

Dated 12 October 2023

THAMES WATER UTILITIES FINANCE PLC

as Issuer

and

THAMES WATER UTILITIES HOLDINGS LIMITED

THAMES WATER UTILITIES LIMITED

as Guarantors

and

DEUTSCHE TRUSTEE COMPANY LIMITED

as Bond Trustee

**THIRTEENTH DEED OF AMENDMENT AND RESTATEMENT
RELATING TO THE BOND TRUST DEED**

in respect of a

£15,000,000,000

GUARANTEED BOND PROGRAMME

Unconditionally and irrevocably guaranteed

by the Guarantors

Linklaters

Linklaters LLP
One Silk Street
London EC2Y 8HQ

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Facsimile (+44) 20 7456 2222

Ref L-295670

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This Deed is dated 12 October 2023 between:

- (1) **THAMES WATER UTILITIES FINANCE PLC**, incorporated in England and Wales with registered number 02403744 (the “**Issuer**”);
- (2) **THAMES WATER UTILITIES LIMITED**, incorporated in England and Wales with registered number 02366661 (“**TWUL**”), and **THAMES WATER UTILITIES HOLDINGS LIMITED**, incorporated in England and Wales with registered number 06195202 (“**TWH**”) (TWUL, TWH, and any entity which accedes to this Deed pursuant to Clause 29 (*New Guarantors*) of the Bond Trust Deed, together the “**Guarantors**”); and
- (3) **DEUTSCHE TRUSTEE COMPANY LIMITED**, a company incorporated under the laws of England and Wales whose registered office is at Winchester House, 1 Great Winchester Street, London EC2N 2DB (the “**Bond 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 the Bond Trust Deed) as trustee for the Bondholders, the Receiptholders and the Couponholders (each as defined below) acting in accordance with and pursuant to the Bond Trust Deed.

1 Definitions and Interpretation

1.1 Unless otherwise defined in this Deed or the context requires otherwise, words and expressions used in this Deed have the meanings and constructions ascribed to them in the master definitions agreement dated 30 August 2007 (as amended and restated on 25 July 2008, 9 December 2011, 16 September 2013, 1 July 2014, 15 May 2015, 31 August 2018, 26 April 2019 and as further amended and restated on 26 June 2020) between, *inter alios*, the Issuer and the Bond Trustee (the “**Master Definitions Agreement**”), the Conditions, the Financial Guarantee or the applicable Final Terms, provided that, in the event of inconsistency between the Master Definitions Agreement and this Deed, this Deed shall prevail and, in the event of inconsistency between this Deed and the Conditions or the applicable Final Terms, the Conditions or the applicable Final Terms shall prevail and, in the event of any inconsistency between this Deed and the Financial Guarantee, this Deed shall prevail.

1.2 In addition, the following terms shall have the following meanings for the purpose of this Deed:

“**Thirteenth Restated Bond Trust Deed**” means the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as further amended and restated by the Second Restated Bond Trust Deed, as further amended and restated by the Third Restated Bond Trust Deed, as further amended and restated by the Fourth Restated Bond Trust Deed, as further amended and restated by the Fifth Restated Bond Trust Deed, as further amended and restated by the Sixth Restated Bond Trust Deed, as further amended and restated by the Seventh Restated Bond Trust Deed, as further amended and restated by the Eighth Restated Bond Trust Deed, as further amended and restated by the Ninth Restated Bond Trust Deed, as further amended and restated by the Tenth Restated Bond Trust Deed, as further amended and restated by the Eleventh Restated Bond Trust Deed, as further amended and restated by the Twelfth Restated Bond Trust Deed and as further amended and restated by this Deed, the terms of which are set out in the Schedule to this Deed.

“**Twelfth Restated Bond Trust Deed**” means the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as further amended and restated by

and restated by the Seventh Restated Bond Trust Deed, and as further amended and restated by the deed of amendment to the Bond Trust Deed dated 10 October 2017.

“Seventh Restated Bond Trust Deed” means the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as further amended and restated by the Second Restated Bond Trust Deed, as further amended and restated by the Third Restated Bond Trust Deed, as further amended and restated by the Fourth Restated Bond Trust Deed, as further amended and restated by the Fifth Restated Bond Trust Deed, as further amended and restated by the Sixth Restated Bond Trust Deed, and as amended and restated by the deed of amendment to the Bond Trust Deed dated 16 September 2016.

“Sixth Restated Bond Trust Deed” means the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as further amended and restated by the Second Restated Bond Trust Deed, as further amended and restated by the Third Restated Bond Trust Deed, as further amended and restated by the Fourth Restated Bond Trust Deed, as further amended and restated by the Fifth Restated Bond Trust Deed, and as amended and restated by the deed of amendment to the Bond Trust Deed dated 26 June 2015 the terms of which are set out therein.

“Fifth Restated Bond Trust Deed” means the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as further amended and restated by the Second Restated Bond Trust Deed, as further amended and restated by the Third Restated Bond Trust Deed, as further amended and restated by the Fourth Restated Bond Trust Deed and as amended and restated by the deed of amendment to the Bond Trust Deed dated 12 March 2014 the terms of which are set out therein.

“Fourth Restated Bond Trust Deed” means the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as further amended and restated by the Second Restated Bond Trust Deed, as further amended and restated by the Third Restated Bond Trust Deed and as amended and restated by the deed of amendment and restatement to the Bond Trust Deed dated 19 June 2012 the terms of which are set out therein.

“Third Restated Bond Trust Deed” means the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as further amended and restated by the Second Restated Bond Trust Deed and as amended and restated by the deed of amendment and restatement to the Bond Trust Deed dated 9 December 2011, the terms of which are set out therein.

“Second Restated Bond Trust Deed” means the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed and as amended and restated by the deed of amendment and restatement to the Bond Trust Deed dated 15 September 2009, the terms of which are set out therein.

“First Restated Bond Trust Deed” means the Original Bond Trust Deed, as amended and restated by the deed of amendment and restatement to the Bond Trust Deed dated 25 July 2008, the terms of which are set out therein.

“Original Bond Trust Deed” means the Bond Trust Deed originally executed by TWUCF (as defined below), the Bond Trustee, the guarantors and the agents (each as named therein) on 30 August 2007.

“TWUCF” means Thames Water Utilities Cayman Finance Limited.

2 Amendment and Restatement

2.1 With effect from the date of this Deed, the Twelfth Restated Bond Trust Deed shall be amended and restated so that it shall be read and construed for all purposes as set out in the Schedule hereto.

2.2 Each party to this Deed hereby agrees and acknowledges that the Twelfth Restated Bond Trust Deed has been superseded and replaced in all respects by the Thirteenth Restated Bond Trust Deed from the date hereof.

2.3 For the avoidance of doubt:

2.3.1 save as provided in Clause 2.3.2, Clause 2.3.3, Clause 2.3.4, Clause 2.3.5, Clause 2.3.6, Clause 2.3.7, Clause 2.3.8, Clause 2.3.9, Clause 2.3.10, Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Thirteenth Restated Bond Trust Deed shall have effect in relation to any Bonds issued on or following the date of this Deed;

2.3.2 save as provided in Clause 2.3.3, Clause 2.3.4, Clause 2.3.5, Clause 2.3.6, Clause 2.3.7, Clause 2.3.8, Clause 2.3.9, Clause 2.3.10, Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Twelfth Restated Bond Trust Deed shall have effect in relation to any Bonds issued:

(i) in the period on or following 4 October 2022 to (but excluding) the date of this Deed; and/or

(ii) on or following the date of this Deed which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 4 October 2022 to (but excluding) the date of this Deed;

2.3.3 save as provided in Clause 2.3.4, Clause 2.3.5, Clause 2.3.6, Clause 2.3.7, Clause 2.3.8, Clause 2.3.9, Clause 2.3.10, Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Eleventh Restated Bond Trust Deed shall have effect in relation to any Bonds issued:

(i) in the period on or following 27 October 2021 to (but excluding) the date of this Deed; and/or

(ii) on or following the date of this Deed which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 27 October 2021 to (but excluding) the date of this Deed;

2.3.4 save as provided in Clause 2.3.5, Clause 2.3.6, Clause 2.3.7, Clause 2.3.8, Clause 2.3.9, Clause 2.3.10, Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Tenth Restated Bond Trust Deed shall have effect in relation to any Bonds issued:

(i) in the period on or following 2 April 2020 to (but excluding) 27 October 2021; and/or

(ii) on or following the date of this Deed which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 2 April 2020 to (but excluding) 27 October 2021;

- 2.3.5** save as provided in Clause 2.3.6, Clause 2.3.7, Clause 2.3.8, Clause 2.3.9, Clause 2.3.10, Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Ninth Restated Bond Trust Deed shall have effect in relation to any Bonds issued:
- (i) in the period on or following 9 October 2018 to (but excluding) 2 April 2020; and/or
 - (ii) on or following the date of this Deed which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 9 October 2018 to (but excluding) 2 April 2020;
- 2.3.6** save as provided in Clause 2.3.7, Clause 2.3.8, Clause 2.3.9, Clause 2.3.10, Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Eighth Restated Bond Trust Deed shall have effect in relation to any Bonds issued:
- (i) in the period on or following 10 October 2017 to (but excluding) 9 October 2018; and/or
 - (ii) on or following the date of this Deed which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 10 October 2017 to (but excluding) 9 October 2018;
- 2.3.7** save as provided in Clause 2.3.8, Clause 2.3.9, Clause 2.3.10, Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Seventh Restated Bond Trust Deed shall have effect in relation to any Bonds issued:
- (i) in the period on or following 16 September 2016 to (but excluding) 10 October 2017; and/or
 - (ii) on or following the date of this Deed which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 16 September 2016 to (but excluding) 10 October 2017;
- 2.3.8** save as provided in Clause 2.3.9, Clause 2.3.10, Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Sixth Restated Bond Trust Deed shall have effect in relation to any Bonds issued:
- (i) in the period on or following 26 June 2015 to (but excluding) 16 September 2016; and/or
 - (ii) on or following the date of this Deed which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 26 June 2015 to (but excluding) 16 September 2016; and
- 2.3.9** save as provided in Clause 2.3.10, Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Fifth Restated Bond Trust Deed shall have effect in relation to any Bonds issued:
- (i) in the period on or following 12 March 2014 to (but excluding) 26 June 2015; and/or

- (ii) on or following 26 June 2015 which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 12 March 2014 to (but excluding) 26 June 2015; and
- 2.3.10** save as provided in Clause 2.3.11, Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Fourth Restated Bond Trust Deed shall have effect in relation to any Bonds issued:
 - (i) in the period on or following 19 June 2012 to (but excluding) 12 March 2014; and/or
 - (ii) on or following 12 March 2014 which are consolidated and form and single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 19 June 2012 to (but excluding) 12 March 2014.
- 2.3.11** save as provided in Clause 2.3.12, Clause 2.3.13 and Clause 2.3.14 below, the Third Restated Bond Trust Deed shall have effect in relation to any Bonds issued:
 - (i) in the period on or following 9 December 2011 to (but excluding) 19 June 2012; and/or
 - (ii) on or following 19 June 2012 which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 9 December 2011 to (but excluding) 19 June 2012; and
- 2.3.12** save as provided in Clause 2.3.13 and Clause 2.3.14 below, the Second Restated Bond Trust Deed shall have effect in relation to any Bonds issued:
 - (i) in the period on or following 15 September 2009 to (but excluding) 9 December 2011; and/or
 - (ii) on or following 9 December 2011 which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 15 September 2009 to (but excluding) 9 December 2011; and
- 2.3.13** save as provided in Clause 2.3.14 below, the First Restated Bond Trust Deed shall have effect in relation to any Bonds issued:
 - (i) in the period on or following 25 July 2008 to (but excluding) 15 September 2009; and/or
 - (ii) on or following 15 September 2009 which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period on or following 25 July 2008 to (but excluding) 15 September 2009; and
- 2.3.14** the Original Bond Trust Deed shall have effect in relation to any Bonds issued:
 - (i) prior to (but excluding) 25 July 2008; and/or
 - (ii) on or following 25 July 2008 which are consolidated and form a single Series or Sub-Class with the Bonds of any Series or Sub-Class issued during the period prior to (but excluding) 25 July 2008.

3 Governing Law

This Deed 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.

4 Jurisdiction

4.1 The English courts have exclusive jurisdiction to settle any dispute in connection with this Deed.

4.2 The English courts are the most appropriate and convenient courts to settle any such dispute and the Issuer waives objection to those courts on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Deed.

4.3 This Clause is for the benefit of the Bond Trustee only. To the extent allowed by law, the Bond Trustee may take:

- (i) proceedings in any other court; and
- (ii) concurrent proceedings in any number of jurisdictions.


5 Counterparts

This Deed may be executed manually or by facsimile in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

Signatories

EXECUTED as a DEED by
THAMES WATER UTILITIES
FINANCE PLC
acting by its attorney
in the presence of:


} 

(Witness's signature) 

Name: ALISON STEVENS
Address: CLEARWATER COURT
VASTERN ROAD
READING
RG1 8DB
Occupation: TREASURER

EXECUTED as a DEED by
THAMES WATER UTILITIES
LIMITED
acting by its attorney
in the presence of:

} 

(Witness's signature) 

Name: MR SAMEER MALIK
Address: CLEARWATER COURT
VASTERN ROAD
READING
RG1 8DB
Occupation: SENIOR TREASURY MANAGER

EXECUTED as a DEED by
THAMES WATER UTILITIES
HOLDINGS LIMITED
acting by its attorney
in the presence of:

}

AJ Stevens

(Witness's signature)



Name: MR SAMEER MALIK

Address: CLEARWATER COURT
VASTERN ROAD
READING
RG1 3DB

Occupation:

SENIOR TREASURY MANAGER

Bond Trustee



THE COMMON SEAL of
**DEUTSCHE TRUSTEE COMPANY
LIMITED**



was affixed to this deed in the presence
of:

A handwritten signature in cursive script, appearing to read "Rivière".

Françoise Rivière
Associate Director

A handwritten signature in cursive script, appearing to read "English".

Christopher English
Associate Director

**Schedule to the Thirteenth Deed of Amendment and Restatement relating to the
Bond Trust Deed**

Dated 30 August 2007

as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023

THAMES WATER UTILITIES FINANCE PLC

as Issuer

and

THAMES WATER UTILITIES HOLDINGS LIMITED

THAMES WATER UTILITIES LIMITED

as Guarantors

and

DEUTSCHE TRUSTEE COMPANY LIMITED

as Bond Trustee

AMENDED AND RESTATED BOND TRUST DEED

in respect of a

£15,000,000,000

GUARANTEED BOND PROGRAMME

Unconditionally and irrevocably guaranteed

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This Bond Trust Deed was made on 30 August 2007, amended and restated on 25 July 2008, further amended and restated on 15 September 2009, further amended and restated on 9 December 2011, further amended and restated on 19 June 2012, further amended and restated on 12 March 2014, further amended and restated on 26 June 2015, further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and further amended and restated on 12 October 2023 **between:**

- (1) **THAMES WATER UTILITIES FINANCE PLC**, incorporated in England and Wales with registered number 02403744 (the **"Issuer"**);
- (2) **THAMES WATER UTILITIES LIMITED**, incorporated in England and Wales with registered number 02366661 (**"TWUL"**), and **THAMES WATER UTILITIES HOLDINGS LIMITED**, incorporated in England and Wales with registered number 06195202 (**"TWH"**) (TWUL, TWH, and any entity which accedes to this Deed pursuant to Clause 29 (*New Guarantors*), together the **"Guarantors"**); and
- (3) **DEUTSCHE TRUSTEE COMPANY LIMITED**, a company incorporated under the laws of England and Wales whose registered office is at Winchester House, 1 Great Winchester Street, London EC2N 2DB (the **"Bond 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 this Bond Trust Deed) as trustee for the Bondholders, the Receiptholders and the Couponholders (each as defined below).

Whereas:

- (A) The Issuer, TWUL, TWUCF, TWH and the Bond Trustee entered into a trust deed (the **"Original Bond Trust Deed"**) on 30 August 2007 in relation to the £10,000,000,000 Multicurrency programme for Guaranteed Wrapped Bonds and Guaranteed Unwrapped Bonds originally established by TWUCF and in respect of which the Issuer has been substituted as issuer in place of TWUCF and the Programme Limit was increased to £15,000,000,000 on 12 October 2023 (the **"Programme"**).
- (B) The Issuer, TWUL, TWUCF, TWH, TWUCFH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 25 July 2008 (the **"First Restated Bond Trust Deed"**).
- (C) The Issuer, TWUL, TWUCF, TWH, TWUCFH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 15 September 2009 (the **"Second Restated Bond Trust Deed"**).
- (D) The Issuer, TWUL, TWUCF, TWH, TWUCFH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 9 December 2011 (the **"Third Restated Bond Trust Deed"**).
- (E) The Issuer, TWUL, TWUCF, TWH, TWUCFH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 19 June 2012 (the **"Fourth Restated Bond Trust Deed"**).
- (F) The Issuer, TWUL, TWUCF, TWH, TWUCFH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 12 March 2014 (the **"Fifth Restated Bond Trust Deed"**).

- (G) The Issuer, TWUL, TWUCF, TWH, TWUCFH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 26 June 2015 (the “**Sixth Restated Bond Trust Deed**”).
- (H) The Issuer, TWUL, TWUCF, TWH, TWUCFH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 16 September 2016 (the “**Seventh Restated Bond Trust Deed**”) and have agreed to amend and restate the Seventh Restated Bond Trust Deed as set out herein.
- (I) The Issuer, TWUL, TWUCF, TWH, TWUCFH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 10 October 2017 (the “**Eighth Restated Bond Trust Deed**”).
- (J) The Issuer, TWUL, TWUCF, TWH, TWUCFH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 9 October 2018 (the “**Ninth Restated Bond Trust Deed**”).
- (K) On 31 August 2018 TWUCF was substituted with the Issuer as the issuer of all Bonds previously issued by TWUCF and principal debtor in respect of all the Finance Documents to which TWUCF was a party and accordingly the Issuer has succeeded TWUCF as issuer under the Programme.
- (L) TWUCF and TWUCFH were released as Obligors and Guarantors of the Bonds pursuant to a deed of release dated 27 September 2018.
- (M) The Issuer, TWUL, TWH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 2 April 2020 (the “**Tenth Restated Bond Trust Deed**”).
- (N) The Issuer, TWUL, TWH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 27 October 2021 (the “**Eleventh Restated Bond Trust Deed**”).
- (O) The Issuer, TWUL, TWH and the Bond Trustee entered into a deed of amendment and restatement to the Original Bond Trust Deed on 4 October 2022 (the “**Twelfth Restated Bond Trust Deed**”).
- (P) The Issuer, TWUL and TWH have, pursuant to the Dealership Agreement, agreed to upsize the Programme Limit to £15,000,000,000.
- (Q) The Issuer, TWUL, TWH and the Bond Trustee have agreed to amend and restate the Twelfth Restated Bond Trust Deed as set out herein.
- (R) By resolutions of the Board of Directors of each of TWUL and TWH passed on 23 August 2007, the Guarantors have resolved to guarantee all Bonds issued under the Programme.
- (S) The Bond Trustee has agreed to act as trustee of this Bond Trust Deed for the benefit of the Bondholders, the Receiptholders and the Couponholders upon and subject to the terms and conditions of this Bond Trust Deed.

Now this bond trust deed witnesses and it is agreed and declared as follows:

1 Definitions

- 1.1** Unless otherwise defined in this Bond Trust Deed or the context requires otherwise, words and expressions used in this Bond Trust Deed have the meanings and constructions

ascribed to them in the master definitions agreement dated 30 August 2007 (as amended and restated on 25 July 2008, 9 December 2011, 16 September 2013, 1 July 2014, 15 May 2015, 31 August 2018, 26 April 2019 and as further amended and restated on 26 June 2020) between, *inter alios*, the Issuer and the Bond Trustee (the “**Master Definitions Agreement**”), the Conditions, the Financial Guarantee or the applicable Final Terms, provided that, in the event of inconsistency between the Master Definitions Agreement and this Bond Trust Deed, this Bond Trust Deed shall prevail and, in the event of inconsistency between this Bond Trust Deed and the Conditions or the applicable Final Terms, the Conditions or the applicable Final Terms shall prevail and, in the event of any inconsistency between this Bond Trust Deed and the Financial Guarantee, this Bond Trust Deed shall prevail.

In addition, the following terms shall have the following meanings for the purposes of this Bond Trust Deed:

“**EUWA**” means the European Union (Withdrawal) Act 2018;

“**Regulated Market**” means a market in the United Kingdom which complies with the requirements set out in Article 2(1)(13A) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; and

“**this Bond Trust Deed**” means this Bond Trust Deed and the Schedules and any trust deed supplemental hereto and the Schedules (if any) thereto and the Bonds, the Receipts, the Coupons, the Talons, the Conditions and, unless the context otherwise requires, the Final Terms, all as from time to time modified in accordance with the provisions herein or therein contained.

- 1.1.1 All references in this Bond Trust Deed 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.
- 1.1.2 All references in this Bond Trust Deed 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.
- 1.1.3 All references in this Bond Trust Deed 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 this Bond Trust Deed.
- 1.1.4 All references in this Bond Trust Deed to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include references to any additional or alternative clearing system as is approved by the Issuer, the Principal Paying Agent and the Bond Trustee or as may otherwise be specified in the applicable Final Terms.
- 1.1.5 Unless the context otherwise requires, words or expressions used in this Bond Trust Deed shall bear the same meanings as in the Companies Act.

