Note Trust Deed such that such breach of the Asset Cover Test will be cured.][*To be included if the Statutory Disposal would result in a breach of the Asset Cover Test*]

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

LONDON & QUADRANT HOUSING TRUST

.....
Authorised Signatory

[Insert name of relevant Charging Subsidiary]

.....
Authorised Signatory

²⁷ Insert where a Charging Subsidiary is withdrawing one or more Series Charged Properties from the Series Security pursuant to a Statutory Disposal.

.....
Authorised Signatory

.....
Authorised Signatory]

Annex 1

Description of Relevant Properties

[●]

SIGNATORIES

EXECUTED as a **DEED** for and on behalf of)
LONDON & QUADRANT HOUSING TRUST)
acting pursuant to a power of attorney dated 24)
March 2022
in the presence of:

 **HENRY POTTER**

Witness' Signature



Name:

MARTIN WATTS

Address:

**29-35 WEST HANM LAWE
STRATFORD, LONDON E15 4PH**

EXECUTED as a **DEED** by)
THE LAW DEBENTURE TRUST)
CORPORATION p.l.c.)

by:

Director

Secretary, representing Law Debenture Corporate
Services Ltd

SIGNATORIES

EXECUTED as a **DEED** for and on behalf of)
LONDON & QUADRANT HOUSING TRUST)
acting pursuant to a power of attorney dated 24)
March 2022
in the presence of:

Witness' Signature

Name:

Address:

EXECUTED as a **DEED** by)
THE LAW DEBENTURE TRUST)
CORPORATION p.l.c.)

by:



Director



Secretary, representing Law Debenture Corporate
Services Ltd