- 1.1.6 In this Bond Trust Deed references to Schedules, Clauses, sub-clauses, paragraphs and sub-paragraphs shall be construed as references to the Schedules to this Bond Trust Deed and to the Clauses, sub-clauses, paragraphs and sub-paragraphs of this Bond Trust Deed respectively.
- 1.1.7 In this Bond Trust Deed, tables of contents and Clause headings are included for ease of reference and shall not affect the construction of this Bond Trust Deed.
- 1.2 All references in this Bond Trust Deed to the “**relevant currency**” shall be construed as references to the currency in which payments in respect of the Bonds and/or Receipts and/or Coupons of the relevant Sub-Class are to be made as indicated in the applicable Final Terms.
- 1.3 All references in this Bond Trust Deed to Bonds having a “**listing**” or being “**listed**” on a Stock Exchange shall be construed to mean that such Bonds have been admitted to the Official List by the Financial Conduct Authority acting under Part VI of the Financial Services and Markets Act 2000 and admitted to trading on the London Stock Exchange’s Regulated Market, and all references in this Bond Trust Deed to “**listing**” and “**listed**” shall include references to “**quotation**” and “**quoted**” respectively.
- 1.4 Except as provided in Clause 1.5 below, the Common Terms Agreement shall apply to this Bond Trust Deed, where applicable, and shall be binding on the parties to this Bond Trust Deed as if set out in full in this Bond Trust Deed.
- 1.5 The Common Terms Agreement is, for the purposes of this Bond Trust Deed, amended as follows:
- 1.5.1 Clauses 10.1 (*Currency Indemnity*), 11 (*Expenses*), 17 (*Notices*), 21.1 (*Jurisdiction*) and 21.2 (*Service of Process*) of the Common Terms Agreement do not apply to this Bond Trust Deed;
- 1.5.2 Paragraph 32 (*Further assurance*) of Part 3 (*General Covenants*) of Schedule 4 (*Covenants*) to the Common Terms Agreement applies to this Bond Trust Deed as if set out in full in this Bond Trust Deed, and as if the Issuer were the obligor and the Bond Trustee were the obligee.
- 1.6 If there is any conflict between the provisions of the Common Terms Agreement and the provisions of this Bond Trust Deed, the provisions of this Bond Trust Deed shall prevail.
- 1.7 This Bond Trust Deed and the rights and obligations of the parties under this Bond Trust Deed are subject to the terms and conditions of the STID and each of the parties hereto agrees to be bound by the terms of the STID as if they had been set out in full *mutatis mutandis* in this Bond Trust Deed. If there is any conflict between the provisions of the STID and the provisions of this Bond Trust Deed, the provisions of the STID, as applicable, will prevail. Except as expressly provided otherwise herein, where under this Bond Trust Deed, the Bond Trustee or any Financial Guarantor is entitled or required to exercise any of its powers, trusts, authorities, duties and discretions pursuant to this Bond Trust Deed, the Conditions or the other Finance Documents, such exercise will be subject to the provisions of the STID. In the event of any inconsistency between this Bond Trust Deed and the STID, the terms of the STID shall prevail.

2 Amount and Issue of the Bonds

2.1 Amount of the Bonds, Final Terms and Legal Opinions

The Bonds will be issued in Sub-Classes with each Sub-Class being one of four Classes, namely, Class A Wrapped Bonds, Class B Wrapped Bonds, Class A Unwrapped Bonds or Class B Unwrapped Bonds in an aggregate nominal amount from time to time outstanding not exceeding the Programme Limit.

By not later than 3.00 p.m. (London time) on the fourth London Business Day preceding each proposed Issue Date, the Issuer shall deliver or cause to be delivered to the Bond Trustee and, if applicable, the relevant Financial Guarantor a copy of the applicable Final Terms and drafts of all legal opinions to be given in relation to the relevant issue and shall notify the Bond Trustee and, if applicable, the relevant Financial Guarantor in writing without delay of the relevant Issue Date, the nominal amount of the Bonds to be issued and whether any of such Bonds are fungible with an existing Sub-Class or not. Upon the issue of the relevant Bonds, such Bonds shall become duly constituted by this Bond Trust Deed without further formality. The Bond Trustee is not required in any case to approve the applicable Final Terms.

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

2.2 Covenant to repay principal and to pay interest

The Issuer covenants with the Bond Trustee that it will, as and when the Bonds of any Sub-Class or any of them or any instalment of principal in respect thereof 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, pay or procure to be paid, unconditionally to or to the order of the Bond Trustee in the relevant currency in immediately available funds, the Principal Amount Outstanding (or such other amount as may be specified in the relevant Final Terms including, in the case of Instalment Bonds, the scheduled instalment of principal in respect of the Bonds of such Sub-Class) becoming due for redemption on that date and (except in the case of Zero Coupon Bonds) shall in the meantime and until the redemption in full of the Bonds of such Sub-Class (both before and after any judgment or other order of a court of competent jurisdiction), pay or procure to be paid unconditionally, to or to the order of the Bond Trustee as aforesaid on the dates provided for in the Conditions (or as specified in the relevant Final Terms), interest (which shall accrue from day to day) on the Principal Amount Outstanding (or such other amount as may be specified in the relevant Final Terms including, in the case of Instalment Bonds, the scheduled instalment of principal) of the Bonds outstanding of such Sub-Class 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:

- 2.2.1** every payment of principal, or interest or other sum, which is due in respect of the Bonds or any of them, and which is made to or to the order of the Principal Paying Agent in the manner provided in the Agency Agreement, shall be in satisfaction only to the extent of the relative covenant by the Issuer contained in this Clause 2.2 except to the extent that there is a default in the subsequent payment thereof in accordance with the Conditions to the relevant Bondholders, Receiptholders or Couponholders (as the case may be);
- 2.2.2** if any payment in respect of such Bonds or any of them is made after the due date, payment shall be deemed not to have been made until, either the full amount is paid to the relevant Bondholders, Receiptholders or Couponholders (as the case may be) or, if earlier, the fifth day after notice has been given to the relevant Bondholders, Receiptholders or Couponholders, in accordance with the Conditions that the full amount has been received by the Principal Paying Agent, the Registrar or the Bond Trustee except, in the case of payment to the Principal Paying Agent, or, as the case may be, the Registrar, to the extent that there is failure in the subsequent payment to the Bondholders, Receiptholders, or Couponholders (as the case may be) under the Conditions; and
- 2.2.3** in any case where payment of the whole or any part of the Principal Amount Outstanding (or, in the case of Instalment Bonds, the instalment thereof) due in respect of any Bond is improperly withheld or refused upon due presentation (if so provided for in the Conditions) of the relevant Bond or Receipt (as the case may be), interest shall accrue on the whole or such part of such Principal Amount Outstanding from the date of such withholding or refusal until either, the date on which such Principal Amount Outstanding due is paid to the relevant Bondholders or Receiptholders (as the case may be) or, if earlier, the fifth day after which notice is given to the relevant Bondholders in accordance with Condition 17 (*Notices*) that the full amount payable in respect of the said Principal Amount Outstanding is available for collection by the relevant Bondholders or Receiptholders (as the case may be) provided that, on further due presentation of the relevant Bond or Receipt (as the case may be) (if so provided for in the Conditions), such payment is in fact made.

The Bond Trustee will hold the benefit of this covenant and the covenant in Clause 5 (*Covenants*) on trust for the Bondholders, the Receiptholders and the Couponholders and itself in accordance with this Bond Trust Deed.

2.3 Bond 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 is continuing or the Bonds of all or any Sub-Class shall otherwise have become due and repayable or the Bond Trustee shall have received any money which it proposes to pay under Clause 9 (*Application of Moneys*) to the relevant Bondholders, Receiptholders and/or Couponholders, the Bond Trustee may:

- 2.3.1** by notice in writing to the Issuer, the Guarantors, the Financial Guarantors, the Security Trustee, the Principal Paying Agent, the Registrar, the Transfer Agents and the other Paying Agents, require the Principal Paying Agent and the other Agents or any of them:
- (i) to act thereafter as Agents of the Bond Trustee in relation to payments to be made by, or, on behalf of the Bond Trustee under the terms of this Bond

Trust Deed *mutatis mutandis* on the terms provided in the Agency Agreement (save that the Bond Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of proper out-of-pocket expenses of the Agents shall be limited to the amounts for the time being held by the Bond Trustee on the trusts of this Bond Trust Deed relating to the Bonds of the relevant Sub-Class and available for such purpose) and thereafter to hold all Bonds, Receipts and Coupons and all sums, documents and records held by them in respect of Bonds, Receipts and Coupons on behalf of the Bond Trustee; or

- (ii) to deliver up all Bonds, Receipts and Coupons and all sums, documents and records held by them in respect of Bonds, Receipts and Coupons to the Bond Trustee, or, as the Bond Trustee shall direct in such notice *provided that* such notice shall be deemed not to apply to any documents or records which the relevant Agent is obliged not to release by any law or regulation; and

2.3.2 by notice in writing to the Issuer and the Guarantors require each of them to make all subsequent payments in respect of the Bonds, Receipts and Coupons to or to the order of the Bond Trustee and not to the Principal Paying Agent and with effect from the issue of any such notice. Until such notice is withdrawn, Clause 2.2.1 shall cease to have effect.

2.4 Following an Event of Default under Schedule 6 (*Events of Default*) to the Common Terms Agreement, the rate and/or amount of interest payable in respect of the Bonds will be calculated by the Agent Bank at the same intervals as if there had been no Event of Default, the first of which will commence on the expiry of the Interest Period during which the Event of Default occurred *mutatis mutandis*, in accordance with the provisions of Condition 6 (*Interest and other Calculations*), 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 this Bond Trust Deed and the Bonds of any Series to the relevant Bondholders, Receiptholders and Couponholders shall be made in the relevant currency.

2.6 Further Bonds

The Issuer shall be at liberty from time to time (but subject always to the provisions of this Bond Trust Deed), without the consent of the Bondholders, Receiptholders or Couponholders, to create and issue further Bonds (subject to the provisions of the CTA) (whether in bearer or registered form) having terms and conditions the same as the Bonds of any Sub-Class (or the same in all respects save for the amount and date of the first payment of interest thereon). These further Bonds shall be consolidated and form a single Sub-Class with the outstanding Bonds of a particular Sub-Class, *provided that*, if these further Bonds to be created and issued are to be consolidated and form a single Sub-Class with the outstanding Bonds of a Sub-Class of Wrapped Bonds, the Issuer will require the prior approval of the relevant Financial Guarantor.

2.7 Separate Series

The Bonds of each Sub-Class shall form a separate series of Bonds and accordingly, unless for any purpose the Bond Trustee in its absolute discretion shall otherwise

determine, the provisions of this Clause and of the Fourth Schedule shall apply *mutatis mutandis* separately and independently to the Bonds of each Sub-Class. In this Clause and such Schedule the expressions “**Bonds**”, “**Bondholders**”, “**Receipts**”, “**Receiptholders**”, “**Coupons**”, “**Couponholders**”, “**Talons**” and “**Talontholders**” shall be construed accordingly.

3 Forms of the Bonds

3.1 Bearer Global Bonds

3.1.1 The Bearer Bonds of each Tranche will initially be represented by a single Temporary Global Bond or a Permanent Global Bond as indicated in the applicable Final Terms. Interests in each Temporary Global Bond shall be exchangeable (save as may be specified in the applicable Final Terms), upon a request as described therein, for either Definitive Bearer Bonds together with, where applicable, Receipts and (except in the case of Zero Coupon Bonds) Coupons and, where applicable, Talons attached, or interests in a Permanent Global Bond in each case in accordance with the provisions of such Temporary Global Bond. Each Permanent Global Bond shall be exchangeable for Definitive Bearer Bonds together with, where applicable, Receipts and (except in the case of Zero Coupon Bonds) Coupons and, where applicable, Talons attached, in accordance with the provisions of such Permanent Global Bond. All Global Bonds shall be prepared, completed and delivered to a common depositary for Euroclear and/or Clearstream, Luxembourg in accordance with the provisions of the Dealership Agreement or to another appropriate depositary in accordance with any other agreement between the Issuer and the relevant Dealer(s) and, in each case, the Agency Agreement.

3.1.2 Each Temporary Global Bond shall be printed or typed in the form or substantially in the form set out in Part A of the Second Schedule and may be a facsimile. Each Temporary Global Bond shall have annexed to it a copy of the applicable Final Terms and shall be signed manually or in facsimile by a person duly authorised by the Issuer on behalf of the Issuer and shall be authenticated manually by or on behalf of the Principal Paying Agent. Each Temporary Global Bond so executed and authenticated shall be a binding and valid obligation of the Issuer and title to it shall pass by delivery.

3.1.3 Each Permanent Global Bond shall be printed or typed in the form or substantially in the form set out in Part B of the Second Schedule and may be a facsimile. Each Permanent Global Bond shall have annexed to it a copy of the applicable Final Terms and shall be signed manually or in facsimile by a person duly authorised by the Issuer on behalf of the Issuer and shall be authenticated manually by or on behalf of the Principal Paying Agent. Each Permanent Global Bond so executed and authenticated shall be a binding and valid obligation of the Issuer and title to it shall pass by delivery.

3.2 Registered Global Bonds

3.2.1 Subject as provided below, Registered Bonds of a Series that are initially offered and sold in offshore transactions in reliance on Regulation S under the Securities Act shall be represented by a Registered Global Bond deposited with a common depositary for, and registered in the name of a nominee of such common

depository for Euroclear and Clearstream, Luxembourg. The Registered Bonds of each Tranche sold to Institutional Accredited Investors will be in definitive registered form.

- 3.2.2** Each Registered Global Bond shall be exchangeable and transferable only in accordance with, and subject to, the provisions of such Registered Global Bond, the Agency Agreement and the rules and operating procedures for the time being of Euroclear and Clearstream, Luxembourg, including the requirement that all Definitive Registered Bonds issued in exchange for a Restricted Global Bond or to Institutional Accredited Investors shall bear a legend in the same form *mutatis mutandis* as that set out in Part A of the Third Schedule.
- 3.2.3** Each Registered Global Bond shall be printed or typed in the form or substantially in the form set out in Part A of the Third Schedule and may be a facsimile. Each Registered Global Bond shall have annexed to it a copy of the applicable Final Terms and shall be signed manually or in facsimile by a person duly authorised by the Issuer on behalf of the Issuer and shall be authenticated manually by or on behalf of the Registrar. Each Registered Global Bond so executed and authenticated shall be a binding and valid obligation of the Issuer.

3.3 Definitive Bearer Bonds and Definitive Registered Bonds

- 3.3.1** The Definitive Bearer Bonds, the Receipts, the Coupons and the Talons shall be in bearer form in the respective forms or substantially in the respective forms set out in Parts C, D, E and F respectively, of the Second Schedule. The Definitive Bearer Bonds, the Receipts, the Coupons and the Talons shall be serially numbered and, if listed or quoted, shall be security printed in accordance with applicable legal requirements and the requirements (if any) from time to time of the relevant Stock Exchange or listing authority and the Conditions may be incorporated by reference into such Definitive Bearer Bonds unless not permitted by the relevant Stock Exchange, or shall be endorsed with or have attached the Conditions, and the Definitive Bearer Bonds shall have endorsed thereon or attached thereto a copy of the applicable Final Terms (or the relevant provisions thereof). Title to the Definitive Bearer Bonds, the Receipts, the Coupons and the Talons shall pass by delivery.
- 3.3.2** The Definitive Registered Bonds shall be in registered form and shall be issued in the form or substantially in the form set out in Part B of the Third Schedule, shall be serially numbered, shall be endorsed with a legend in the same form *mutatis mutandis* as that set out in Part A of the Third Schedule (in the case of those issued to Institutional Accredited Investors pursuant to Section 4(2) of the Securities Act) and a Form of Transfer 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 Conditions may be incorporated by reference into such Definitive Registered Bonds unless not permitted by the relevant Stock Exchange (if any), or the Definitive Registered Bonds shall be endorsed with or have attached thereto the Conditions, and, in either such case, the Definitive Registered Bonds shall have endorsed thereon or attached thereto a copy of the applicable Final Terms (or the relevant provisions thereof). Title to the Definitive Registered Bonds shall pass upon the registration of transfers in the register kept by the Registrar in respect thereof in accordance with the provisions of the Agency Agreement and this Bond Trust Deed.

- 3.3.3** Registered Bonds of a Series that are initially offered and sold in the United States to Institutional Accredited Investors pursuant to Section 4(2) of the Securities Act shall be issued only as Definitive Registered Bonds and registered in the name of the purchaser thereof or its nominee and bearing the legend set forth in the form set out in Part B of the Third Schedule.
- 3.3.4** Definitive Bearer Bonds and Definitive Registered Bonds shall be signed manually or in facsimile by a person duly authorised by the Issuer on behalf of the Issuer and shall be authenticated manually by or on behalf of the Principal Paying Agent (in the case of the Definitive Bearer Bonds) or the Registrar (in the case of Definitive Registered Bonds). The Definitive Bearer Bonds and the Definitive Registered Bonds so executed and authenticated, and the Receipts, the Coupons and Talons, upon execution and authentication of the relevant Definitive Bearer Bonds, shall be binding and valid obligations of the Issuer. The Receipts, the Coupons and the Talons shall not be signed. No Definitive Bearer Bond and none of the Receipts, Coupons or Talons appertaining to such Definitive Bearer Bond shall be binding or valid until such Definitive Bearer Bond has been executed and authenticated as aforesaid. Bearer Bonds may be exchanged for Registered Bonds in accordance with the provisions of Condition 2(a) (*Exchange of Bonds*), but Registered Bonds may not be exchanged for Bearer Bonds.

3.4 Facsimile Signatures

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

3.5 Certificates of Euroclear, Clearstream, Luxembourg

The Issuer, the Guarantors and the Bond Trustee may call for and, except in the case of manifest error, shall be at liberty to accept and place full reliance on, as sufficient evidence thereof, a certificate or letter of confirmation issued on behalf of Euroclear or Clearstream, Luxembourg or any form of record made by either of them or such other form of evidence and/or information and/or certification as it shall, in its absolute discretion, think fit to the effect that, at any particular time or throughout any particular period, any particular person is, was, or will be, shown in its records as the holder of a particular nominal amount of Bonds represented by a Global Bond or Registered Global Bond and, if it does so rely on such letter of confirmation, form of record, evidence, information or certification shall be conclusive and binding on all concerned.

4 Fees, Duties and Taxes

The Issuer will pay any stamp, issue, registration, documentary and other fees, duties and taxes, including interest and penalties, payable on or in connection with: (i) the execution and delivery of this Bond Trust Deed; (ii) the constitution and original issue of the Bonds, the Receipts and the Coupons; and (iii) any action taken by or on behalf of the Bond Trustee (save to the extent the Bond Trustee is indemnified pursuant to Clause 13.2 (*Indemnity*) of this Bond Trust Deed) or (where permitted under this Bond Trust Deed so to do) any Bondholder, Receiptholder, Couponholder or Financial Guarantor to enforce, or to resolve any doubt concerning, or for any other purpose in relation to, this Bond Trust Deed.

5 Covenants

- 5.1** Each of the Issuer and the Guarantors covenants with the Bond Trustee that it will comply with and perform and observe all the provisions of this Bond Trust Deed and the other Finance Documents which are expressed to be binding on it. The Conditions shall be binding on the Issuer, the Guarantors, the Bondholders, the Receiptholders and the Couponholders. Subject to the STID, the Bond Trustee shall be entitled to enforce the obligations of the Issuer and the Guarantors under the Bonds, the Receipts and the Coupons as if the same were set out and contained in this Bond Trust Deed, which shall be read and construed as one document with the Bonds, the Receipts and the Coupons. The Bond Trustee shall hold the benefit of this covenant and the agreement of each Financial Guarantor in the relevant Financial Guarantee to pay the Guaranteed Amounts upon trust for itself and the Bondholders, the Receiptholders and the Couponholders, according to its, and their respective interests.
- 5.2** Notwithstanding anything contained in the STID, the Bond Trustee shall be entitled to enforce the obligations of any Financial Guarantor, under, or in respect of the relevant Financial Guarantee. The rights in respect of the Bonds and the Financial Guarantee shall be held on trust by the Bond Trustee subject to the provisions of this Bond Trust Deed.
- 5.3** For the avoidance of doubt, the level of any financial ratio contained within the covenants set out in Part 2 (*Financial Covenants*) of Schedule 4 (*Covenants*) to the CTA may, following a Periodic Review or any material change in the regulation of the water industry in the United Kingdom, be amended by TWUL *provided that*, as required by the terms of the CTA, the Security Trustee agrees and either: (i) the relevant ratings set out in the definition of Rating Requirement have been affirmed by all Rating Agencies then rating the Bonds; or (ii) TWUL has certified to the Security Trustee that it has notified each Rating Agency of the proposed amendment and none of the Rating Agencies have, within 10 Business Days of receipt of such notification, notified TWUL that such amendment would result in a downgrade of any Tranche of Bonds below the then current rating ascribed to such Tranche of Bonds.

6 Cancellation of Bonds and Records

- 6.1** The Issuer shall procure that all Bonds issued by it which: (i) are redeemed; or (ii) are purchased by, or on behalf of the Issuer, the Guarantors or any Subsidiary of the Issuer or the Guarantors; or (iii) being mutilated or defaced, have been surrendered and replaced pursuant to Condition 14 (*Replacement of Bonds, Receipts, Coupons and Talons*) (together in each case, as or for example, in the case of Definitive Bearer Bonds, with all unmatured Receipts and Coupons attached to them or delivered with them), and all Receipts and Coupons paid in accordance with the relevant Conditions or which being mutilated or defaced, have been surrendered and replaced pursuant to Condition 14 (*Replacement of Bonds, Receipts, Coupons and Talons*), shall immediately be cancelled by or on behalf of the Issuer and a certificate stating:
- 6.1.1** the aggregate principal amount of Bonds of each Sub-Class which have been redeemed and the aggregate amounts in respect of Receipts and Coupons which have been paid;
- 6.1.2** the serial numbers of such Bonds of each Sub-Class in definitive form and Receipts distinguishing between Bearer Bonds and Registered Bonds;

- 6.1.3 the total numbers (where applicable) of each denomination by maturity date of such Receipts and Coupons;
- 6.1.4 the aggregate amount of interest paid (and the due dates of such payments);
- 6.1.5 the aggregate nominal amount of Bonds (if any) of each Sub-Class which have been purchased by or on behalf of the Issuer, the Guarantors or any Subsidiary of the Issuer or the Guarantors and cancelled and the serial numbers of such Bonds in definitive form and, in the case of Definitive Bearer Bonds, the total number (where applicable) of each denomination by maturity date of the Receipts, Coupons and Talons attached to them or surrendered with them;
- 6.1.6 the aggregate nominal amounts of Bonds of each Sub-Class and Receipts and the aggregate amounts in respect of Coupons which have been so surrendered and replaced and the serial numbers of such Bonds in definitive form and the total number (where applicable, of each denomination) by maturity date of such Coupons and Talons;
- 6.1.7 the total number (where applicable, of each denomination) by maturity date of the unmatured Coupons missing from Definitive Bearer Bonds bearing interest at a fixed rate which have been redeemed or surrendered and replaced and the serial numbers of the Definitive Bearer Bonds to which such missing unmatured Coupons appertained; and
- 6.1.8 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 Bond Trustee by or on behalf of the Issuer as soon as possible and in any event within four months after the date of such redemption, purchase, payment, exchange or replacement (as the case may be). The Bond Trustee may accept such certificate as conclusive evidence of redemption, purchase or replacement *pro tanto* of the Bonds or payment of interest thereon or exchange of the relative Talons respectively and of cancellation of the relative Bonds and Coupons.

6.2 The Issuer shall procure that:

- 6.2.1 the Principal Paying Agent shall keep a full and complete record of all Bonds of each Sub-Class, Receipts, Coupons and Talons issued by it (other than serial numbers of Receipts and Coupons) and of their redemption or purchase by or on behalf of the Issuer, the Guarantors or any Subsidiary of the Issuer or the Guarantors, any cancellation or any payment (as the case may be) and of all replacement bonds, receipts, coupons or talons issued in substitution for lost, stolen, mutilated, defaced or destroyed Bonds of each Sub-Class, Receipts, Coupons or Talons;
- 6.2.2 the Principal Paying Agent shall in respect of the Coupons of each maturity retain (in the case of Coupons other than Talons) until the expiry of 10 years from the Relevant Date in respect of such Coupons and (in the case of Talons indefinitely) either all paid or exchanged Coupons of that maturity or a list of the serial numbers of Coupons of that maturity still remaining unpaid or unexchanged; and
- 6.2.3 that such records and Coupons (if any) shall be made available to the Bond Trustee at all reasonable times.

7 Non-Payment/Exchange

Proof that:

- 7.1** as regards any specified Bond, Receipt or Coupon, the Issuer, or, as the case may be, the Guarantors have made default in paying any amount due in respect of such Bond, Receipt or Coupon, shall (unless the contrary be proved), be sufficient evidence that the same default has been made as regards all other Bonds, Receipts or Coupons (as the case may be) in respect of which a corresponding amount is due and payable (and a payment shall be a “corresponding” payment notwithstanding that it is due in respect of a Bond of a different denomination); and
- 7.2** as regards any Talon, the Issuer has defaulted in exchanging such Talon for further Coupons and a further Talon as provided by its terms, shall (unless the contrary be proved) be sufficient evidence that the Issuer has defaulted as regards all other Talons which are then available for exchange.

8 Proceedings, Action and Indemnification

The Events of Default and the rights and remedies of the Bond Trustee and the rights and duties of the Bondholders, Receiptholders, Couponholders and any Financial Guarantor as to recovery of amounts owing on the Bonds, Receipts and Coupons are set out in the Common Terms Agreement.

9 Application of Moneys

All moneys received by the Bond Trustee under this Bond Trust Deed from, or on behalf of, the Issuer or, as the case may be, the Guarantors shall be held by the Bond Trustee on trust for the Security Trustee to apply in accordance with Schedule 11 (*Cash Management*) to the Common Terms Agreement, and, without prejudice to the provisions of this Clause 9, if the Bond Trustee holds any moneys which represent principal or interest in respect of Bonds, Coupons or Receipts which have become void under the Conditions, the Bond Trustee shall hold such moneys on the above trusts.

10 Notice of Payments

The Bond Trustee shall give notice to the relevant Bondholders in accordance with Condition 17 (*Notices*) of the day fixed for any payment to them under Clause 9 (*Application of Moneys*). Such payment may be made in accordance with Condition 9 (*Payments*) and any payment so made shall be a good discharge, to the extent of such payment, by the Issuer, the Financial Guarantor or the Bond Trustee, as the case may be.

11 Investment by Bond Trustee

- 11.1** No provision of this Bond Trust Deed: (a) confers on the Bond Trustee any right to exercise any investment discretion in relation to the assets subject to the trust constituted by this Bond Trust Deed and, to the extent permitted by law, Section 3 of the Trustee Act 2000 does not apply to the duties of the Bond Trustee in relation to the trusts constituted by this Bond Trust Deed; and (b) requires the Bond Trustee to do anything which may cause the Bond 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.

- 11.2** The Bond Trustee may deposit moneys in respect of the Bonds in its name in an account at such bank or other financial institution as the Bond Trustee may, in its absolute discretion, think fit. If that bank or financial institution is the Bond Trustee or a subsidiary, holding or associated company of the Bond Trustee, the Bond 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.
- 11.3** The parties acknowledge and agree that in the event that any deposits in respect of the Bonds are held by a bank or a financial institution in the name of the Bond 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 Bond Trustee is not liable to make up any shortfall or liable for any loss.
- 11.4** The accumulated deposits shall be applied under Clause 9 (*Application of Moneys*). All interest and other income deriving from such deposits shall be applied first in payment or satisfaction of all amounts then due and unpaid under Clause 15 (*Remuneration and Indemnification of Bond Trustee*) to the Bond Trustee and any Appointees and otherwise held for the benefit of and paid to the Bondholders or Couponholders, as the case may be.

12 Partial Payments

Upon any payment under Clause 9 (*Application of Moneys*) (other than payment in full against surrender of a Bond, Receipt or Coupon), the Bond, Receipt or Coupon in respect of which such payment is made, shall be produced to the Bond Trustee, the Paying Agent or the Registrar by or through whom such payment is made and the Bond Trustee shall or shall cause the Paying Agent or, as the case may be, the Registrar to enface thereon a memorandum of the amount and the date of payment but the Bond Trustee may, in any particular case or generally in relation to Registered Bonds, dispense with such production and enfacement upon such indemnity being given as it shall think sufficient.

13 The Bond Trustee and the STID

13.1 Extent of Bond Trustee’s obligations

The Bond Trustee shall not be obliged to comply with any direction or request of any Financial Guarantor to do any act or thing which would or may, in the opinion of the Bond Trustee, be illegal, contrary to any requirement or request of any fiscal or monetary or other governmental authority or in breach of any contract, treaty, agreement or Finance Document, the terms of which bind the Bond Trustee. The Bond Trustee shall notify such Financial Guarantor promptly if it does not intend to comply with any such direction or request, stating the reasons therefor.

13.2 Indemnity

The Financial Guarantor or, if more than one, each of the Financial Guarantors undertakes to the Bond Trustee that it will indemnify *pro rata* to the Principal Amount Outstanding of the Class A Wrapped Bonds or, as the case may be, the Class B Wrapped Bonds guaranteed by such Financial Guarantor(s), and hold harmless the Bond Trustee, against all liabilities, actions, proceedings, costs, claims and demands which it may incur insofar as such liabilities, actions, proceedings, costs, claims and demands arise out of, or in relation to, or in connection with, compliance by the Bond Trustee with any direction which any such Financial Guarantor may give to the Bond Trustee pursuant to the STID, this Bond

Trust Deed, the Bonds or any Financial Guarantee. Such indemnity shall continue in full force and effect whether or not the Bond Trustee is trustee of this Bond Trust Deed or such Financial Guarantor is a guarantor under this Bond Trust Deed and under the relevant Financial Guarantee.

13.3 Protection of Bond Trustee

The Bond Trustee shall be entitled to assume that any instructions, consents or certificates received by it from the Security Trustee or any Financial Guarantor which purport to have been given pursuant to the STID have been given in accordance with its terms. The Bond Trustee shall be entitled to assume that any such instructions, consents or certificates are authentic and have been properly given in accordance with the terms of the STID. If the Security Trustee or any Financial Guarantor in issuing or giving any such instruction, consent or certificate, breaches any rights or restrictions set out in this Bond Trust Deed, the STID or any other Finance Documents, this shall not invalidate such instruction, consent or certificate unless the Security Trustee or such Financial Guarantor informs the Bond Trustee before the Bond Trustee commences to act on such instruction, consent or certificate that such instruction, consent or certificate is invalid and should not be acted on. If the Bond Trustee is so informed after it has commenced to act on such instruction, consent or certificate, the validity of any action taken shall not be affected but the Bond Trustee shall take no further action in accordance with such instruction, consent or certificate, except to the extent that it has become legally obliged to do so.

14 The Financial Guarantor(s) and the Financial Guarantee

14.1 Notices of Demand

14.1.1 The Issuer shall procure that the Bond Trustee and the Principal Paying Agent and, in the case of Registered Bonds only, the Registrar are notified by the Cash Manager (or, during a Standstill, the Standstill Cash Manager) in writing no later than 11.00 a.m. (London time) on the sixth Business Day before each Payment Date (as defined in Condition 3(c) (*Financial Guarantee Issued by Financial Guarantor*)) whether or not there is a Shortfall (as defined in the Notice of Demand) in respect of each Sub-Class of Wrapped Bonds and, if there is a Shortfall, the amount thereof (with a copy of the notice to the relevant Financial Guarantor(s) and the Issuer).

14.1.2 If the Bond Trustee has been notified pursuant to Clause 14.1.1 that there is a Shortfall, the Bond Trustee shall promptly deliver a Notice of Demand to the relevant Financial Guarantor(s) in accordance with the relevant Financial Guarantee with a copy to the Issuer, the Principal Paying Agent and, in the case of Registered Bonds, the Registrar requiring such Financial Guarantor(s) to pay the Guaranteed Amounts in accordance with the terms of the relevant Financial Guarantee. The Bond Trustee shall use all reasonable endeavours to ensure that any such Notice of Demand is delivered to the Financial Guarantor(s) in order that such payment shall be made on the relevant Payment Date (as defined in Condition 3(c) (*Financial Guarantee Issued by Financial Guarantor*)).

14.2 Payments Under the Bonds at the Financial Guarantor's Option

Any election by any Financial Guarantor to pay any amount of principal or interest in respect of any Class A Wrapped Bonds or, as the case may be, any Class B Wrapped Bonds, which have become immediately due and payable (whether by virtue of

acceleration, prepayment or otherwise) pursuant to the terms of this Bond Trust Deed other than on the relevant Payment Date (as defined in the relevant Financial Guarantee), shall be made by notice in writing to the Bond Trustee, with a copy to the Issuer, the Principal Paying Agent and, in the case of Registered Bonds, the Registrar, specifying the date on which such amount will be paid by such Financial Guarantor.

14.3 Payments Under the Financial Guarantee to Go to Principal Paying Agent or Registrar

The Bond Trustee hereby directs the Financial Guarantor(s) to pay all sums payable under any relevant Financial Guarantee to the Principal Paying Agent for Bearer Bonds and the Registrar for Registered Bonds provided that, at any time after the occurrence of an FG Event of Default or in the event that the Bond Trustee considers that it would be inappropriate for such sums to be paid to the Principal Paying Agent for Bearer Bonds and the Registrar for Registered Bonds, the Bond Trustee may require such Financial Guarantor to make payments to the Bond Trustee or as it may otherwise direct.

14.4 The Issuer Not Discharged

The Issuer shall not be discharged from its obligations under the Bonds and this Bond Trust Deed by any payment under any Financial Guarantee, provided that this Clause 14.4 shall operate only for the purpose of the subrogation rights of the Financial Guarantor(s) as contemplated by Clause 14.7 (*Subrogation*).

14.5 Return of Financial Guarantee

The Bond Trustee will return any Financial Guarantee to the relevant Financial Guarantor for cancellation upon:

14.5.1 the redemption in full of the relevant Class A Wrapped Bonds or, as the case may be, the Class B Wrapped Bonds by the Issuer, the payment in full of accrued interest thereon and the expiry of any applicable preference period during which the amount of any payments in respect of such Class A Wrapped Bonds or, as the case may be, the Class B Wrapped Bonds, which are subsequently avoided in whole or in part as a preferential transaction under applicable law, may be required to be paid by the relevant Financial Guarantor under the relevant Financial Guarantee, or otherwise upon the termination of such Financial Guarantee in accordance with its terms; or

14.5.2 the payment in full of all amounts which are or may become due under such Financial Guarantee.

14.6 Financial Guarantee to Prevail

To the extent that the provisions of this Clause 14 conflict with the provisions of any Financial Guarantee, the provisions of such Financial Guarantee shall prevail.

14.7 Subrogation

Without prejudice to its other rights and remedies, any Financial Guarantor shall be subrogated to any rights of the holders of the Class A Wrapped Bonds or, as the case may be, the Class B Wrapped Bonds and the Bond Trustee against the Issuer in respect of amounts due in respect of the Class A Wrapped Bonds or, as the case may be, the Class B Wrapped Bonds, which have been paid by or on behalf of the relevant Financial Guarantor in accordance with the relevant Financial Guarantee provided that, prior to commencing

any legal proceeding in the name of the Bond Trustee, the relevant Financial Guarantor shall first consult the Bond Trustee (but such requirement to consult shall not in any way fetter the relevant Financial Guarantor's right to commence such legal proceeding as it sees fit).

14.8 Appointment of Fiscal Agent by the Financial Guarantor

14.8.1 Each Financial Guarantor shall agree in the relevant Financial Guarantee to notify the Bond Trustee of its appointment of a Fiscal Agent (as defined in the endorsement to the Financial Guarantees issued by the Initial Financial Guarantor on the Initial Issue Date) or any equivalent agent pursuant to the terms of the relevant Financial Guarantee.

14.8.2 From and after the date of receipt of any notice given by a Financial Guarantor pursuant to a Financial Guarantee, the Bond Trustee agrees to deliver a copy of any Notice of Demand delivered to the Financial Guarantor under Clause 14.1 (*Notices of Demand*) to such Fiscal Agent.

15 Remuneration and Indemnification of Bond Trustee

15.1 The Issuer shall pay to the Bond Trustee, by way of remuneration for its services as trustee of this Bond Trust Deed, such amount and on such date(s) as shall be agreed from time to time by exchange of letters between the Issuer and the Bond Trustee. Such remuneration shall accrue from day to day and be payable (in priority to payments to Bondholders, Receiptholders and Couponholders) up to and including the date when, all the Bonds 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 Bond Trustee provided that, if upon due presentation of any Bond, Receipt or Coupon or any cheque, payment of the moneys due in respect thereof is improperly withheld or refused, remuneration will be deemed not to have ceased to accrue and will continue to accrue until payment to such Bondholder, Receiptholder or Couponholder is duly made.

15.2 If an Event of Default or a Potential Event of Default occurs, or the Bond Trustee considers it expedient or necessary, or is requested by the Issuer, to undertake duties which the Bond Trustee and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Bond Trustee under this Bond Trust Deed, the Issuer shall pay to the Bond Trustee such additional remuneration as shall be agreed between them.

15.3 If the Bond Trustee and the Issuer fail to agree:

15.3.1 (in a case to which Clause 15.1 above applies) upon the amount of the remuneration; or

15.3.2 (in a case to which Clause 15.2 above applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Bond Trustee under this Bond Trust Deed, or upon such additional remuneration,

such matters shall be determined by a merchant or investment bank (acting as an expert and not as an arbitrator) selected by the Bond Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Bond 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 merchant or investment bank being payable by the

Issuer) and the determination of any such merchant or investment bank shall be final and binding upon the Bond Trustee and the Issuer.

- 15.4** The Issuer shall also pay or discharge all Liabilities properly incurred by the Bond Trustee in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Bond Trust Deed, including but not limited to reasonable legal and travelling expenses, and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Bond Trustee in connection with any action taken by or on behalf of the Bond Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Bond Trust Deed (save to the extent the Bond Trustee is indemnified pursuant to Clause 13.2 (*Indemnity*) of this Bond Trust Deed).
- 15.5** All amounts payable pursuant to Clause 15.4 above and/or Clause 17.10 shall be payable by the Issuer on the date specified in a demand by the Bond Trustee and, in the case of payments actually made by the Bond Trustee prior to such demand, shall carry interest at the rate of 1 per cent per annum above the base rate from time to time of National Westminster Bank plc from the date specified in such demand, and in all other cases shall (if not paid on the date specified in such demand or, if later, within five days after such demand and, in either case, the Bond Trustee so requires) carry interest at such rate from the date specified in such demand. All remuneration payable to the Bond Trustee shall carry interest at such rate from the due date therefor.
- 15.6** Unless otherwise specifically stated in any discharge of this Bond Trust Deed, the provisions of this Clause 15 and Clause 17.10 shall continue in full force and effect in relation to the period during which the Bond Trustee was trustee of this Bond Trust Deed notwithstanding such discharge.
- 15.7** The Bond Trustee shall be entitled in its absolute discretion to determine in respect of which Sub-Classes of Bonds any Liabilities incurred under this Bond Trust Deed have been incurred or to allocate any such Liabilities between the Bonds of any Sub-Classes.

16 VAT

- 16.1** Any sum payable under this Bond Trust Deed by the Issuer to the Bond Trustee shall be deemed to be exclusive of any VAT chargeable on the supply for which that sum is the consideration (in whole or in part) for VAT purposes. Where, under this Bond Trust Deed, the Bond Trustee makes a supply to the Issuer for VAT purposes and VAT is chargeable on such supply, the Issuer shall pay to the Bond Trustee (in addition to and at the same time as paying any other consideration for such supply) a sum equal to the amount of such VAT against delivery of the appropriate VAT invoice.
- 16.2** Where any party is required by the terms of this Bond Trust Deed to reimburse or indemnify any other party for any cost or expense, such first party shall reimburse or indemnify such other party for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such other party is entitled to credit or repayment in respect of such VAT from HM Revenue & Customs or other relevant tax authority.

17 Supplement to Trustee Acts

Where there are any inconsistencies between the Trustee Acts and the provisions of this Bond Trust Deed, the provisions of this Bond Trust Deed shall, to the extent allowed by

law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of this Bond Trust Deed shall constitute a restriction or exclusion for the purposes of that Act.

The Bond Trustee shall have all the powers conferred upon trustees by the Trustee Acts and by way of supplement thereto and it is expressly declared as follows:

- 17.1** The Bond Trustee may in relation to this Bond Trust Deed act on the advice or opinion of, or any information obtained from any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert, whether obtained by the Issuer, the Guarantors, any Financial Guarantor, the Bond Trustee or otherwise and shall not be responsible for any Liability occasioned by so acting.
- 17.2** Any such advice, opinion or information may be sent or obtained by letter, telex, telegram, email, facsimile transmission or cable and the Bond Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, telex, telegram, email, facsimile transmission or cable although the same shall contain some error or shall not be authentic.
- 17.3** The Bond 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 two of the Directors of the Issuer or, as the case may be, and two of the Directors of the Guarantors. The Bond Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by it or any other person acting on such certificate.
- 17.4** The Bond Trustee shall be at liberty to hold this Bond Trust Deed and any other documents relating to it or to deposit them in any part of the world with any banker or banking company or other company, whose business includes undertaking the safe custody of documents, or lawyer or firm of lawyers considered by the Bond Trustee to be of good repute. The Bond 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.
- 17.5** The Bond Trustee shall not be responsible for the receipt or application of the proceeds of the issue of any of the Bonds by the Issuer, the exchange of any Global Bond for another Global Bond or Definitive Bearer Bonds or Registered Global Bond for another Registered Global Bond or Definitive Registered Bonds or the delivery of any Global Bond, Definitive Bearer Bond, Registered Global Bond or Definitive Registered Bond to the person(s) entitled to it or them.
- 17.6** The Bond Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in this Bond Trust Deed or to take any steps to ascertain whether any Event of Default or any Potential Event of Default has occurred. Until it has actual knowledge or express notice pursuant to this Bond Trust Deed to the contrary, the Bond Trustee shall be entitled to assume that no Event of Default or Potential Event of Default has occurred and that the Issuer is observing and performing all its obligations under this Bond Trust Deed, the Bonds and the Finance Documents.
- 17.7** Save as expressly otherwise provided in this Bond Trust Deed, the Bond Trustee shall have absolute and uncontrolled discretion as to the exercise or non-exercise of its trusts, powers, authorities and discretions under this Bond Trust Deed (the exercise or non-exercise of which as between the Bond Trustee and the Bondholders, the

Receiptholders and Couponholders shall be conclusive and binding on the Bondholders, the Receiptholders and Couponholders) and shall not be responsible for any Liability which may result from their exercise or non-exercise.

- 17.8** The Bond Trustee shall not be liable to any person by reason of having acted upon any Written Resolution or any Extraordinary Resolution or other resolution purporting to have been passed at any meeting of the holders of Bonds of all or any Sub-Classes in respect whereof minutes have been made and signed or any direction or request of the holders of the Bonds of all or any Sub-Classes 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 (in the case of a Written Resolution), that not all such holders had signed the Written Resolution or (in the case of a direction or request) it was not signed by the requisite number of holders) or that for any reason the resolution, direction or request was not valid or binding upon such holders and the relative Receiptholders and Couponholders.
- 17.9** The Bond Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any Bond, Receipt or Coupon purporting to be such and subsequently found to be forged or not authentic.
- 17.10** Save to the extent that the Bond Trustee is indemnified pursuant to Clause 13.2 (*Indemnity*) and without prejudice to the right of indemnity by law given to trustees, each of the Issuer and the Guarantors shall severally indemnify the Bond 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 execution or purported execution of any of its or his trusts, powers, authorities and discretions under this Bond Trust Deed 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 this Bond Trust Deed or any such appointment.
- 17.11** Any consent or approval given by the Bond Trustee for the purposes of this Bond Trust Deed may be given on such terms and subject to such conditions (if any) as the Bond Trustee thinks fit and notwithstanding anything to the contrary in this Bond Trust Deed may be given retrospectively.
- 17.12** The Bond Trustee shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder, Receiptholder or Couponholder any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available to the Bond Trustee by the Issuer, the Guarantors or any other person in connection with this Bond Trust Deed. No Bondholder, Receiptholder or Couponholder shall be entitled to take any action to obtain from the Bond Trustee any such information.
- 17.13** Where it is necessary or desirable for any purpose in connection with this Bond Trust Deed to convert any sum from one currency to another, it shall (unless otherwise provided by this Bond Trust Deed 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 Bond Trustee in consultation with the Issuer and any rate, method and date so agreed shall be binding on the Issuer, the Guarantors, the Bondholders, the Receiptholders and the Couponholders.
- 17.14** The Bond Trustee as between itself and the Bondholders, the Receiptholders and the Couponholders may determine all questions and doubts arising in relation to any of the provisions of this Bond Trust Deed. Every such determination, whether or not relating in

whole or in part to the acts or proceedings of the Bond Trustee, shall be conclusive and shall bind the Bond Trustee and the Bondholders, the Receiptholders and the Couponholders.

17.15

17.15.1 Subject to the STID and Condition 16(b) (*Exercise of rights by Bond Trustee*), in connection with the exercise by it of any of its trusts, powers, authorities or discretions under this Bond Trust Deed, any Financial Guarantee, the Conditions or any Finance Document (including, without limitation, any modification, waiver, consent, authorisation or determination), the Bond Trustee shall have regard to the interests of the holders of the Bonds provided that, if, in the Bond Trustee's sole opinion, there is a conflict of interest between the interests of the holders of the Class A Bonds and the interests of the holders of the Class B Bonds, the Bond Trustee shall give priority to the interests of the holders of the Class A Bonds whose interests shall prevail. Where, in the sole opinion of the Bond Trustee, there is a conflict of interest between the holders of two or more Sub-Classes of Bonds of the same Class, it shall consider the interests of the holders of the Sub-Class of Bonds with the shortest dated maturity and, in either case, will not have regard to the consequences of such exercise for the holders of other Sub-Classes of Bonds or for individual Bondholders 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. The Bond Trustee shall not be entitled to require, nor shall any Bondholder, Receiptholder or Couponholder be entitled to claim, from the Issuer, the Financial Guarantors, the Bond Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders, Receiptholders or Couponholders except to the extent already provided for in Condition 10 (*Taxation*) and/or any undertaking given in addition thereto or in substitution therefor under this Bond Trust Deed.

17.15.2 Except as otherwise provided in the Conditions and this Bond Trust Deed, when exercising any rights, powers, trusts, authorities and discretions relating to or contained in the Conditions or this Bond Trust Deed (other than in determining or in respect of any Entrenched Right or Reserved Matter relating to the Bonds or any other Basic Terms Modification), which affects or relates to any Class A Wrapped Bonds and/or Class B Wrapped Bonds, the Bond Trustee shall only act on the instructions of the relevant Financial Guarantor(s) (provided no FG Event of Default has occurred and is continuing) in accordance with the provisions of this Bond Trust Deed and the Bond Trustee shall not be required to have regard to the interests of the Bondholders in relation to the exercise of such rights, powers, trusts, authorities and discretions and shall have no liability to any Bondholders as a consequence of so acting. As a consequence of being required to act only on the instructions of the relevant Financial Guarantor(s) in the circumstances referred to in the previous sentence, the Bond Trustee may not, notwithstanding the provisions of the Conditions, be entitled to act on behalf of the holders of any Sub-Classes of Bonds. Subject as provided in the Conditions and this Bond Trust Deed, the Bond Trustee will exercise its rights under, or in relation to, this Bond Trust Deed, the Conditions or any Financial Guarantee in accordance with the directions of the relevant Bondholders, but the Bond Trustee shall not be bound as against the Bondholders to take any such action unless it has: (i): (a) (in respect of the matters

set out in Condition 11 (*Events of Default*) and Condition 15(a) (*Decisions of Majority Creditors*) only) been so requested in writing by the holders of at least 25 per cent in nominal amount of the relevant Sub-Classes of Bonds outstanding; or (b) been so directed by an Extraordinary Resolution; and (ii) been indemnified and/or furnished with security and/or pre-funded to its satisfaction.

- 17.16** Any trustee of this Bond Trust Deed, being a lawyer, accountant, broker or other person engaged in any profession or business, shall be entitled to charge and be paid all usual and proper professional and other charges for business transacted and acts done by him or his firm in connection with the trusts of this Bond Trust Deed and also his reasonable 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 this Bond Trust Deed.
- 17.17** The Bond 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 this Bond Trust Deed or not) all or any of its trusts, powers, authorities and discretions under this Bond Trust Deed. Such delegation may be made upon such terms (including power to sub-delegate) and subject to such conditions and regulations as the Bond Trustee may in the interests of the Bondholders think fit. The Bond 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 Bond Trustee shall within a reasonable time after any such delegation or any renewal, extension or termination thereof give notice thereof to the Issuer.
- 17.18** The Bond Trustee may in the conduct of the trusts of this Bond Trust Deed, 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 this Bond Trust Deed (including the receipt and payment of money). The Bond 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.
- 17.19** The Bond Trustee shall not be responsible for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of this Bond Trust Deed 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 this Bond Trust Deed or any other document relating or expressed to be supplemental thereto.
- 17.20** The Bond Trustee may appoint any person to act as its nominee or custodian for any purpose in relation to this Bond Trust Deed and the Bond 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 under this Deed or be bound to supervise the proceedings or acts of such person; the Bond Trustee is not obliged to appoint a custodian if the Bond Trustee invests in securities payable to bearer.
- 17.21** The Bond Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to any Bonds or for checking or commenting upon the content of any such legal opinion.

- 17.22** The Bond Trustee shall not be concerned, and need not enquire, as to whether or not any Bonds are issued in breach of the Programme Limit.
- 17.23** Any certificate or report of the Auditor of the Issuer or the Guarantors or any other person, called for by or provided to the Bond Trustee (whether or not addressed to the Bond Trustee) in accordance with or for the purposes of this Bond Trust Deed, may be relied upon by the Bond Trustee as sufficient evidence of the facts stated therein, notwithstanding that such certificate or report and/or any engagement letter or other document entered into by the Bond Trustee in connection therewith contains a monetary or other limit on the liability of the Auditor of the Issuer or the Guarantors or such other person in respect thereof.
- 17.24** Without prejudice to the generality of the foregoing, TWUL shall be obliged to notify the Bond Trustee of:
- 17.24.1** any default in the payment of any premium on the due date for any of the Insurances (as defined in the Master Definitions Agreement) without unreasonable delay; and
- 17.24.2** any act or omission on the part of TWUL which TWUL reasonably believes poses a risk of invalidating or rendering unenforceable in whole or in part any of the Insurances.
- 17.25** The Bond Trustee represents and warrants that it is an authorised person under Section 19 of FSMA.

18 Bond Trustee's Liability

- 18.1** Nothing in this Bond Trust Deed or any other Finance Document shall, in any case in which the Bond Trustee has failed to show the degree of care and diligence required of it as a trustee, having regard to the provisions of this Bond Trust Deed and the other Finance Documents conferring on it any powers, authorities or discretions, relieve or indemnify it from or against any liability which would otherwise attach to it in respect of any negligence, wilful default or fraud of which it may be guilty in relation to its duties under this Bond Trust Deed and the other Finance Documents.
- 18.2** Notwithstanding any provision of this Bond Trust Deed to the contrary, the Bond Trustee shall not in any event be liable for: (a) loss of profit, loss of business, loss of goodwill, loss of opportunity, whether direct or indirect; and (b) special, indirect, punitive or consequential loss or damage of any kind whatsoever, whether or not foreseeable, whether or not the Bond Trustee can reasonably be regarded as having assumed responsibility at the time this Bond Trust Deed is entered into, even if the Bond 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 Bond Trustee.

19 Bond Trustee Contracting with the Issuer and the Guarantors

- 19.1** Neither the Bond Trustee nor any director or officer or holding company, Subsidiary or associated company of a corporation acting as a trustee under this Bond Trust Deed shall by reason of its or his fiduciary position be in any way precluded from:
- 19.1.1** entering into or being interested in any contract, transaction or arrangement with the Issuer or the Guarantors or any person or body corporate associated with the

Issuer or the Guarantors (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 Bonds or any other notes, bonds, stocks, shares, debenture stock, debentures or other securities of, the Issuer, the Guarantors or any person or body corporate associated as aforesaid); or

- 19.1.2** accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to the Issuer or the Guarantors or any such person or body corporate so associated or any other office of profit under the Issuer or the Guarantors 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 Clause 19.1.1 above or, as the case may be, any such trusteeship or office of profit as is referred to in Clause 19.1.2 above without regard to the interests of the Bondholders and notwithstanding that the same may be contrary or prejudicial to the interests of the Bondholders, and shall not be responsible for any Liability occasioned to the Bondholders 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.

- 19.2** Where any holding company, Subsidiary or associated company of the Bond Trustee or any director or officer of the Bond Trustee acting other than in his capacity as such a director or officer has any information, the Bond 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 Bondholders resulting from the Bond Trustee's failing to take such information into account in acting or refraining from acting under or in relation to this Bond Trust Deed.

20 Modification, Consent and Waiver

20.1 Consent and Waiver

Subject to Conditions 15 (*Meetings of Bondholders, Modification, Waiver and Substitution*) and 16 (*Bond Trustee Protections*) and the provisions of the Common Terms Agreement and the STID, the Bond Trustee may, without the consent or sanction of the Bondholders, the Receiptholders or the Couponholders of any Sub-Class and without prejudice to its rights in respect of any subsequent breach, Event of Default or Potential Event of Default, from time to time and at any time but only if and in so far as in its opinion the interests of the Bondholders of such Sub-Class shall not be materially prejudiced thereby, waive or authorise any breach or proposed breach by the Issuer or the Guarantors of any of the covenants or provisions contained in the Conditions, this Bond Trust Deed, any Financial Guarantee or any Finance Document or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of this Bond Trust Deed PROVIDED ALWAYS THAT the Bond Trustee shall not exercise any powers conferred on it by this Clause 20 in contravention of any express direction given by Extraordinary Resolution in accordance with Condition 15(b) (*Meetings of Bondholders, Modifications, Waiver and Substitution - Meetings of Bondholders*) but 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 Bond Trustee may determine, and shall be binding on the Bondholders, the Receiptholders and the Couponholders and, if, but only if, the Bond Trustee shall so require, shall be notified by the Issuer to the Bondholders of that Sub-Class in accordance with Condition 17 (*Notices*) as soon as practicable thereafter.

20.2 Modification

20.2.1 Subject to Conditions 15 (*Meetings of Bondholders, Modification, Waiver and Substitution*) and 16 (*Bond Trustee Protections*) and the provisions in the Common Terms Agreement and the STID, the Bond Trustee may, without the consent or sanction of the Bondholders, the Receiptholders or the Couponholders of any Sub-Class, at any time and from time to time concur with the Issuer or any other relevant parties in making any modification: (i) to the Conditions, this Bond Trust Deed, any Financial Guarantee or any Finance Document which in the opinion of the Bond Trustee is not materially prejudicial to the interests of the Bondholders of that Sub-Class; or (ii) to the Conditions, this Bond Trust Deed, any Financial Guarantee or any Finance Document which is in the opinion of the Bond Trustee of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Trustee, proven. For the avoidance of doubt: (x) an amendment of the kind contemplated in Clause 5.4 of this Bond Trust Deed will not require the consent or agreement of the Bond Trustee; and (y) an amendment of the kind contemplated by Condition 6(b)(iii)(D) (*Benchmark Amendments*) (which the Bond Trustee shall be obliged to concur with the Issuer in using its reasonable endeavours to effect), will not require the consent or sanction of the Bondholders, the Receiptholders or the Couponholders. Any such modification may be made on such terms and subject to such conditions (if any) as the Bond Trustee may determine, and shall be binding upon the Bondholders, the Receiptholders and the Couponholders and, unless the Bond Trustee agrees otherwise, shall be notified by the Issuer to the Bondholders of that Sub-Class in accordance with Condition 17 (*Notices*) as soon as practicable thereafter.

20.2.2 The Bond Trustee shall, at the request of the Issuer, without the consent or sanction of the Bondholders, the Receiptholders or the Couponholders of any Sub-Class, agree to such amendments to this Bond Trust Deed or the Conditions as may be required by the Issuer to transfer the listing of any Sub-Class of Bonds between Euronext Dublin and the London Stock Exchange, provided that: (i) the Bond Trustee has received a certificate signed by two directors of the Issuer certifying that: (a) such amendments do not constitute Basic Terms Modifications and; (b) such amendments are required to effect such transfer and are only intended to give effect to such transfer (upon which certificate the Bond Trustee shall be entitled to rely without further enquiry); and (ii) such amendments do not require the Bond Trustee to undertake any more onerous duties or responsibilities or impose on the Bond Trustee any additional liabilities beyond those set out in this Bond Trust Deed.

20.3 Breach

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

21 Holder of Definitive Bearer Bond Assumed to be Receiptholder and Couponholder

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

21.2 No Notice to Receipt Holders or Couponholders

Neither the Bond Trustee nor the Issuer shall be required to give any notice to the Receiptholders or Couponholders for any purpose under this Bond Trust Deed and the Receiptholders or Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Bonds in accordance with Condition 17 (*Notices*).

22 Substitution of the Issuer

22.1 The Bond Trustee shall, without reference to the Bondholders, Receiptholders and Couponholders, consent to the substitution of any other company (the “**Substituted Issuer**”) in place of the Issuer as principal debtor under this Bond Trust Deed, so long as:

22.1.1 a trust deed is executed or some other written form of undertaking is given by the Substituted Issuer to the Bond Trustee, in form and manner satisfactory to the Bond Trustee, agreeing to be bound by the terms of the Finance Documents and this Bond Trust Deed with any consequential amendments which the Bond Trustee may deem appropriate as fully as if the Substituted Issuer had been named in this Bond Trust Deed and on the Bonds, the Receipts, the Coupons and in the Finance Documents as the principal debtor in place of the Issuer or any previous Substituted Issuer (as applicable) under this Clause 22;

22.1.2 the Issuer and the Substituted Issuer execute such other deeds, documents and instruments (if any) as the Bond Trustee may require in order that the substitution is fully effective;

22.1.3 either: (i) each of the Rating Agencies have confirmed in writing to the Bond Trustee that the substitution of the Substituted Issuer will not result in a downgrading of the then current credit rating of such Rating Agencies applicable to the Class A Unwrapped Bonds and the Class B Unwrapped Bonds or the current shadow credit rating of the Wrapped Bonds; or (ii) the Issuer has certified to the Bond Trustee that it has notified each Rating Agency of the proposed substitution and none of the Rating Agencies have, within 10 Business Days of receipt of such notification, notified the Issuer that such substitution would result in a downgrade of

any Tranche of Bonds below the then current rating ascribed to such Tranche of Bonds;

- 22.1.4** (unless all or substantially all of the assets of the Issuer or any previous Substituted Issuer are transferred to the Substituted Issuer) an unconditional and irrevocable guarantee secured on the Security Assets, is given by the Issuer or any previous Substituted Issuer (as applicable) of the obligations of the Substituted Issuer under this Bond Trust Deed and the Finance Documents and, in the case of any Wrapped Bonds, such Bonds continue to carry the unconditional guarantee of the relevant Financial Guarantor;
- 22.1.5** a certificate is delivered to the Bond Trustee from: (a) in respect of sub-paragraph (i) below, the Issuer; (b) in respect of sub-paragraphs (ii), (iii) and (iv) below, the Substituted Issuer; or (c) TWUL, executed by two Directors of the Issuer, the Substituted Issuer or TWUL respectively, and of substance strictly limited to the following confirmations:
- (i) (if all or substantially all the assets of the Issuer or any previous Substituted Issuer (as applicable) are transferred to the Substituted Issuer) the Substituted Issuer has acquired the Issuer's or any previous Substituted Issuer's (as applicable) equity of redemption (other than the undertaking of the Issuer or any previous Substituted Issuer (as applicable)), and has become a party to all the Finance Documents to which the Issuer or any previous Substituted Issuer (as applicable) is a party, acknowledges the Security and the other matters created and effected in respect thereof pursuant to this Bond Trust Deed and the Security Documents and has taken and will take all such necessary action so that the Security Assets continue to be subject to the Security and the other matters created by the Substituted Issuer and otherwise effected or maintained in all respects corresponding to those previously subsisting on the part of the Issuer or such previous Substituted Issuer (as applicable);
 - (ii) (unless the Substituted Issuer is TWUL) the Substituted Issuer is a single purpose company similar to, and with like constitution as, and having substantially the same restrictions and prohibitions on its activities and operations as the Issuer or any previous Substituted Issuer (as applicable), has undertaken to be bound by provisions corresponding to those set out in Clause 8.12 (*Substitution of the Issuer and/or TWUCF*) of the STID and satisfies the SPV Criteria;
 - (iii) (i) the Substituted Issuer has obtained all governmental and regulatory approvals and consents necessary for its assumption of liability as principal debtor under this Bond Trust Deed and in respect of the Bonds, the Receipts, the Coupons and the Finance Documents in place of the Issuer or any previous Substituted Issuer (as applicable); and (ii) such approvals and consents are at the time of substitution in full force and effect; and
 - (iv) that immediately prior to the assumption of its obligations as Substituted Issuer under this Bond Trust Deed the Substituted Issuer is solvent after taking account of all prospective and contingent liabilities resulting from its becoming the Substituted Issuer.

22.1.6 the Bond Trustee is provided with such legal opinions as it may require in respect of such substitution in form and substance satisfactory to it; and

22.1.7 notwithstanding anything in the STID and for so long as there are any Wrapped Bonds outstanding, the prior written consent of the relevant Financial Guarantor(s) has been obtained (such consent not to be unreasonably withheld or delayed).

22.2 The Bond Trustee shall be entitled to refuse to approve any Substituted Issuer if, pursuant to the law of the jurisdiction of incorporation of the Substituted Issuer, the assumption by the Substituted Issuer of its obligations hereunder imposes responsibilities on the Bond Trustee over and above those which have been assumed under this Bond Trust Deed.

22.3 In connection with any proposed substitution, the Bond Trustee shall not have regard to, or be in any way liable for, the consequences of such substitution for individual Bondholders, Receiptholders, Couponholders or other Secured Creditors resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of any particular territory. Save as provided in the Finance Documents, no Bondholder, Receiptholder, Couponholder or other Secured Creditors shall, in connection with any such substitution, be entitled to claim from the Issuer or any previous Substituted Issuer (as applicable) any indemnification or payment in respect of any tax arising directly as a consequence of any such substitution in respect of individual Bondholders, Receiptholders, Couponholders or other Secured Creditor.

23 Currency Indemnity

Each of the Issuer and the Guarantors shall severally indemnify the Bond Trustee, every Appointee, the Bondholders, the Receiptholders, the Couponholders and the Financial Guarantors and keep them indemnified against:

23.1 any Liability incurred by any of them arising from the non-payment by the Issuer or the Guarantors of any amount due to the Bond Trustee or the holders of the Bonds and the relative Receiptholders or Couponholders under this Bond Trust Deed 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 or the Guarantors; and

23.2 any deficiency arising or resulting from any variation in rates of exchange between: (i) the date on which the local currency equivalent of the amounts due or contingently due under this Bond Trust Deed (other than this Clause 23) is calculated for the purposes of any bankruptcy, insolvency or liquidation of the Issuer or, as the case may be, the Guarantors; 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.

24 Indemnities Separate

The indemnities in this Bond Trust Deed shall constitute obligations of the Issuer and the Guarantors separate and independent from their other obligations under the other provisions of this Bond Trust Deed and shall apply irrespective of any indulgence granted by the Bond Trustee, the Bondholders, the Receiptholders, the Couponholders or the Financial Guarantors 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 or, as the case may be, the Guarantors for a liquidated sum or sums in respect of amounts due under this Bond Trust Deed (other than this Clause). Any such deficiency as aforesaid shall be deemed to constitute a loss suffered by the Bondholders, the Receiptholders, the Couponholders and the Financial Guarantors and no proof or evidence of any actual loss shall be required by the Issuer or the Guarantors or its or their liquidator or liquidators.

25 New Bond Trustee

25.1 The power to appoint a new trustee of this Bond Trust Deed shall be vested solely in the Issuer and the Guarantors jointly but no person shall be appointed who shall not previously have been approved by the relevant Financial Guarantors (in respect of any Class A Wrapped Bonds if no FG Event of Default has occurred and is continuing) or if a FG Event of Default has occurred and is continuing, by an Extraordinary Resolution of the holders of the Class A Wrapped Bonds or, if there are no Class A Wrapped Bonds then outstanding, by an Extraordinary Resolution of the holders of the Class A Unwrapped Bonds or, if there are no Class A Unwrapped Bonds then outstanding, the relevant Financial Guarantors (in respect of any Class B Wrapped Bonds if no FG Event of Default has occurred and is continuing) or if a FG Event of Default has occurred and is continuing, by an Extraordinary Resolution of the holders of the Class B Wrapped Bonds or, if there are no Class B Wrapped Bonds then outstanding, by the holders of the Class B Unwrapped Bonds and provided that either: (i) each of the Rating Agencies have confirmed in writing that such appointment will not result in the downgrading of the then current rating of the Wrapped Bonds, if any; or (ii) the Issuer has certified to the Bond Trustee that it has notified each Rating Agency of the proposed appointment and none of the Rating Agencies have, within 10 Business Days of receipt of such notification, notified the Issuer that such appointment would result in a downgrade of any Tranche of Bonds below the then current rating ascribed to such Tranche of Bonds. One or more persons may hold office as trustee or trustees of this Bond Trust Deed but such trustee or trustees shall be or include a Trust Corporation. Whenever there shall be more than two trustees of this Bond Trust Deed, the majority of such trustees shall be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Bond Trustee by this Bond Trust Deed *provided that* a Trust Corporation shall be included in such majority. Any appointment of a new trustee of this Bond Trust Deed shall as soon as practicable thereafter be notified by the Issuer to the Security Trustee, the Agents, the Bondholders and the relevant Financial Guarantor(s).

25.2 Separate and Co-Trustees

Notwithstanding the provisions of Clause 25.1 above, the Bond Trustee may, upon giving prior notice to the Issuer, the Guarantors and the relevant Financial Guarantor(s) (but without the consent of the Issuer, the Guarantors, the Bondholders, Receiptholders, Couponholders or the relevant Financial Guarantor(s)), 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 Bond Trustee:

25.2.1 if the Bond Trustee considers such appointment to be in the interests of the Bondholders;

25.2.2 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

25.2.3 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 this Bond Trust Deed against the Issuer or the Guarantors.

25.3 The Issuer and the Guarantors each irrevocably appoints the Bond 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 this Bond Trust Deed) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Bond Trustee by this Bond Trust Deed) and such duties and obligations as shall be conferred or imposed by the instrument of appointment. The Bond Trustee shall have power in like manner to remove any such person. Such reasonable remuneration as the Bond 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 this Bond Trust Deed be treated as Liabilities incurred by the Bond Trustee.

25.4 Any corporation into which the Bond Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Bond Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Bond Trustee, shall be the successor of the Bond Trustee under this Bond Trust Deed, provided such corporation shall be otherwise qualified and eligible under this Clause 25, without the execution or filing of any paper or any further act on the part of any of the parties to this Bond Trust Deed.

26 Bond Trustee's Retirement and Removal

A trustee of this Bond Trust Deed may retire at any time on giving not less than three months' prior written notice to the Issuer, the Guarantors and the relevant Financial Guarantor(s) without giving any reason and without being responsible for any Liabilities incurred by reason of such retirement. The relevant Financial Guarantors (in respect of any Class A Wrapped Bonds) or if there are no Class A Wrapped Bonds then outstanding the holders of the Class A Unwrapped Bonds or, if there are no Class A Unwrapped Bonds then outstanding, the relevant Financial Guarantors (in respect of any Class B Wrapped Bonds) or if there are no Class B Wrapped Bonds then outstanding the holders of the Class B Unwrapped Bonds, may by Extraordinary Resolution remove any trustee or trustees for the time being of this Bond Trust Deed. The Issuer and the Guarantors each undertakes that, in the event of the only trustee of this Bond Trust Deed, which is a Trust Corporation, giving notice under this Clause 26 or being removed by Extraordinary Resolution, it will use its reasonable endeavours to procure that a new trustee of this Bond Trust Deed 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 the Issuer has not procured a new trustee within 30 days of expiry of the notice in this Clause 26, the Bond Trustee shall be entitled to procure a new bond trustee.

27 Bond Trustee's Powers to be Additional

The powers conferred upon the Bond Trustee by this Bond Trust Deed shall be in addition to any powers which may from time to time be vested in the Bond Trustee by the general law or as a holder of any of the Bonds, Receipts or Coupons.

28 New Financial Guarantors

28.1 New Financial Guarantor

If the Issuer wishes any person (such person intending to become a provider of a financial guarantee to the Issuer) to become a Financial Guarantor under this Bond Trust Deed, the Issuer shall notify the Bond Trustee in writing.

28.2 Accession of Financial Guarantor

On the relevant Accession Date, the Issuer and the proposed Financial Guarantor shall deliver to the Bond Trustee:

28.2.1 an accession memorandum (in or substantially in the form set out in the Fifth Schedule to this Bond Trust Deed which, for the purposes of this Clause 28 shall be an “**Accession Memorandum**”) executed by each person who is a party to this Bond Trust Deed at such time and the proposed Financial Guarantor supported by a legal opinion as to due incorporation, capacity and due authorisation;

28.2.2 a copy of the relevant Financial Guarantee intended to be executed by the Issuer, the proposed Financial Guarantor and the Bond Trustee; and

28.2.3 a supplemental trust deed.

28.3 Notices of Accessions

Upon receipt by the Bond Trustee of a duly completed and executed Accession Memorandum and supplemental trust deed in respect of a proposed Financial Guarantor, the Bond Trustee shall procure that the Issuer gives notice thereof to the existing Financial Guarantor(s), the Security Trustee and the Bondholders.

28.4 Effectiveness of Accession

It is hereby agreed by the parties to this Bond Trust Deed that any such Accession Memorandum and supplemental trust deed delivered pursuant to Clause 28.2 shall take effect upon delivery to the Bond Trustee. The Bond Trustee shall not be responsible for reviewing the terms of such accession nor for considering the relationship between the acceding Financial Guarantor and any existing Financial Guarantor.

28.5 Discharge of Obligations

If the Issuer ceases to be under any actual or contingent liability to any existing Financial Guarantor under any Financial Guarantee or any Finance Documents and if such Financial Guarantor has no outstanding liabilities under the Financial Guarantee or any Finance Document, such Financial Guarantor shall cease to be a Financial Guarantor under this Bond Trust Deed.

29 New Guarantors

29.1 New Guarantor

If the Issuer wishes any person to become a Guarantor under this Bond Trust Deed, the Issuer shall notify the Bond Trustee in writing.

29.2 Accession of Guarantor

On the relevant Accession Date, the Issuer and the proposed Guarantor shall deliver to the Bond Trustee, an accession memorandum (in or substantially in the form set out in the Sixth Schedule to this Bond Trust Deed which, for the purposes of this Clause 29 shall be an “**Accession Memorandum**”) executed by the proposed Guarantor supported by a legal opinion as to due incorporation, capacity and due authorisation. The Bond Trustee shall promptly execute the Accession Memorandum on such Accession Date upon such execution the Bond Trustee shall be deemed to have “received” a duly completed and executed Accession Memorandum for the purposes of Clauses 29.3 and 29.4 below.

29.3 Notices of Accessions

Upon receipt by the Bond Trustee of a duly completed and executed Accession Memorandum in respect of a proposed Guarantor, the Bond Trustee shall procure that the Issuer gives notice thereof to the existing Guarantors, the Security Trustee and the Bondholders.

29.4 Effectiveness of Accession

It is hereby agreed by the parties to this Bond Trust Deed that any such Accession Memorandum delivered pursuant to Clause 29.2 shall take effect upon delivery to the Bond Trustee. The Bond Trustee shall not be responsible for reviewing the terms of such accession nor for considering the relationship between the acceding Guarantor and any existing Guarantor.

29.5 Discharge of Obligations

If the Issuer ceases to be under any actual or contingent liability to any existing Guarantor under any Finance Documents and if such Guarantor has no outstanding liabilities under any Finance Document, such Guarantor shall cease to be a Guarantor under this Bond Trust Deed.

30 Non-Petition

Neither the Bond Trustee nor the Bondholders may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding up, reorganisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Security Agreement and subject to the STID) or other proceeding under any similar law for so long as any Bonds are outstanding or for two years and a day after the latest Maturity Date on which any bond of any Series is due to mature. This Clause 30 (*Non-Petition*) shall survive any termination of this Bond Trust Deed.

31 Notices

Any notice or demand to the Issuer, the Guarantors, the Initial Financial Guarantor or the Bond Trustee to be given, made or served for any purposes under this Bond Trust Deed 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 facsimile transmission or by delivering it by hand as follows:

to the Issuer: Clearwater Court
 Vastern Road
 Reading
 RG1 8DB

(Attention: Group Treasurer)
Facsimile No: 020 3577 8263
Email: debt.investorrelations@thameswater.co.uk
(with, in the case of any notice or demand to be given to, made or served on the Issuer, copies to the Guarantors)

to the Bond Trustee: Winchester House
1 Great Winchester Street
London EC2N 2DB
Email: asfs_trustee@list.db.com
(Attention: Managing Director)

or to such other address, email address or facsimile number as has been notified (in accordance with this Clause 31) to the other parties to this Bond Trust Deed and any notice or demand sent by post as aforesaid shall be deemed to have been given, made or served three days in the case of inland post or seven days in the case of overseas post after despatch. Any notice or demand sent by facsimile transmission as aforesaid shall be deemed to have been given, made or served 24 hours after the time of despatch **provided that** in the case of a notice or demand given by facsimile transmission such notice or demand 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 facsimile transmission.

Any notice sent by electronic communication shall be deemed received when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication, in each case in the manner required by this Clause. However, if a communication is received after 5.00 p.m. on a business day or on a non-business day in the place of receipt it shall be deemed to take effect at the opening of business on the next following business day in such place.

32 Contracts (Rights of Third Parties) act 1999

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

33 Counterparts

This Bond Trust Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Bond Trust Deed.

34 Governing Law

This Bond Trust Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

35 Enforcement

35.1 Jurisdiction

35.1.1 The English courts have exclusive jurisdiction to settle any dispute in connection with this Bond Trust Deed.

35.1.2 The English courts are the most appropriate and convenient courts to settle any such dispute and the Issuer waives objection to those courts on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Bond Trust Deed.

35.1.3 This Clause is for the benefit of the Bond Trustee and Financial Guarantor only. To the extent allowed by law, either of the Bond Trustee or the Financial Guarantor may take:

- (i) proceedings in any other court; and
- (ii) concurrent proceedings in any number of jurisdictions.

36 Execution

The parties have executed this Bond Trust Deed as a deed and intend to deliver and do deliver this Bond Trust Deed on the date stated at the beginning of this Bond Trust Deed.

Schedule 1
Terms and Conditions of the Bonds

Terms and Conditions of the Bonds

The following is the text of the terms and conditions which (subject to completion in accordance with the provisions of the relevant Final Terms or completion in accordance with the provisions of the relevant Drawdown Prospectus (as defined below) and, save for the italicised paragraphs) will be incorporated into each Global Bond (as defined below) representing Bonds (as defined below) in bearer form, Bonds in definitive form (if any) issued in exchange for the Global Bond(s) representing Bonds in bearer form, each Global Bond Certificate (as defined below) representing Bonds in registered form and each Individual Bond Certificate (as defined below) representing Bonds in registered form (only if such incorporation is permitted by the rules of the relevant stock exchange and agreed by the Issuer). If such incorporation is not so permitted and agreed, each Bond in bearer form and each Individual Bond Certificate representing Bonds in registered form will have endorsed thereon or attached thereto such text (as so completed, amended, varied or supplemented). Further information with respect to each Tranche (as defined below) of Bonds will be given in the relevant Final Terms or Drawdown Prospectus which will provide for those aspects of these Conditions which are applicable to such Tranche (as defined below) of Bonds, including, in the case of Wrapped Bonds (as defined below), the form of Financial Guarantee (as defined below) and endorsement and, in the case of all Sub-Classes (as defined below), the terms of the relevant advance under the relevant Issuer/TWUL Loan Agreement. If a Financial Guarantor (as defined below) is appointed in relation to any Sub-Class of Wrapped Bonds (as specified in the relevant Drawdown Prospectus) a supplement to this Prospectus will be produced providing such information about such Financial Guarantor as may be required by the rules of the London Stock Exchange on which such Bonds are admitted to listing and/or trading. References in the Conditions to "Bonds" are, as the context requires, references to the Bonds of one Sub-Class only, not to all Bonds which may be issued under the Programme.

Thames Water Utilities Finance plc (the "**Issuer**") has established a guaranteed bond programme (the "**Programme**") for the issuance of up to £15,000,000,000 guaranteed bonds (the "**Bonds**"). Bonds issued under the Programme on a particular Issue Date comprise a Series (a "**Series**"), and each Series comprises one or more Classes of Bonds (each a "**Class**"). Each Class may comprise one or more sub-classes (each a "**Sub-Class**") and each Sub-Class comprising one or more tranches (each a "**Tranche**").

Certain of the Bonds will be subject to a Financial Guarantee and will be designated as "Class A Wrapped Bonds" or "Class B Wrapped Bonds". The Bonds which are not subject to a Financial Guarantee will be designated as "Class A Unwrapped Bonds" (and, together with the Class A Wrapped Bonds, the "**Class A Bonds**") or "Class B Unwrapped Bonds" (and, together with the Class B Wrapped Bonds, the "**Class B Bonds**"). Each Sub-Class will be denominated in different currencies or will have different interest rates, maturity dates or other terms. Bonds of any Class may be zero coupon bonds ("**Zero Coupon Bonds**"), fixed rate bonds ("**Fixed Rate Bonds**"), floating rate bonds ("**Floating Rate Bonds**"), index-linked bonds ("**Indexed Bonds**"), dual currency bonds ("**Dual Currency Bonds**") or instalment bonds ("**Instalment Bonds**") depending on the method of calculating interest payable in respect of such Bonds and may be denominated in sterling, euro, U.S. dollars or in other currencies subject to compliance with applicable law.

The terms and conditions applicable to any particular Sub-Class of Bonds are these terms and conditions ("**Conditions**") as completed, amended and/or replaced by a set of final terms in relation to such Sub-Class (a "**Final Terms**") or a drawdown prospectus (a "**Drawdown Prospectus**"). In the event of any inconsistency between these Conditions and the relevant Final Terms or Drawdown Prospectus, the relevant Final Terms or Drawdown Prospectus (as applicable) shall prevail.

The Final Terms or Drawdown Prospectus for the Bonds (or the relevant provisions thereof) completes these Conditions and a Drawdown Prospectus may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the

purposes of the Bonds. Reference to “Final Terms” or “Drawdown Prospectus” is to the Final Terms or, as the case may be, Drawdown Prospectus (or the relevant provisions thereof) applicable to the Bonds.

The Bonds are subject to and have the benefit of a trust deed dated the Initial Issue Date (as defined below) (as amended, supplemented, restated and/or novated from time to time, the “**Bond Trust Deed**”) between the Issuer, any Financial Guarantor (as defined below) acceding thereto and Deutsche Trustee Company Limited as trustee (the “**Bond Trustee**”, which expression includes the trustee or trustees for the time being of the Bond Trust Deed).

The Class A Wrapped Bonds and the Class B Wrapped Bonds (each “**Wrapped Bonds**”) alone will be unconditionally and irrevocably guaranteed as to scheduled payments of principal and interest (as adjusted for indexation, as applicable, but excluding any additional amounts relating to premium, prepayment or acceleration, accelerated amounts and amounts (if any), in the case of Fixed Rate Bonds or Indexed Bonds (other than deferred interest), representing step-up fees at a rate specified in the relevant Drawdown Prospectus in excess of the initial Coupons on such Sub-Class as at the relevant Issue Date (as defined in Condition 6(l) (*Definitions*)), and, in the case of Floating Rate Bonds, representing step-up fees at a rate specified in the relevant Drawdown Prospectus in excess of the initial Margin on the Coupons on such Sub-Class as at the relevant Issue Date (as defined in Condition 6(l) (*Definitions*)) (in each case, the “**Subordinated Step-up Fee Amounts**”), all such amounts being the “**FG Excepted Amounts**”) pursuant to a financial guarantee (each, a “**Financial Guarantee**”) to be issued by financial guarantors (each a “**Financial Guarantor**”) in conjunction with the issue of each Sub-Class of Bonds.

Neither of the Class A Unwrapped Bonds or the Class B Unwrapped Bonds (each “**Unwrapped Bonds**”) will have the benefit of any such Financial Guarantee.

The Bonds have the benefit (to the extent applicable) of an agency agreement (as amended, supplemented and/or restated from time to time, the “**Agency Agreement**”) dated the Initial Issue Date (to which the Issuer, the Bond Trustee, the Principal Paying Agent and the other Paying Agents (in the case of Bearer Bonds) or the Transfer Agents and the Registrar (in the case of Registered Bonds) are party). As used herein, each of “**Principal Paying Agent**”, “**Paying Agents**”, “**Agent Bank**”, “**Transfer Agents**” and/or “**Registrar**” means, in relation to the Bonds, the persons specified in the Agency Agreement as the Principal Paying Agent, Paying Agents, Agent Bank, Transfer Agents and/or Registrar, respectively, and, in each case, any successor to such person in such capacity. The Bonds may also have the benefit (to the extent applicable) of a calculation agency agreement (in the form or substantially in the form of Schedule 1 to the Agency Agreement, the “**Calculation Agency Agreement**”) between, *inter alios*, the Issuer and any calculation agent appointed by the Issuer as calculation agent (the “**Calculation Agent**”).

On 30 August 2007 (the “**Initial Issue Date**”), the Issuer entered into the Security Agreement with Deutsche Trustee Company Limited as security trustee (the “**Security Trustee**”), pursuant to which the Issuer granted certain fixed and floating charge security to the Security Trustee for itself and on behalf of the Bond Trustee (for itself and on behalf of the Bondholders), the Bondholders, each TWUF Bond Trustee (for itself and on behalf of the relevant Secured TWUF Bondholders), the Secured TWUF Bondholders, each Financial Guarantor, the Issuer, each Liquidity Facility Provider, any Liquidity Facility Arrangers, each Finance Lessor, the Hedge Counterparties, the Liquidity Facility Agents, the Initial Credit Facility Agent, the Initial Credit Facility Providers, each Authorised Credit Provider (as defined below), each Agent, the Account Bank, the Cash Manager (other than when the Cash Manager is TWUL), the Standstill Cash Manager and any Additional Secured Creditors (each as defined therein) (together with the Security Trustee, the “**Secured Creditors**”). On the Initial Issue Date, the Issuer entered into a Security Trust and Intercreditor Deed (the “**STID**”) with, among others, the Security Trustee, other Secured Creditors and certain Secondary Market Guarantors and pursuant to which the Security Trustee holds the Security on trust for itself and the other Secured Creditors and the Secured Creditors and the Secondary Market Guarantors agree to certain intercreditor arrangements.

The Issuer entered into a dealership agreement (as amended, supplemented and/or restated from time to time, the “**Dealership Agreement**”) with the dealers named therein (the “**Dealers**”) in respect of the Programme, pursuant to which any of the Dealers may enter into a subscription agreement in relation to each Sub-Class of Bonds issued by the Issuer, and pursuant to which the Dealers have agreed to subscribe for the relevant Sub-Class of Bonds. In any subscription agreement relating to a Sub-Class of Bonds, any of the Dealers may agree to procure subscribers to subscribe for the relevant Sub-Class of Bonds.

On the Initial Issue Date, the Issuer entered into a Common Terms Agreement (the “**Common Terms Agreement**”) with, among others, the Security Trustee, pursuant to which the Issuer makes certain representations, warranties and covenants and which sets out in Schedule 7 thereof the Events of Default (as defined therein) in relation to the Bonds.

The Issuer has entered or may enter into liquidity facility agreements (together, the “**Liquidity Facility Agreements**”) with certain liquidity facility providers (together, the “**Liquidity Facility Providers**”) pursuant to which the Liquidity Facility Providers agree to make certain facilities available to meet liquidity shortfalls (including debt service liquidity shortfalls and shortfalls in operating and maintenance expenditure of TWUL).

The Issuer has entered or may enter into certain credit facilities (together, the “**Authorised Credit Facilities**”) with certain lenders (the “**Authorised Credit Providers**”), pursuant to which the Authorised Credit Providers agree to make certain facilities available to the Issuer for the purpose of funding certain working capital, capital expenditure and other expenses of the TWU Financing Group.

TWUL and/or the Issuer may enter into certain currency, index linked and interest rate hedging agreements (together, the “**Hedging Agreements**”) with certain hedge counterparties (together the “**Hedge Counterparties**”) in respect of certain Sub-Classes of Bonds and Authorised Credit Facilities, pursuant to which the Issuer or TWUL, as the case may be, hedges certain of its currency, index linked and interest rate obligations.

The Bond Trust Deed, the Bonds (including the applicable Final Terms) or Drawdown Prospectus, the Secured TWUF Bond Trust Deeds, the Secured TWUF Bonds (including the applicable final terms), the Security Agreement, the STID, (the STID, the Security Agreement and any other documentation evidencing or creating security over any asset of an Obligor to a Secured Creditor under the Finance Documents being together the “**Security Documents**”), the Financial Guarantee Fee Letters, the Finance Lease Documents, the Agency Agreement, the Liquidity Facility Agreements, the Hedging Agreements, the Initial Credit Facility Agreement, the Issuer/TWUL Loan Agreements, the TWUF/TWUL Loan Agreements, the TWUL/TWH Loan Agreement, the G&R Deeds, the Financial Guarantees, the CTA, the CP Agreement, the Existing Authorised Credit Finance Contracts, any other Authorised Credit Facilities, the master definitions agreement between, among others, the Issuer and the Security Trustee dated the Initial Issue Date (as amended, supplemented and/or restated from time to time, the “**Master Definitions Agreement**”), the account bank agreement between, among others, the account bank, the Issuer and the Security Trustee (the “**Account Bank Agreement**”), the Tax Deed of Covenant, any indemnification deed between, among others, a Financial Guarantor and the Dealers (an “**Indemnification Deed**”) and any related security document (each, if not defined above, as defined below or in the Master Definitions Agreement) are, in relation to the Bonds, (and together with each other agreement or instrument between TWUL or the Issuer (as applicable) and an Additional Secured Creditor designated as a Finance Document by TWUL or the Issuer (as applicable), the Security Trustee and such Additional Secured Creditor in the Accession Memorandum of such Additional Secured Creditor) together referred to as the “**Finance Documents**”.

Terms not defined in these Conditions have the meaning set out in the Master Definitions Agreement.

Certain statements in these Conditions are summaries of the detailed provisions appearing on the face of the Bonds (which expression shall include the body thereof), in the relevant Final Terms or Drawdown Prospectus or in the Bond Trust Deed, the Security Agreement or the STID. Copies of, *inter alia*, the Finance Documents

are available for inspection during normal business hours at the specified offices of the Principal Paying Agent (in the case of bearer Bonds) or the specified offices of the Transfer Agents and the Registrar (in the case of registered Bonds), and electronic copies are also available via email to Bondholders upon request to the TWUF Bond Trustee, the Principal Paying Agent, the Transfer Agents and the Registrar (as applicable) and satisfactory proof of holding.

The Bondholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Bond Trust Deed, the STID, the Security Agreement, the CTA and the relevant Final Terms or Drawdown Prospectus and to have notice of those provisions of the Agency Agreement and the other Finance Documents applicable to them.

Any reference in these Conditions to a matter being “specified” means that the same may be specified in the relevant Final Terms or Drawdown Prospectus.

1 Form, Denomination and Title

(a) *Form and Denomination*

The Bonds are in bearer form (“**Bearer Bonds**”) or in registered form (“**Registered Bonds**”) as specified in the applicable Final Terms or Drawdown Prospectus and, serially numbered in the Specified Denomination(s) provided that in the case of any Bonds which require the publication of a prospectus under the UK Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Bonds). Bonds of one Specified Denomination may not be exchanged for Bonds of another Specified Denomination and Registered Bonds may not be exchanged for Bearer Bonds and *vice versa*. References in these Conditions to “Bonds” include Bearer Bonds and Registered Bonds and all Sub-Classes, Classes, Tranches and Series.

Interest-bearing Bearer Bonds are issued with Coupons (as defined below) (and, where appropriate, a Talon, (as defined below)) attached. After all the Coupons attached to, or issued in respect of, any Bearer Bond which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and (if necessary) one further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent. Any Bearer Bond the principal amount of which is redeemable in instalments may be issued with one or more Receipts (as defined below) (and, where appropriate, a Talon) attached thereto. After all the Receipts attached to, or issued in respect of, any Instalment Bond which was issued with a Talon have matured, a receipt sheet comprising further Receipts (other than Receipts which would be void) and (if necessary) a further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent.

(b) *Title*

Title to Bearer Bonds, Coupons, Receipts and Talons (if any) passes by delivery. Title to Registered Bonds passes by registration in the register (the “**Register**”), which the Issuer shall procure to be kept by the Registrar.

In these Conditions, subject as provided below, each “**Bondholder**” (in relation to a Bond, Coupon, Receipt or Talon), “**holder**” and “**Holder**” means: (i) in relation to a Bearer Bond, the bearer of any Bearer Bond, Coupon, Receipt or Talon (as the case may be); and (ii) in relation to Registered Bond, the person in whose name a Registered Bond is registered, as the case may be. The expressions “Bondholder”, “holder” and “Holder” include the holders of instalment receipts (which, in relation to Class A Bonds will be “Class A Receipts”, in relation to Class B Bonds, “Class B Receipts” and together, the “**Receipts**”), appertaining to the payment of principal by

instalments (if any) attached to such Bonds in bearer form (the “**Receiptholders**”), the holders of the coupons (which, in relation to Class A Bonds will be “**Class A Coupons**”, in relation to Class B Bonds, “**Class B Coupons**” and together, the “**Coupons**”) (if any) appertaining to interest bearing Bonds in bearer form (the “**Couponholders**”), and the expression Couponholders or Receiptholders includes the holders of talons in relation to Coupons or Receipts as applicable, (which, in relation to Class A Bonds will be “**Class A Talons**”, in relation to Class B Bonds, “**Class B Talons**” and together, the “**Talons**”) (if any) for further coupons or receipts, as applicable attached to such Bonds (the “**Talonholders**”).

The bearer of any Bearer Bond, Coupon, Receipt or Talon and the registered holder of any Registered Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the relevant Bond, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Registered Bond, a duly executed transfer of such Bond in the form endorsed on the Individual Bond Certificate in respect thereof) and no person will be liable for so treating the holder.

Bonds which are represented by a Global Bond or Global Bond Certificate 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 the applicable Final Terms or Drawdown Prospectus or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Bond Trustee.

(c) *Fungible Issues of Bonds comprising a Sub-Class*

A Sub-Class of Bonds may comprise a number of issues in addition to the initial Tranche of such Sub-Class, each of which will be issued on identical terms save for the first Interest Payment Date, the Issue Date and the Issue Price. Such further issues of the same Sub-Class will be consolidated and form a Series with the prior issues of that Sub-Class.

2 Exchanges of Bearer Bonds for Registered Bonds and Transfers of Registered Bonds

(a) *Exchange of Bonds*

Subject to Condition 2(e) (*Closed Periods*), Bearer Bonds may, if so specified in the relevant Final Terms or Drawdown Prospectus, be exchanged at the expense of the transferor Bondholder for the same aggregate principal amount of Registered Bonds at the request in writing of the relevant Bondholder and upon surrender of the Bearer Bond to be exchanged together with all unmaturing Coupons, Receipts and Talons (if any) relating to it at the specified office of the Registrar or any Transfer Agent or Paying Agent. Where, however, a Bearer Bond is surrendered for exchange after the Record Date (as defined below) for any payment of interest or Interest Amount (as defined below), the Coupon in respect of that payment of interest or Interest Amount need not be surrendered with it.

Registered Bonds may not be exchanged for Bearer Bonds.

(b) *Transfer of Registered Bonds*

A Registered Bond may be transferred upon the surrender of the relevant Individual Bond Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of any Transfer Agent or the Registrar. However, a Registered Bond may not be transferred unless: (i) the principal amount of Registered Bonds proposed to be transferred; and (ii) the principal amount of the Registered Bonds proposed to be the principal amount of the

balance of Registered Bonds to be retained by the relevant transferor are, in each case, Specified Denominations (as specified in the relevant Final Terms or Drawdown Prospectus). In the case of a transfer of part only of a holding of Registered Bonds represented by an Individual Bond Certificate, a new Individual Bond Certificate in respect of the balance not transferred will be issued to the transferor within three business days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer.

(c) *Delivery of New Individual Bond Certificates*

Each new Individual Bond Certificate to be issued upon exchange of Bearer Bonds or transfer of Registered Bonds will, within three business days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such request for exchange or form of transfer, be available for delivery at the specified office of the Transfer Agent or the Registrar stipulated in the request for exchange or form of transfer, or be mailed at the risk of the Bondholder entitled to the Individual Bond Certificate to such address as may be specified in such request or form of transfer. For these purposes, a form of transfer or request for exchange received by the Registrar after the Record Date (as defined below) in respect of any payment due in respect of Registered Bonds shall be deemed not to be effectively received by the Registrar until the business day (as defined below) following the due date for such payment.

(d) *Exchange at the Expense of Transferor Bondholder*

Registration of Bonds on exchange or transfer will be effected at the expense of the transferor Bondholder by or on behalf of the Issuer, the Transfer Agent or the Registrar, and upon payment of (or the giving of such indemnity as the Transfer Agent or the Registrar may require in respect of) any tax or other governmental charges which may be imposed in relation to it.

(e) *Closed Periods*

No transfer of a Registered Bond may be registered, nor any exchange of a Bearer Bond for a Registered Bond may occur: (i) during the period of 15 days ending on the due date for any payment of principal, interest, Interest Amount (as defined below) or Redemption Amount (as defined below) on that Bond; (ii) during the period of 15 days before any date on which that Bonds may be called for redemption by the Issuer at its option pursuant to Condition 8(b) (*Optional Redemption*) or Condition 8(j) (*Redemption at the Option of the Issuer (Issuer Maturity Call)*); or (iii) after that Bond has been called for redemption.

3 Status of Bonds and Financial Guarantee

(a) *Status of Class A Bonds*

This Condition 3(a) is applicable only in relation to Bonds which are specified as being a Sub-Class of Class A Bonds.

The Class A Bonds, Class A Coupons, Class A Talons and Class A Receipts (if any) are direct and unconditional obligations of the Issuer, are secured in the manner described in Condition 4 (*Security, Priority and Relationship with Secured Creditors*) and rank *pari passu* without any preference among themselves. However, the Class A Unwrapped Bonds will not have the benefit of any Financial Guarantee.

(b) *Status of Class B Bonds*

This Condition 3(b) is applicable only in relation to Bonds which are specified as being a Sub-Class of Class B Bonds.

The Class B Bonds, Class B Coupons, Class B Talons and Class B Receipts (if any) are direct and unconditional obligations of the Issuer, are secured in the manner described in Condition 4 (*Security, Priority and Relationship with Secured Creditors*), are subordinated to the Class A Bonds, Class A Coupons, Class A Receipts and Class A Talons (if any) and rank *pari passu* without any preference among themselves. However, the Class B Unwrapped Bonds will not have the benefit of any Financial Guarantee.

(c) *Financial Guarantee Issued by Financial Guarantor*

This Condition 3(c) is applicable only in relation to Bonds which are specified as being a Sub-Class of Wrapped Bonds (which may only be issued by way of Drawdown Prospectus).

Each Sub-Class of each Class of Wrapped Bonds will have the benefit of a Financial Guarantee issued by a Financial Guarantor, issued pursuant to a guarantee and reimbursement deed between, amongst others, the Issuer and a Financial Guarantor dated on or before the relevant Issue Date (as defined below) of such Bonds (each a “**G&R Deed**”). Under the relevant Financial Guarantee, the relevant Financial Guarantor unconditionally and irrevocably agrees to pay to the Bond Trustee all sums due and payable but unpaid by the Issuer in respect of scheduled interest and payment of principal (but excluding FG Excepted Amounts) on such Wrapped Bonds, all as more particularly described in the relevant Financial Guarantee.

The terms of the relevant Financial Guarantee provide that amounts of principal on any such Bonds which have become immediately due and payable (whether by virtue of acceleration, prepayment or otherwise) other than on the relevant Payment Date (as defined under the Financial Guarantee) will not be treated as Guaranteed Amounts (as defined in the Financial Guarantee) which are Due for Payment (as defined in the Financial Guarantee) under the Financial Guarantee unless the Financial Guarantor in its sole discretion elects so to do by notice in writing to the Bond Trustee. The Financial Guarantor may elect to accelerate payments due under the Financial Guarantee in full or in part. All payments made by the relevant Financial Guarantor under the relevant Financial Guarantee in respect of partial acceleration shall be applied: (i) to pay the Interest (as defined in the relevant Financial Guarantee) accrued but unpaid on the Principal (as defined in the relevant Financial Guarantee) of such part of the accelerated payment; and (ii) to reduce the Principal (as defined in the relevant Financial Guarantee) (or, in the case of Wrapped Bonds repayable in instalments, each principal repayment instalment on a pro rata basis with a corresponding reduction of each amount of the Interest (as determined in the Financial Guarantee)) outstanding under the relevant Sub-Classes of Wrapped Bonds. If no such election is made, the Financial Guarantor will continue to be liable to make payments in respect of the Bonds pursuant to the relevant Financial Guarantee on the dates on which such payments would have been required to be made if such amounts had not become immediately due and payable.

To the extent that the early redemption price of any Bonds exceeds the aggregate of the Principal Amount Outstanding of and any accrued interest outstanding on any such Bonds to be redeemed (each as adjusted for indexation in accordance with Condition 7(b) (*Application of the Index Ratio*), if applicable), payment of such early redemption price will not be guaranteed by the Financial Guarantor under the relevant Financial Guarantee.

(d) *Status of Financial Guarantee*

This Condition 3(d) is applicable only in relation to Bonds which are specified as being a Sub-Class of Wrapped Bonds (which may only be issued by way of Drawdown Prospectus).

The relevant Financial Guarantee provided by the Financial Guarantor in respect of the Bonds will constitute a direct, unsecured obligation of the Financial Guarantor which will rank at least

pari passu with all other unsecured obligations of such Financial Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(e) *Security Trustee not responsible for monitoring compliance*

Subject to certain exceptions, when granting any consent or waiver or exercising any power, trust, authority or discretion relating to or contained in the STID, the other Finance Documents or any Ancillary Documents, the Security Trustee will act in accordance with its sole discretion (where granted such right) or as directed, requested or instructed by or subject to the agreement of the Majority Creditors or, in particular cases, other specified parties and in accordance with the provisions of the STID.

The Security Trustee is not responsible for monitoring compliance by TWUL with any of its obligations under the Finance Documents to which it is a party except by means of receipt from TWUL of certificates of compliance which TWUL has covenanted to deliver to the Security Trustee pursuant to the provisions of the CTA and which will state among other things, that no Default is outstanding. The Security Trustee shall be entitled to rely on certificates absolutely (without enquiry or liability) unless it is instructed otherwise by the Majority Creditors in which case it will be bound to act on such instructions in accordance with the STID. The Security Trustee is not responsible for monitoring compliance by any of the parties with their respective obligations under the Finance Documents. The Security Trustee may call for and is at liberty to accept as sufficient evidence a certificate signed by any two Authorised Signatories of any Obligor or any other party to any Finance Document to the effect that any particular dealing, transaction, step or thing is in the opinion of the persons so certifying suitable or expedient or as to any other fact or matter upon which the Security Trustee may require to be satisfied. The Security Trustee is in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such certificate although the same may contain some error or is not authentic. The Security Trustee is entitled to rely upon any certificate believed by it to be genuine and will not be liable for so acting.

All Bondholders are (on providing sufficient evidence of identity) entitled to view a copy of the Periodic Information as and when available to the Security Trustee pursuant to the terms of the CTA and to view a copy of the unaudited interim accounts and audited annual accounts of TWUL within 90 days of 30 September and 180 days of 31 March of each year, respectively.

In addition, each Guarantor has covenanted to provide the Security Trustee with certain additional information (as set out in Schedule 5, Part 1 “*Information Covenants*” of the CTA). Such information may be published on a website designated by the relevant Guarantor and the Security Trustee.

In the event the relevant website cannot be accessed for technical reasons or is non-operational or is infected by an electronic virus or function software for a period of five consecutive days, all such information set out above which would otherwise be available will be delivered to the Security Trustee in paper form for onward delivery to the Bond Trustee and the Agents. Copies of such information will be available for inspection at the specified office of the Agents and the Bond Trustee.

4 Security, Priority and Relationship with Secured Creditors

(a) *Guarantee and Security*

Under the Security Agreement, Thames Water Utilities Holdings Limited (“**TWH**”) unconditionally and irrevocably guarantees the obligations of each other Obligor under the Finance Documents and TWUL and the Issuer will unconditionally and irrevocably guarantee the obligations of each other under the Finance Documents, in each case to the Security Trustee for itself and on behalf of the Secured Creditors (including, without limitation, the Bond Trustee for itself and on behalf of the Bondholders) and secures such obligations upon the whole of its property, undertaking, rights and assets, subject to certain specified exceptions and, in the case of TWUL, to the terms of the Instrument of Appointment (as defined below) and any requirements thereunder or the Act (as defined below). There is no intention to create further security for the benefit of the holders of Bonds issued after the Initial Issue Date. All Bonds issued by the Issuer under the Programme and any additional creditor of the Issuer acceding to the STID will share in the security (the “**Security**”) constituted by the Security Documents.

In these Conditions:

the “**Act**” means the United Kingdom Water Industry Act 1991 (as amended); and “Instrument of Appointment” means the instrument of appointment dated 1989 as amended under which the Secretary of State for the Environment appointed TWUL as a water and sewerage undertaker under the Act for the areas described in the Instrument of Appointment, as modified or amended from time to time.

“**Obligors**” means TWUL, TWH and the Issuer (for so long as they remain Obligors).

(b) *Relationship among Bondholders and with other Secured Creditors*

The Bond Trust Deed contains provisions detailing the Bond Trustee’s obligations to consider the interests of the Bondholders as regards all powers, trusts and authorities, duties and discretions of the Bond Trustee (except where expressly provided or otherwise referred to in Condition 16 (*Bond Trustee Protections*)).

The STID provides that the Security Trustee (except in relation to its Reserved Matters and Entrenched Rights and subject to certain exceptions) will act on instructions of the Majority Creditors (including the Bond Trustee as trustee for and representative of the holders of each Sub-Class of Wrapped Bonds (following the occurrence of a FG Event of Default in respect of the Financial Guarantor of such Wrapped Bonds which is continuing) and the holders of Unwrapped Bonds) and, when so doing, the Security Trustee is not required to have regard to the interests of any Secured Creditor (including the Bond Trustee as trustee for and representative of the Bondholders or any individual Bondholder) in relation to the exercise of such rights and, consequently, has no liability to the Bondholders as a consequence of so acting.

(c) *Enforceable Security*

In the event of the Security becoming enforceable as provided in the STID, the Security Trustee shall, if instructed by the Majority Creditors, enforce its rights with respect to the Security, but without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any particular Bondholder, provided that the Security Trustee shall not be obliged to take any action unless it is indemnified and/or secured and/or pre-funded to its satisfaction.

(d) *Application After Enforcement*

After enforcement of the Security, the Security Trustee shall (to the extent that such funds are available) use funds standing to the credit of the Accounts (other than the Excluded Accounts) to make payments in accordance with the Payment Priorities (as set out in the CTA).

(e) *Bond Trustee and Security Trustee not liable for security*

The Bond Trustee and the Security Trustee will not be liable for any failure to make the usual investigations or any investigations which might be made by a security holder in relation to the property which is the subject of the Security, and is not bound to enquire into or be liable for any defect or failure in the right or title of the relevant Obligor to the Security, whether such defect or failure was known to the Bond Trustee or the Security Trustee or might have been discovered upon examination or enquiry or whether capable of remedy or not, nor will it have any liability for the enforceability of the Security created under the Security Documents whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting such Security. The Bond Trustee and the Security Trustee have no responsibility for the value of any such Security.

5 Issuer Covenants

So long as any of the Bonds remain Outstanding, the Issuer has agreed to comply with the covenants as set out in Schedule 4 of the CTA.

The Bond Trustee shall be entitled to rely absolutely (without enquiry or liability) on a certificate of any director of the Issuer in relation to any matter relating to such covenants and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter stated in such certificate.

6 Interest and other calculations

(a) *Interest on Fixed Rate Bonds and Indexed Bonds*

This Condition 6(a) is applicable only if the relevant Final Terms or Drawdown Prospectus specifies the Bonds as Fixed Rate Bonds or Indexed Bonds.

Each Fixed Rate Bond and Indexed Bond bears interest on its Principal Amount Outstanding and, if it is an Indexed Bond, adjusted for indexation in accordance with Condition 7 (*Indexation*) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Interest Rate(s). Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

The amount of interest payable per Calculation Amount in respect of any Bond for any Fixed Interest Period shall be equal to the product of the Interest Rate, the Calculation Amount specified, and the Day Count Fraction for such Fixed Interest Period and rounding the resultant figure to the nearest unit of the Relevant Currency in accordance with Condition 6(e) (*Rounding*), unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Period, in which case the amount of interest payable per Calculation Amount in respect of such Bond for such Fixed Interest Period shall equal such Interest Amount (or be calculated in accordance with such formula).

Where any Interest Period comprises two or more Fixed Interest Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Fixed Interest Periods.

As used in these 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.

If interest is required to be calculated for a period other than a Fixed Interest Period or if no Fixed Coupon Amount is specified in the applicable Final Terms or Drawdown Prospectus, such interest payable per Calculation Amount shall be calculated: (i) in the case of Bonds other than Indexed Bonds, by applying the Interest Rate to the Calculation Amount specified, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest unit of the Relevant Currency in accordance with Condition 6(e) (*Rounding*); and (ii) in the case of Indexed Bonds, on an Actual/Actual basis.

(b) *Interest on Floating Rate Bonds*

This Condition 6(b) is applicable only if the relevant Final Terms or Drawdown Prospectus specifies the Bonds as Floating Rate Bonds.

(i) *Interest Payment Dates*

Each Floating Rate Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms or Drawdown Prospectus; or
- (B) if no Specified Interest Payment Date(s) is/are expressly specified in the applicable Final Terms or Drawdown Prospectus, 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 Final Terms or Drawdown Prospectus after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date. The end date of such Specified Period will be a date when banks are open in the Business Centre(s) specified in the relevant Final Terms, if applicable.

Such interest will be payable in respect of each Interest Period.

(ii) *Interest Rate(s)*

The Interest Rate(s) payable from time to time in respect of the Floating Rate Bonds will be determined in the manner specified herein and the provisions below relating to either Screen Rate Determination or ISDA Determination, depending upon which is specified in the applicable Final Terms or Drawdown Prospectus.

- (A) Save where the Reference Rate specified in the applicable Final Terms is SONIA, where “Screen Rate Determination” is specified in the relevant Final Terms or Drawdown Prospectus as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Bonds for each Interest Period will be determined by the Agent Bank (or the Calculation Agent, if applicable) on the following basis:
 - (1) if the Page (as defined below) displays a rate which is a composite quotation or customarily supplied by one entity, the Agent Bank (or the Calculation Agent, if applicable) will determine the Relevant Rate (as defined in

Condition 6(l) (*Definitions*), being EURIBOR, as specified in the applicable Final Terms or Drawdown Prospectus);

- (2) in any other case, the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the Relevant Rates (as defined in Condition 6(l) (*Definitions*)), being EURIBOR, as specified in the applicable Final Terms or Drawdown Prospectus), which appear on the Page at the Relevant Time (as defined in Condition 6(l) (*Definitions*)) on the relevant Interest Determination Date;
- (3) subject to Condition 6(b)(iii) below if, in the case of (1) above, such rate does not appear on that Page or, in the case of (2) above, fewer than two such rates appear on that Page or if, in either case, the Page is unavailable:
 - (A) the Issuer (on behalf of the Agent Bank or the Calculation Agent, as applicable) will request the principal Relevant Financial Centre office of each of the Reference Banks (as defined in Condition 6(l) (*Definitions*)) to provide the Agent Bank (or the Calculation Agent, if applicable) with a quotation of the Relevant Rate at approximately the Relevant Time on the relevant Interest Determination Date to prime banks in the Relevant Financial Centre (as defined in Condition 6(l) (*Definitions*)) interbank market (or, if appropriate, money market) in an amount that is representative for a single transaction in that market at that time; and
 - (B) the Agent Bank (or the Calculation Agent, if applicable) shall determine the arithmetic mean of such quotations; and
- (4) subject to Condition 6(b)(iii) below, if fewer than two such quotations are provided as requested by the Issuer in Condition 6(b)(ii)(A)(3), the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the rates (being the rates nearest to the Relevant Rate as determined by the Agent Bank (or the Calculation Agent, if applicable)) quoted by the Reference Banks at approximately 11.00 a.m. (local time in the Relevant Financial Centre of the Relevant Currency) on the first day of the relevant Interest Period (as defined in Condition 6(l) (*Definitions*)) for loans in the Relevant Currency to leading European banks for a period equal to the relevant Interest Period and in the Representative Amount (as defined in Condition 6(l) (*Definitions*)),

and the Interest Rate for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined. However, if the Agent Bank is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Interest Rate applicable to the Bonds during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Bonds in respect of a preceding Interest Period.

- (B) If “ISDA Determination” is specified in the relevant Final Terms or Drawdown Prospectus as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate(s) applicable to the Bonds for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “ISDA Rate” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA

Definitions) that would be determined by the Agent Bank (or the Calculation Agent, if applicable) under an interest rate swap transaction if the Agent Bank (or the Calculation Agent, if applicable) were acting as calculation agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (1) Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms or Drawdown Prospectus;
- (2) the Designated Maturity (as defined in the ISDA Definitions) is the Specified Duration (as defined in Condition 6(1) (Definitions)); and
- (3) the relevant Reset Date (as defined in the ISDA Definitions) is either: (1) if the relevant Floating Rate Option is based on EURIBOR, the first day of that Interest Period; or (2) in any other case, as specified in the relevant Final Terms or Drawdown Prospectus.

Notwithstanding anything included in these Conditions or any applicable Final Terms, the Agent Bank when nominated as the Calculation Agent in relation to such Bonds will have no obligation to exercise any discretion (including, but not limited to, determinations of alternative or substitute benchmarks, successor reference rates, screen pages, interest adjustment factors/fractions or spreads, market disruptions, benchmark amendment conforming changes, selection and polling of reference banks) and any such discretion shall instead (unless an alternative method for determination by any entity other than the Calculation Agent is specified in these Conditions) be exercised by the Issuer (following consultation with any such independent advisers as it deems necessary).

- (A) If “Screen Rate Determination” is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, and the Reference Rate specified in the applicable Final Terms is SONIA, the Interest Rate applicable to the Bonds for each Interest Period will be Compounded Daily SONIA as specified in the applicable Final Terms plus or minus the Margin (as specified in the applicable Final Terms), all as determined by the Agent Bank.

“**Compounded Daily SONIA**”, with respect to each Interest Period, will be calculated by the Agent Bank on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_{i-PLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d₀**” is the number of London Banking Days in the relevant Interest Period;

“**i**” is a series of whole numbers from one to **d₀**, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period to, and including, the last London Banking Day in the relevant Interest Period;

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

“**ni**” 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;

“**p**” is the number of London Banking Days included in the Reference Look-Back Period, as specified in the applicable Final Terms provided that “**p**” shall not be less than three London Banking Days at any time and shall not be less than five London Banking Days without prior written approval of the Agent Bank;

“**Reference Look-Back Period**” is as specified in the applicable Final Terms;

“**Reference Period**” means, in respect of an Interest Period, the period from and including the date falling “**p**” London Banking Days prior to the first day of such Interest Period and ending on, but excluding, the date falling “**p**” London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling “**p**” London Banking Days prior to such earlier date, if any, on which the Bonds become due and payable);

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

“**SONIA_{i-pLBD}**” means, in respect of any London Banking Day, falling in the relevant Interest Period, the SONIA Reference Rate for the London Banking Day which is “**p**” London Banking Days prior to the relevant London Banking Day “**i**”.

- (B) If, subject to Condition 6(b)(iii) (*Benchmark discontinuation*), in respect of any London Banking Day in the relevant Reference Period, the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall be:
- (1) (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
 - (2) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, 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 on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

- (C) Notwithstanding the paragraphs above, but subject to Condition 6(b)(iii) (*Benchmark discontinuation*), if the Bank of England publishes guidance as to: (i) how the SONIA Reference Rate is to be determined; or (ii) any rate that is to replace the SONIA Reference Rate, the Agent Bank shall, subject to receiving written instructions from the Issuer and to the extent reasonably practicable, follow such guidance in order to determine SONIA for the purpose of the Bonds for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

(iii) *Benchmark discontinuation*

(A) *Independent Adviser*

If the Issuer determines that a Benchmark Event occurs in relation to an Original Reference Rate when any Interest Rate (or any component part thereof) remains to be determined by reference to such Original Reference Rate the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 6(b)(iii)(B)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 6(b)(iii)(D)). In making such determinations, the Independent Adviser appointed pursuant to this Condition 6(b)(iii) will act in good faith as an expert. In the absence of bad faith or fraud, the Independent Adviser will have no liability whatsoever to the Issuer, the Bond Trustee, the Agents, the Bondholders, the Receiptholders or the Couponholders for any determination made by it, pursuant to this Condition 6(b)(iii).

If: (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 6(b)(iii)(A) by no later than 5 Business Days prior to the relevant Interest Determination Date, the Interest Rate applicable to the next succeeding Interest Period shall be equal to the Interest Rate last determined in relation to the Bonds in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Interest Rate shall be the initial Interest Rate. Where a different Margin or Maximum Interest Rate or Minimum Interest Rate is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Interest Rate or Minimum Interest Rate relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum or Minimum Interest Rate relating to that last preceding Interest Period. For the avoidance of doubt, this 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, the first paragraph of this Condition 6(b)(iii)(A).

(B) *Successor Rate or Alternative Rate*

If the Independent Adviser determines that:

- (1) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Interest rate (or the relevant component part thereof) for all future payments of interest on the Bonds (subject to the operation of this Condition 6(b)(iii)); or

- (2) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Interest Rate (or the relevant component part thereof) for all future payments of interest on the Bonds (subject to the operation of this Condition 6(b)(iii)).

(C) *Adjustment Spread*

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

(D) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 6(b)(iii) and the Independent Adviser determines: (i) that amendments to these Conditions, the Agency Agreement and/or the Bond Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”); and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 6(b)(iii)(E), without any requirement for the consent or approval of Bondholders or Couponholders, vary these Conditions, the Agency Agreement and/or the Bond Trust Deed 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 Bond Trustee, (the Calculation Agent (if applicable)) and the Agent Bank of a certificate signed by two Authorised Signatories of the Issuer pursuant to Condition 6(b)(iii)(E), each of the Bond Trustee, the Calculation Agent (if applicable) and the Agent Bank shall (at the expense of the Issuer), without any requirement for the consent or approval of the Bondholders or Couponholders, be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Bond Trust Deed), and the Bond Trustee, the Calculation Agent (if applicable) and the Agent Bank will not be liable to any party for any consequence thereof; notwithstanding the above, each of the Bond Trustee, the Calculation Agent (if applicable) and the Agent Bank shall not be obliged so to concur if in the opinion of the Bond Trustee, the Calculation Agent (if applicable) or the Agent Bank, as the case may be, 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 protective provisions afforded to it in these Conditions, the Agency Agreement or the Bond Trust Deed (including, for the avoidance of doubt, any supplemental trust deed or supplemental agency agreement) or any other documents to which it is party in any way.

In connection with any such variation in accordance with this Condition 6(b)(iii)(D), the Issuer shall comply with the rules of any stock exchange on which the Bonds are for the time being listed or admitted to trading.

(E) *Notices, etc.*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 6(b)(iii) will be notified by no later than five Business Days prior to the relevant Interest Determination Date by the Issuer to the Bond Trustee, the Calculation Agent, the Agent Bank, the Paying Agents and, in accordance with Condition 17 (*Notices*), the Bondholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

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

- (1) confirming: (i) that a Benchmark Event has occurred; (ii) the Successor Rate or, as the case may be, the Alternative Rate; (iii) the applicable Adjustment Spread; and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 6(b)(iii); and
- (2) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

Each of the Bond Trustee, the Calculation Agent, the Agent Bank and the Paying Agents shall be entitled to rely on such certificate absolutely (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 Bond Trustee's or the Calculation Agent's or the Agent Bank's or the Paying Agents' ability to rely on such certificate absolutely (without enquiry or liability to any person) as aforesaid) be binding on the Issuer, the Bond Trustee, the Calculation Agent, the Agent Bank, the Paying Agents and the Bondholders.

(F) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Condition 6(b)(iii)(A), (B), (C) and (D), the Original Reference Rate and the fallback provisions provided for in Condition 6(b)(ii)(A), (D) and (E) will continue to apply unless and until the Issuer determines that a Benchmark Event has occurred.

(G) *Uncertainty*

Notwithstanding any other provision of this Condition 6(b)(iii), if in the Calculation Agent's or Agent Bank's (as applicable) opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 6(b)(iii), the Calculation Agent or the Agent Bank (as applicable) shall promptly notify the Issuer thereof and the Issuer shall direct the

Calculation Agent or the Agent Bank (as applicable) in writing as to which alternative course of action to adopt. If the Calculation Agent or the Agent Bank (as applicable) is not promptly provided with such direction or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent or the Agent Bank (as applicable) shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(H) *Definitions*

As used in this Condition 6(b)(iii):

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

- (1) 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);
- (2) the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied); or
- (3) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 6(b)(iii)(B) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Relevant Currency as the Bonds;

“**Benchmark Amendments**” has the meaning given to it in Condition 6(b)(iii)(D);

“**Benchmark Event**” means:

- (1) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (3) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

- (4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Bonds; or
- (5) it has become unlawful for any Paying Agent, the Calculation Agent, the Agent Bank or the Issuer or to calculate any payments due to be made to any Bondholder using the Original Reference Rate; or
- (6) a public statement by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative of its relevant underlying market,

provided that in the case of sub-paragraphs (2), (3) and (4) above, the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement;

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by, and at the expense of, the Issuer under Condition 6(b)(iii)(A);

“Original Reference Rate” means the originally specified benchmark or screen rate (as applicable) used to determine the Interest Rate (or any component part thereof) on the Bonds;

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

- (1) 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
- (2) 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;

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

(iv) *Calculations*

The amount of interest payable in respect of any Floating Rate Bond for each Interest Period shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount specified by the Day Count Fraction (as defined in Condition 6(l) (*Definitions*)) and

rounding the resultant figure to the nearest unit of the Relevant Currency (rounded in accordance with Condition 6(e) (*Rounding*)).

(c) *Interest on Dual Currency Bonds*

The rate or amount of interest payable in respect of Dual Currency Bonds (other than Dual Currency Bonds which are Zero Coupon Bonds) shall be determined in the manner specified in the applicable Final Terms.

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

If any Maximum Interest Rate or Minimum Interest Rate is specified in the relevant Final Terms or Drawdown Prospectus, then the Interest Rate shall in no event be greater than the maximum or be less than the minimum so specified, as the case may be.

(e) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified):

- (i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);
- (ii) all figures will be rounded to seven significant figures (with halves being rounded up); and
- (iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes, “unit” means, with respect to any currency other than euro, the lowest amount of such currency which is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(f) *Business Day Convention*

If any date referred to in these Conditions or the relevant Final Terms or Drawdown Prospectus is specified to be subject to adjustment in accordance with a Business Day convention and: (x) if there is no numerically corresponding day on the calendar month in which such date should occur; or (y) such date would otherwise fall on a day which is not a Business Day (as defined in Condition 6(l) (*Definitions*)), then if the Business Day Convention specified in the relevant Final Terms or Drawdown Prospectus is:

- (i) the “**Following Business Day Convention**”, such date shall be postponed to the next day which is a Business Day;
- (ii) the “**Modified Following Business Day Convention**”, such 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 date shall be brought forward to the immediately preceding Business Day; or
- (iii) the “**Preceding Business Day Convention**”, such date shall be brought forward to the immediately preceding Business Day.

(g) *Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts and Instalment Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Agent Bank (or the Calculation Agent, if applicable) may be required to calculate any Redemption Amount or the amount of an instalment of scheduled principal (an “**Instalment Amount**”) or make any determination or calculation, the Agent Bank (or the Calculation Agent, if

applicable) will determine the Interest Rate and calculate the Interest Amount for the relevant Interest Period (including, for the avoidance of doubt any applicable Index Ratio to be calculated in accordance with Condition 7(b) (*Application of the Index Ratio*), calculate the Redemption Amount or Instalment Amount or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount, Principal Amount Outstanding or any Instalment Amount to be notified to, in the case of Bearer Bonds, the Paying Agents or in the case of Registered Bonds, the Registrar, and, in each case, the Bond Trustee, the Issuer, the Bondholders and the London Stock Exchange and each other listing authority, stock exchange and/or quotation system by which the relevant Bonds have then been admitted to listing, trading and/or quotation) as soon as possible after its determination but in no event later than: (i) (in case of notification to the London Stock Exchange and each other listing authority, stock exchange and/or quotation system by which the relevant Bonds have then been admitted to listing, trading and/or quotation) the commencement of the relevant Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount; or (ii) in all other cases, the fourth Business Day after such determination. The Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange or other relevant authority on which the relevant Sub-Class or Tranche of Bonds are for the time being listed or by which they have been admitted to listing and to the Bondholders in accordance with Condition 17 (*Notices*). If the Bonds become due and payable under Condition 11 (*Events of default*), the accrued interest and the Interest Rate payable in respect of the Bonds shall nevertheless continue to be calculated as previously provided in accordance with this Condition 6(g) but no publication of the Interest Rate or the Interest Amount so calculated need be made unless otherwise required by the Bond Trustee. If the Calculation Amount is less than the minimum Specified Denomination, the Agent Bank (or the Calculation Agent, if applicable) shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Bond having the minimum Specified Denomination. The determination of each Interest Rate, Interest Amount, Redemption Amount and Instalment Amount and the making of each determination or calculation by the Agent Bank (or the Calculation Agent, if applicable) pursuant to this Condition 6 or Condition 7 (*Indexation*), shall (in the absence of manifest error) be final and binding upon all parties.

(h) *Accrual of Interest*

Interest will cease to accrue on each Bond (or, in the case of the redemption of part only of a Bond, that part only of such Bond) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after judgment) at the Interest Rate in the manner provided in this Condition 6 to the Relevant Date (as defined in Condition 6(l) (*Definitions*)).

(i) *Deferral of interest on Class B Bonds*

This Condition 6(i) is applicable only in relation to Bonds which are specified as being Class B Bonds.

In the case of interest on Class B Bonds only, if, on any Interest Payment Date prior to the taking of Enforcement Action after the termination of a Standstill Period, there are insufficient funds available to the Issuer (after taking into account any amounts available to be drawn under any DSR Liquidity Facility or from the Debt Service Reserve Accounts) to pay such accrued interest, the Issuer's liability to pay such accrued interest will be treated as not having fallen due and will be deferred until the earliest of: (i) the next following Interest Payment Date on which the Issuer has, in accordance with the cash management provisions of Schedule 11 (*Cash Management*) of the CTA, sufficient funds

available to pay such deferred amounts (including any interest accrued thereon); (ii) the date on which the Class A Debt has been paid in full; and (iii) an Acceleration of Liabilities (other than a Permitted Hedge Termination, a Permitted Lease Termination or a Permitted EIB Compulsory Prepayment Event) and in the case of a Permitted Share Pledge Acceleration only to the extent that there would be sufficient funds available in accordance with the Payment Priorities to pay such deferred interest (including any interest accrued thereon). Interest will accrue on such deferred interest at the rate otherwise payable on unpaid principal of such Class B Bonds.

(j) *Agent Bank, Calculation Agent and Reference Banks*

The Issuer will procure that there shall at all times be an Agent Bank (and a Calculation Agent, if applicable) and four Reference Banks selected by the Issuer with offices in the Relevant Financial Centre if provision is made for them in these Conditions applicable to this Bond and for so long as it is Outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer will select another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Agent Bank (or the Calculation Agent, if applicable) is unable or unwilling to act as such or if the Agent Bank (or the Calculation Agent, if applicable) fails duly to establish the Interest Rate for any Interest Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint (with the prior written consent of the Bond Trustee) a successor to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

(k) *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 Condition 6 (*Interest and other Calculations*) whether by the Principal Paying Agent, the Agent Bank (or the Calculation Agent, if applicable) or, if applicable, any calculation agent, shall (in the absence of manifest error) be binding on the Issuer, TWUL, TWH, the Agent Bank, the Bond Trustee, the Principal Paying Agent, the other Agents and all Bondholders, Receiptholders and Couponholders and (in the absence of wilful default, negligence or fraud) no liability to the Issuer, TWUL, TWH, the Bond Trustee, the Bondholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent, the Agent Bank (or the Calculation Agent, if applicable) or, if applicable, any calculation agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(l) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms have the meanings set out below.

“**Broken Amount**” means the amount specified as such in the relevant Final Terms or Drawdown Prospectus;

“**Business Day**” means:

- (i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in London and each (if any) additional city or cities specified in the relevant Final Terms or Drawdown Prospectus as an “Additional Business Day Centre(s)”; and
- (ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the principal financial centre of the Relevant Currency (which in the case of a payment in US dollars

shall be New York) and in each (if any) additional city or cities specified in the relevant Final Terms or Drawdown Prospectus as an “Additional Business Day Centre(s)”;

“**Calculation Amount**” has the meaning specified in the relevant Final Terms or Drawdown Prospectus;

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Bond for any period of time (whether or not constituting an Interest Period, the “**Calculation Period**”):

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

where:

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

“**Determination Date**” means the date specified as such or, if none is so specified, the Interest Payment Date;

- (ii) if “Actual/Actual” or “Actual/Actual (ISDA)” is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of: (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if “Actual/365 (Fixed)” is specified, the actual number of days in the Calculation Period divided by 365;
- (iv) if “Actual/360” is specified, the actual number of days in the Calculation Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

“M2” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation 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 Calculation 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, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

where:

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

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31, in which case D2 will be 30;

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

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

where:

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

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless: (i) that day is the last day of February but not the Maturity Date; or (ii) such number would be 31, in which case D2 will be 30;

“**EURIBOR**” means the rate for Euro deposits for such period as specified in the relevant Final Terms or Drawdown Prospectus and for each Interest Period thereafter, for Euro deposits for the relevant Interest Period as determined by reference to: (i) the display page designated EURIBOR01 on the Dow Jones Reuters Service (or such other page as may replace that page on that service, or such other service as may be nominated by the Issuer, for the purpose of displaying comparable rates) on the Interest Determination Date; or (ii) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one selected by the Issuer) as may replace the Dow Jones Reuters Monitor as at or about 11.00 a.m. (Brussels time);

“**euro**” means the lawful currency of the Participating Member States;

“**Fixed Coupon Amount**” means the amount specified as such in the relevant Final Terms or Drawdown Prospectus;

“**Interest Amount**” means:

- (i) in respect of a Fixed Interest Period, the amount of interest payable per Calculation Amount for that Fixed Interest Period and which, in the case of Fixed Rate Bonds, and unless otherwise specified, means the Fixed Coupon Amount or Broken Amount specified as being payable on the Interest Payment Date at the end of the Interest Period of which such Fixed Interest Period forms part;
- (ii) in respect of an Interest Period, the amount of interest payable per Calculation Amount for that Interest Period; and
- (iii) in respect of any other period, the amount of interest payable per Calculation Amount for that period;

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the relevant Final Terms or Drawdown Prospectus;

“**Interest Determination Date**” means, with respect to an Interest Rate and an Interest Period, the date specified as such in the relevant Final Terms or Drawdown Prospectus or, if none is so specified: (i) if the Reference Rate is not SONIA, the day falling two Business Days in London prior to the first day of such Interest Period (or if the Relevant Currency is sterling the first day of such Interest Period); or (ii) if the Reference Rate is SONIA, the day falling five Business Days in London prior to the Interest Payment Date for such Interest Period (in each case as adjusted in accordance with any Business Day Convention (as defined below) specified in the relevant Final Terms or Drawdown Prospectus);

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

“Interest Rate” means the rate of interest payable from time to time in respect of the Bonds and which is either specified as such in, or calculated in accordance with the provisions of, these Conditions and/or the relevant Final Terms or Drawdown Prospectus;

“ISDA Definitions” means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of Bonds of the relevant Sub-Class (as specified in the relevant Final Terms or Drawdown Prospectus) as published by the International Swaps and Derivatives Association, Inc.);

“Issue Date” means the date specified as such in the relevant Final Terms or Drawdown Prospectus;

“Margin” means the rate per annum (expressed as a percentage) specified as such in the relevant Final Terms or Drawdown Prospectus;

“Maturity Date” means the date specified in the relevant Final Terms or Drawdown Prospectus as the final date on which the principal amount of the Bond is due and payable;

“Maximum Interest Rate” means the rate specified as such in the relevant Final Terms or Drawdown Prospectus;

“Minimum Interest Rate” means the rate specified as such in the relevant Final Terms or Drawdown Prospectus;

“Page” means such page, section, caption, column or other part of a particular information service (including the Reuters Money 3000 Service (“**Reuters**”)) as may be specified in the relevant Final Terms or Drawdown Prospectus as a Relevant Screen Page, or such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

“Participating Member State” means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty establishing the European Communities (as amended), and “Participating Member States” means all of them;

“Principal Amount Outstanding” means, in relation to a Bond, Sub-Class or Class, the original face value thereof (in relation to any Indexed Bonds, as adjusted in accordance with the Conditions) less any repayment of principal made to the Holder(s) thereof in respect of such Bond, Sub-Class or Class;

“Redemption Amount” means, the amount provided under Condition 8(b) (*Optional Redemption*), unless otherwise specified in the relevant Final Terms or Drawdown Prospectus;

“Reference Banks” means the institutions specified as such or, if none, four major banks selected by the Issuer in the interbank market (or, if appropriate, money market) which is most closely connected with the Relevant Rate as determined by the Issuer, in its sole and absolute discretion;

“Reference Rate” means the rate specified as such in the relevant Final Terms;

“Relevant Currency” means the currency specified as such or, if none is specified, the currency in which the Bonds are denominated;

“Relevant Date” means the earlier of: (i) the date on which all amounts in respect of the Bonds have been paid; and (ii) five days after the date on which all of the Principal Amount Outstanding (adjusted in the case of Indexed Bonds in accordance with Condition 7(b) (*Application of Index Ratio*)) has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Bondholders in accordance with Condition 17 (*Notices*);

“Relevant Financial Centre” means, with respect to any Bond, the financial centre specified as such in the relevant Final Terms or Drawdown Prospectus or, if none is so specified, the financial centre

with which the Relevant Rate is most closely connected as determined by the Agent Bank (or the Calculation Agent, if applicable);

“**Relevant Rate**” means the offered rate for a Representative Amount of the Relevant Currency for a period (if applicable) equal to the Specified Duration (or such other rate as shall be specified in the relevant Final Terms or Drawdown Prospectus);

“**Relevant Screen Page**” means EURIBOR, or such page, section, caption, column or other part of a particular information service as may be specified (or any successor or replacement page, section, caption, column or other part of a particular information service);

“**Relevant Time**” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or Drawdown Prospectus or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

“**Representative Amount**” means, with respect to any rate to be determined on an Interest Determination Date, the amount specified in the relevant Final Terms or Drawdown Prospectus as such or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

“**Specified Denomination**” means the denomination specified in the relevant Final Terms or Drawdown Prospectus;

“**Specified Duration**” means, with respect to any Floating Rate (as defined in the ISDA Definitions) to be determined on an Interest Determination Date, the period or duration specified as such in the relevant Final Terms or Drawdown Prospectus or, if none is specified, a period of time equal to the relative Interest Period;

“**Specified Interest Payment Date**” means the date(s) specified as such in the relevant Final Terms or Drawdown Prospectus.

“**Specified Period**” means the period(s) specified as such in the relevant Final Terms or Drawdown Prospectus;

“**TARGET Settlement Day**” means any day on which T2 is open for the settlement of payments in euro; and

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

7 Indexation

This Condition 7 is applicable only if the relevant Final Terms or Drawdown Prospectus specifies the Bonds as Indexed Bonds.

(a) Definitions

“**affiliate**” means in relation to any person, any entity controlled, directly or indirectly, by that person, any entity that controls directly or indirectly, that person or any entity, directly or indirectly under common control with that person and, for this purpose, “control” means control as defined in the Companies Act;

“**Base Index Figure**” means (subject to Condition 7(c)(i) (*Change in base*)) the base index figure as specified in the relevant Final Terms or Drawdown Prospectus;

“**Computation Date**” means any date when a payment of interest or, as the case may be, principal falls due;

“**Index**” or “**Index Figure**” means, in relation to any relevant month (as defined in Condition 7(c)(ii) (*Delay in publication of Index*)), subject as provided in Condition 7(c)(i) (*Change in base*): (i) if RPI is specified in the relevant Final Terms, the UK Retail Price Index (RPI) (for all items) published by the Office for National Statistics (January 1987 = 100) or any comparable index which may replace the UK Retail Price Index for the purpose of calculating the amount payable on repayment of the Reference Gilt; (ii) if CPI is specified in the relevant Final Terms, the UK Consumer Prices Index published by the Office for National Statistics (January 2015 = 100) or any comparable index which may replace the UK Consumer Prices Index for the purpose of calculating the amount payable on repayment of the Reference Gilt; or (iii) if CPIH is specified in the relevant Final Terms, the UK Consumer Prices Index including Owner Occupiers’ Housing costs and Council Tax published by the Office for National Statistics (January 2015 = 100) or any comparable index which may replace the UK Consumer Prices Index including Owner Occupiers’ Housing costs and Council Tax for the purpose of calculating the amount payable on repayment of the Reference Gilt.

Any reference to the “Index Figure applicable” to a particular Computation Date shall, subject as provided in Condition 7(c) (*Changes in Circumstances Affecting the Index*) and (e) (*Cessation of or Fundamental Changes to the Index*), and if “3 months lag” is specified in the relevant Final Terms or Drawdown Prospectus, be calculated in accordance with the following formula:

$$IFA = IF_{m-3} + \frac{(\text{Day of Computation Date}-1)}{(\text{Days in month of Computation Date})} \times (IF_{m-2} - IF_{m-3})$$

and rounded to five decimal places (0.000005 being rounded upwards) and where:

“**IFA**” means the Index Figure applicable;

“**IF_{m-3}**” means the Index Figure for the month that is three months prior to the month in which the payment falls due;

“**IF_{m-2}**” means the Index Figure for the month that is two months prior to the month in which the payment falls due;

Any reference to the “Index Figure applicable” to a particular Computation Date shall, subject as provided in Condition 7(b) (*Application of the Index Ratio*) below, and if “8 months lag” is specified in the relevant Final Terms or Drawdown Prospectus, be calculated in accordance with the following formula:

$$IFA = IF_{m-8} + \frac{(\text{Day of Computation Date}-1)}{(\text{Days in month of Computation Date})} \times (IF_{m-7} - IF_{m-8})$$

and rounded to five decimal places (0.000005 being rounded upwards) and where:

“**IFA**” means the Index Figure applicable;

“**IF_{m-8}**” means the Index Figure for the first day of the month that is eight months prior to the month in which the payment falls due;

“**IF_{m-7}**” means the Index Figure for the first day of the month that is seven months prior to the month in which the payment falls due;

“**Index Ratio**” applicable to any Computation Date means the Index Figure applicable to such date divided by the Base Index Figure;

“**Limited Index Ratio**” means: (i) in respect of any month prior to the relevant Issue Date, the Index Ratio for that month; (ii) in respect of any Limited Indexation Month after the relevant Issue Date,

the product of the Limited Indexation Factor for that month and the Limited Index Ratio as previously calculated in respect of the month 12 months prior thereto; and (iii) in respect of any other month, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month;

“**Limited Indexation Factor**” means, in respect of a Limited Indexation Month, the ratio of the Index Figure applicable to that month divided by the Index Figure applicable to the month 12 months prior thereto, **provided that:** (i) if such ratio is greater than the Maximum Indexation Factor specified in the relevant Final Terms, it shall be deemed to be equal to such Maximum Indexation Factor; and (ii) if such ratio is less than the Minimum Indexation Factor specified in the relevant Final Terms or Drawdown Prospectus, it shall be deemed to be equal to such Minimum Indexation Factor;

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

“**Limited Indexed Bonds**” means Indexed Bonds to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the relevant Final Terms or Drawdown Prospectus) applies;

“**Maximum Indexation Factor**” means the indexation factor specified as such in the relevant Final Terms or Drawdown Prospectus;

“**Minimum Indexation Factor**” means the indexation factor specified as such in the relevant Final Terms or Drawdown Prospectus; and

“**Reference Gilt**” means the Treasury Stock specified as such in the relevant Final Terms or Drawdown Prospectus for so long as such stock is in issue, and thereafter such issue of index-linked Treasury Stock determined to be appropriate by a gilt-edged market maker or other adviser selected by the Issuer (an “**Indexation Adviser**”).

(b) *Application of the Index Ratio*

Each payment of interest and principal in respect of the Bonds shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio or Limited Index Ratio in the case of Limited Indexed Bonds applicable to the month in which such payment falls to be made and rounded in accordance with Condition 6(e) (*Rounding*).

(c) *Changes in Circumstances Affecting the Index*

- (i) Change in base: If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the calendar month from and including that in which such substitution takes effect: (1) the definition of “Index” and “Index Figure” in Condition 7(a) (*Definitions*) shall be deemed to refer to the new date or month in substitution for January 1987 or January 2015, as applicable, (or, as the case may be, to such other date or month as may have been substituted therefor); and (2) the new Base Index Figure shall be the product of the existing Base Index Figure (being at the Initial Issue Date 178.2) and the Index Figure immediately following such substitution, divided by the Index Figure immediately prior to such substitution.
- (ii) Delay in publication of Index: If the Index Figure relating to any month (the “**relevant month**”) which is required to be taken account for the purposes of the determination of the Index Figure applicable for any date is not published on or before the 14th business day before the date on which any payment of interest or principal on the Bonds is due (the “**date for payment**”), the Index Figure relating to the relevant month shall be: (1) such substitute index figure (if any) as the Issuer considers to have been published by the Bank of England for the purposes of indexation of payments on the Reference Gilt or, failing

such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser; or (2) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(c)(i) (*Change in base*)) before the date for payment.

(d) *Application of Changes*

Where the provisions of Condition 7(c)(ii) (*Delay in publication of Index*) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls shall be conclusive and binding. If, an Index Figure having been applied pursuant to Condition 7(c)(ii)(2) (*Delay in publication of Index*), the Index Figure relating to the relevant month is subsequently published while a Bond is still Outstanding, then:

- (i) in relation to a payment of principal or interest in respect of such Bond other than upon final redemption of such Bond, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced by an amount equal to (respectively) the shortfall or excess of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 7(c)(ii)(2) (*Delay in publication of Index*), below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the 14th business day before the date for payment; and
- (ii) in relation to a payment of principal or interest upon final redemption, no subsequent adjustment to amounts paid will be made.

(e) *Cessation of or Fundamental Changes to the Index*

- (i) If: the Issuer and the Bond Trustee have been notified by the Agent Bank (or the Calculation Agent, if applicable) that (1) the Index has ceased to be published; or (2) any change is made to the coverage or the basic calculation of the Index which constitutes a fundamental change which would, in the opinion of the Bond Trustee acting solely on the advice of an Indexation Adviser, be materially prejudicial to the interests of the Bondholders, the Bond Trustee will give written notice of such occurrence to the Issuer, and the Issuer and the Bond Trustee (acting solely on the advice of an Indexation Adviser) together shall seek to agree for the purpose of the Bonds one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the Bondholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made.
- (ii) If the Issuer and the Bond Trustee (acting solely on the advice of the Indexation Adviser) fail to reach agreement as mentioned above within 20 business days following the giving of notice as mentioned in paragraph (i) above, a bank or other person in London shall be appointed by the Issuer and the Bond Trustee (acting solely on the advice of the Indexation Adviser) or, failing agreement on and the making of such appointment within 20 business days following the expiry of the day period referred to above, by the Bond Trustee (acting solely on the advice of an Indexation Adviser) (in each case, such bank or other person so appointed being referred to as the “**Expert**”), to determine for the purpose of the Bonds one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the Bondholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as

an expert and not as an arbitrator and all fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Bond Trustee in connection with such appointment shall be borne by the Issuer.

- (iii) The Index shall be adjusted or replaced by a substitute index as agreed by the Issuer and the Bond Trustee (acting solely on the advice of an Indexation Adviser) or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, and references in these Conditions to the Index and to any Index Figure shall be deemed amended in such manner as the Bond Trustee (acting solely on the advice of an Indexation Adviser) and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the Financial Guarantor(s), the other Secured Creditors, the Bond Trustee and the Bondholders, and the Issuer shall give notice to the Bondholders in accordance with Condition 17 (*Notices*) of such amendments as promptly as practicable following such notification.

8 Redemption, Purchase and Cancellation

(a) *Partial and Final Redemption*

Unless previously redeemed, or purchased and cancelled as provided below, or unless such Bond is stated in the relevant Final Terms or Drawdown Prospectus as having no fixed maturity date, each Bond will be redeemed at its Principal Amount Outstanding (in the case of Indexed Bonds as adjusted in accordance with Condition 7(b) (*Application of the Index Ratio*)), on the date or dates (or, in the case of Floating Rate Bonds, on the Interest Payment Date(s)) specified in the relevant Final Terms or Drawdown Prospectus plus accrued but unpaid interest (other than in the case of Zero Coupon Bonds) and, in the case of Indexed Bonds as adjusted in accordance with Condition 7(b) (*Application of the Index Ratio*).

In the case of principal on Class B Bonds only, if on any date, prior to the taking of Enforcement Action after the termination of a Standstill Period, on which such Bond is to be redeemed (in whole or in part) there are insufficient funds available to the Issuer to pay such principal, the Issuer's liability to pay such principal will be treated as not having fallen due and will be deferred until the earliest of: (i) the next following Interest Payment Date on which the Issuer has, in accordance with the cash management provisions of Schedule 11 (*Cash Management*) of the CTA, sufficient funds to pay such deferred amounts (including any interest accrued thereon); (ii) the date on which all Class A Debt has been paid in full; and (iii) an Acceleration of Liabilities (other than a Permitted Hedge Termination, a Permitted Lease Termination or a Permitted EIB Compulsory Prepayment Event) and in the case of a Permitted Share Pledge Acceleration only to the extent that there would be sufficient funds available in accordance with the Payment Priorities to pay such deferred principal (including any accrued interest thereon). Interest will accrue on such deferred principal at the rate otherwise payable on unpaid principal of such Class B Bonds.

(b) *Optional Redemption*

Subject as provided below, if a Call Option is specified as applicable in the relevant Final Terms or Drawdown Prospectus, upon giving not more than 60 nor less than 30 days' notice to the Bond Trustee, the Security Trustee, the Majority Creditors and the Bondholders, the Issuer may (prior to the Maturity Date) redeem any Sub-Class of the Bonds in whole or in part (but on a pro rata basis only) on any Interest Payment Date at their Redemption Amount, **provided that:** (i) Floating Rate Bonds may not be redeemed before the date specified in the relevant Final Terms or Drawdown Prospectus; and (ii) if the term "Issuer Maturity Call" is also specified to be applicable in the

applicable Final Terms, such redemption date falls prior to the start of the Issuer Maturity Call Period, as follows:

- (i) In respect of Fixed Rate Bonds, the Redemption Amount will, unless otherwise specified in the relevant Final Terms or Drawdown Prospectus, be an amount equal to the higher of: (i) their Principal Amount Outstanding; and (ii) the price determined to be appropriate by a financial adviser in London (selected by the Issuer and approved by the Bond Trustee) as being the price at which the Gross Redemption Yield (as defined below) on such Bonds on the Reference Date (as defined below) is equal to the Gross Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt (as defined below) while that stock is in issue, and thereafter such Government stock (or such other stock as specified in the relevant Final Terms or Drawdown Prospectus for Bonds denominated in currencies other than Sterling) as the Issuer may, with the advice of three persons operating in the gilt-edged market (selected by the Issuer and approved by the Bond Trustee) determine to be appropriate, plus accrued but unpaid interest on the Principal Amount Outstanding.

For the purposes of this Condition 8(b)(i), “**Gross Redemption Yield**” means a yield expressed as a percentage and calculated on a basis consistent with the basis indicated by the United Kingdom Debt Management Office publication “Formulae for Calculating Gilt Prices from Yields” published 8 June 1998 with effect from 1 November 1998 and updated on 15 January 2002 (and as further updated, supplemented, amended or replaced from time to time) page 5 or any replacement therefor; “**Reference Date**” means the date which is two Business Days prior to the despatch of the notice of redemption under this Condition 8(b)(i); and “**Reference Gilt**” means the Treasury Stock specified in the relevant Final Terms or Drawdown Prospectus.

- (ii) In respect of Floating Rate Bonds, the Redemption Amount will, unless otherwise specified in the relevant Final Terms or Drawdown Prospectus, be the Principal Amount Outstanding plus any premium for early redemption in certain years (as specified in the relevant Final Terms or Drawdown Prospectus) plus any accrued but unpaid interest on the Principal Amount Outstanding.
- (iii) In respect of Indexed Bonds (other than where the Index is specified as CPI or CPIH in the relevant Final Terms or Drawdown Prospectus), the Redemption Amount will (unless otherwise specified in the relevant Final Terms or Drawdown Prospectus) be the higher of: (i) the Principal Amount Outstanding; and (ii) the price determined to be appropriate (without any additional indexation beyond the implicit indexation in such determined price) by a financial adviser in London (selected by the Issuer and approved by the Bond Trustee) as being the price at which the Gross Real Redemption Yield (as defined below) on the Bonds on the Reference Date (as defined below) is equal to the Gross Real Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt while that stock is in issue, and thereafter such Government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market, (selected by the Issuer and approved by the Bond Trustee), determine to be appropriate, plus accrued but unpaid interest (as adjusted in accordance with Condition 7(b) (*Application of the Index Ratio*)) on the Principal Amount Outstanding.

In respect of Indexed Bonds where the Index is specified as CPI or CPIH in the relevant Final Terms or Drawdown Prospectus, the Redemption Amount will (unless otherwise specified in the relevant Final Terms or Drawdown Prospectus) be the higher of: (i) the Principal Amount Outstanding; and (ii) the sum of: (A) the price determined to be appropriate (without any

additional indexation beyond the implicit indexation in such determined price) by a financial adviser in London (selected by the Issuer and approved by the Bond Trustee) as being the price at which the Gross Real Redemption Yield (as defined below) on the Bonds on the Reference Date (as defined below) is equal to the Gross Real Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt while that stock is in issue, and thereafter such Government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market, (selected by the Issuer and approved by the Bond Trustee), determine to be appropriate; (B) accrued but unpaid interest (as adjusted in accordance with Condition 7(b) (*Application of the Index Ratio*)) on the Principal Amount Outstanding; and (C) such rate as may be specified in the relevant Final Terms of Drawdown Prospectus.

For the purposes of this Condition 8(b)(iii), “**Gross Real Redemption Yield**” means a yield expressed as a percentage and calculated on a basis consistent with the basis indicated by the United Kingdom Debt Management Office publication “Formulae for Calculating Gilt Prices from Yields” published 8 June 1998 with effect from 1 November 1998 and updated on 15 January 2002, page 4 or any replacement therefor, “**Reference Date**” means the date which is two Business Days prior to the despatch of the notice of redemption under this Condition 8(b)(iii); and “**Reference Gilt**” means the Treasury Stock specified in the relevant Final Terms or Drawdown Prospectus.

In any such case, prior to giving any such notice, the Issuer must certify (as further specified in the Finance Documents) to the Bond Trustee that it will have the funds, not subject to any interest (other than under the Security) of any other person, required to redeem the Bonds as aforesaid.

- (iv) If “Euro Optional Redemption Price” is specified in the relevant Final Terms or Drawdown Prospectus, the Redemption Amount will be an amount equal to the higher of: (i) the Principal Amount Outstanding of such Bond; and (ii) the sum of the then present values of the remaining scheduled payments of principal and interest discounted to the Optional Redemption Date specified in the applicable Final Terms in respect of EUR on an annual basis (based on the Day Count Fraction specified in the applicable Final Terms) at the Reference Dealer Rate (as defined below) plus any applicable Redemption Margin specified in the applicable Final Terms, in each case as determined by the Calculation Agent, plus accrued but unpaid interest on the Principal Amount Outstanding.

For the purposes of this Condition 8(b)(iv),

“**Reference Dealers**” means those Reference Dealers selected by the Issuer; and

“**Reference Dealer Rate**” means with respect to the Reference Dealers and the Optional Redemption Date specified in the applicable Final Terms in respect of EUR, the average of the three quotations of the mid-market annual yield to maturity of the Reference Stock specified in the applicable Final Terms or, if the Reference Stock is no longer outstanding, a similar security in the reasonable judgement of the Reference Dealers, at the Determination Time on the Determination Date, each as specified in the applicable Final Terms, quoted in writing to the Calculation Agent and the Bond Trustee by the Reference Dealers (at the request of the Issuer).

- (c) *Redemption for Index Event, Taxation or Other Reasons*

Redemption for Index Events: Upon the occurrence of any Index Event (as defined below), the Issuer may, upon giving not more than 60 nor less than 30 days’ notice to the Bond Trustee, the Security Trustee, the Majority Creditors and the holders of the Indexed Bonds in accordance with

Condition 17 (*Notices*), redeem all (but not some only) of the Indexed Bonds of all Sub-Classes on any Interest Payment Date at the Principal Amount Outstanding (adjusted in accordance with Condition 7(b) (*Application of the Index Ratio*)) plus accrued but unpaid interest. No single Sub-Class of Indexed Bonds may be redeemed in these circumstances unless all the other Classes and Sub-Classes of Indexed Bonds are also redeemed at the same time and the Issuer has discharged all amounts due and payable to any Financial Guarantor that has issued a Financial Guarantee in respect of such Class or Sub-Class of Indexed Bonds. Before giving any such notice, the Issuer shall provide to the Bond Trustee, the Security Trustee, the Majority Creditors and the relevant Financial Guarantor(s) a certificate signed by an Authorised Signatory: (a) 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 (b) confirming that the Issuer will have sufficient funds on such Interest Payment Date to effect such redemption and payment to the relevant Financial Guarantor(s), and the Bond Trustee and the Security Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Bondholders and the Couponholders.

“**Index Event**” means: (i) if the Index Figure for three consecutive months falls to be determined on the basis of an Index Figure previously published as provided in Condition 7(c)(ii) (*Delay in publication of Index*) and the Issuer and the Bond Trustee has been notified by the Principal Paying Agent that publication of the Index has ceased; or (ii) notice is published by His Majesty’s Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt, and (in either case) no amendment or substitution of the Index has been advised by the Indexation Adviser to the Issuer and such circumstances are continuing.

Redemption for Taxation Reasons: In addition, if at any time the Issuer satisfies the Bond Trustee that the Issuer would, on the next Interest Payment Date, become obliged to deduct or withhold from any payment of interest or principal in respect of the Bonds (other than in respect of default interest) any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof, then the Issuer may, in order to avoid the relevant deductions or withholding, use its reasonable endeavours to arrange the substitution of a company incorporated under another jurisdiction approved by the Bond Trustee as principal debtor under the Bonds and as lender under the Issuer/TWUL Loan Agreements and as obligor under the Finance Documents upon satisfying the conditions for substitution of the Issuer as set out in the STID (and referred to in Condition 15 (*Meetings of Bondholders, Modification, Waiver and Substitution*)). If the Issuer is unable to arrange a substitution as described above having used reasonable endeavours to do so and, as a result, the relevant deduction or withholding is continuing then the Issuer may (but will not be obliged to), upon giving not more than 60 nor less than 30 days’ notice to the Bond Trustee, the Security Trustee, the Majority Creditors and the Bondholders in accordance with Condition 17 (*Notices*), redeem all (but not some only) of the Bonds on any Interest Payment Date at their Principal Amount Outstanding plus accrued but unpaid interest thereon (each adjusted, in the case of Indexed Bonds, in accordance with Condition 7(b) (*Application of the Index Ratio*)). Before giving any such notice of redemption, the Issuer shall provide to the Bond Trustee, the Security Trustee and the Majority Creditors and the relevant Financial Guarantors a certificate signed by an Authorised Signatory: (a) 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 (b) confirming that the Issuer will have sufficient funds on such Interest Payment Date to discharge all its liabilities in respect of the Bonds and any amounts under the Security Agreement to be paid in priority to, or *pari passu* with, the Bonds under the Payment Priorities, and the Bond Trustee

and the Security Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Bondholders and the Couponholders.

(d) Redemption on Prepayment of Issuer/TWUL Loan Agreements

If TWUL gives notice to the Issuer under an Issuer/TWUL Loan Agreement that it intends to prepay all or part of any advance made under such Issuer/TWUL Loan Agreement and such advance was funded by the Issuer from the proceeds of the issue of a Sub-Class of Bonds, the Issuer shall, upon giving not more than 60 nor less than 30 days' notice to the Bond Trustee, the Security Trustee, the Majority Creditors, the relevant Financial Guarantors and the Bondholders in accordance with Condition 17 (*Notices*), (where such advance is being prepaid in whole) redeem all of the Bonds of that Sub-Class or (where part only of such advance is being prepaid) the proportion of the relevant Sub-Class of Bonds which the proposed prepayment amount bears to the amount of the relevant advance. In the case of a voluntary prepayment, the relevant Bonds will be redeemed at their Redemption Amount determined in accordance with Condition 8(b) (*Optional Redemption*) except that, in the case of Fixed Rate Bonds and Indexed Bonds, for the purposes of this Condition 8(d), "Reference Date" means the date two Business Days prior to the despatch of the notice of redemption given under this Condition 8(d), plus accrued but unpaid interest and, in the case of any other prepayment, the relevant Bonds will be redeemed at their Principal Amount Outstanding plus accrued but unpaid interest.

(e) Early redemption of Zero Coupon Bonds

Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Bond at any time before the Maturity Date shall be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Bond becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition (e) or, if none is so specified, a Day Count Fraction of 30/360.

In these Conditions, "Accrual Yield" and "Reference Price" and "Zero Coupon Bond" have the meanings given to them in the relevant Final Terms.

(f) Purchase of Bonds

The Issuer may, provided that no Event of Default has occurred and is continuing, purchase Bonds (provided that all unmatured Receipts and Coupons and unexchanged Talons (if any) appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike.

If not all the Bonds which are in registered form are to be purchased, upon surrender of the existing Individual Bond Certificate, the Registrar shall forthwith upon the written request of the Bondholder concerned issue a new Individual Bond Certificate in respect of the Bonds which are not to be purchased and despatch such Individual Bond Certificate to the Bondholder (at the risk of the Bondholder and to such address as the Bondholder may specify in such request).

While the Bonds are represented by a Global Bond or Global Bond Certificate (as defined below), the relevant Global Bond or Global Bond Certificate will be endorsed to reflect the Principal Amount Outstanding of Bonds to be so redeemed or purchased.

(g) *Redemption by Instalments*

Unless previously redeemed, purchased and cancelled as provided in this Condition 8, each Bond which provides for Instalment Dates (as specified in the relevant Final Terms or Drawdown Prospectus) and Instalment Amounts (as specified in the relevant Final Terms or Drawdown Prospectus) will be partially redeemed on each Instalment Date at the Instalment Amount.

(h) *Cancellation*

In respect of all Bonds purchased by or on behalf of the Issuer, the Bearer Bonds or the Registered Bonds shall be surrendered to or to the order of the Principal Paying Agent or the Registrar, as the case may be, for cancellation and, if so surrendered, will, together with all Bonds redeemed by the Issuer, be cancelled forthwith (together with, in the case of Bearer Bonds, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Bonds so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Bonds shall be discharged.

(i) *Instalments*

Instalment Bonds will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Redemption Amount will be determined pursuant to Condition 8(b) (*Optional Redemption*) above.

(j) *Redemption at the Option of the Issuer (Issuer Maturity Call)*

If the term “Issuer Maturity Call” is specified in the applicable Final Terms, the Issuer may, having given not more than 30 nor less than 15 days’ notice to the Bond Trustee, the Security Trustee, the Majority Creditors and the Bondholders (or such other notice period as may be specified in the applicable Final Terms), which notices to the Bond Trustee, the Security Trustee, the Majority Creditors and the Bondholders only shall be irrevocable and shall specify the date fixed for redemption, redeem any Sub-Class of the Bonds in whole or in part (but on a pro rata basis only) then outstanding at any time during the Issuer Maturity Call Period at the Final Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued (but unpaid) to (but excluding) the date fixed for redemption.

For the purposes of these Conditions, “**Issuer Maturity Call Period**” has the meaning given to it in the applicable Final Terms.

9 Payments

(a) *Bearer Bonds*

Payments to the Bondholders of principal (or, as the case may be, Redemption Amounts or other amounts payable on redemption) and interest (or, as the case may be, Interest Amounts) in respect of Bearer Bonds will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payment of Instalment Amounts other than on the due date for final redemption and provided that the Receipt is presented for payment together with its relative Bond), Bonds (in the case of all other payments of principal and, in the case of interest, as specified in Condition 9(f) (*Unmatured Coupons and Receipts and Unexchanged Talons*)) or Coupons (in the case of interest, save as specified in Condition 9(f) (*Unmatured Coupons and Receipts and Unexchanged Talons*)), as the case may be, at the specified office of any Paying

Agent outside the United States of America by transfer, other than in the case of Bearer Bonds denominated in U.S. Dollars, to an account denominated in the currency in which such payment is due with, or (in the case of Bonds in definitive form only) a cheque payable in that currency drawn on, a bank in: (i) the principal financial centre of that currency provided that such currency is not euro; or (ii) the principal financial centre of any Participating Member State if that currency is euro.

(b) *Registered Bonds*

Payments of principal (or, as the case may be, Redemption Amounts) in respect of Registered Bonds will be made to the holder (or the first named of joint holders) of such Bond against presentation and surrender of the relevant Registered Bond at the specified office of the Registrar and in the manner provided in Condition 9(a) (*Bearer Bonds*).

Payments of instalments in respect of Registered Bonds will be made to the holder (or the first named of joint holders) of such Bond against presentation of the relevant Registered Bond at the specified office of the Registrar in the manner provided in Condition 9(a) (*Bearer Bonds*) above and annotation of such payment on the Register and the relevant Individual Bond Certificate.

Interest (or, as the case may be, Interest Amounts) on Registered Bonds payable on any Interest Payment Date will be paid to the holder (or the first named of joint holders) on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payment of interest or Interest Amounts on each Registered Bond will be made in the currency in which such payment is due by cheque drawn on a bank in: (a) the principal financial centre of the country of the currency concerned, provided that such currency is not euro; or (b) the principal financial centre of any Participating Member State if that currency is euro and mailed to the holder (or to the first named of joint holders) of such Bond at its address appearing in the Register. Upon application by the Bondholder to the specified office of the Registrar before the relevant Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in: (a) the principal financial centre of the country of that currency provided that such currency is not euro; or (b) the principal financial centre of any Participating Member State if that currency is euro.

A record of each payment so made will be endorsed on the schedule to the Global Bond or the Global Bond Certificate by or on behalf of the Principal Paying Agent or the Registrar, as the case may be, which endorsement shall be *prima facie* evidence that such payment has been made.

(c) *Payments in the United States of America*

Notwithstanding the foregoing, if any Bearer Bonds are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Bonds in the manner provided above when due;
- (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and
- (iii) such payment is then permitted by the law of the United States of America, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws; payments on Global Bonds and Registered Bonds*

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, as amended (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. No commission or expenses shall be charged to the Bondholders or Couponholders in respect of such payments.

The holder of a Global Bond or Global Bond Certificate shall be the only person entitled to receive payments of principal (or Redemption Amounts) and interest (or Interest Amounts) on the Global Bond or Global Bond Certificate (as the case may be) and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Bond or Global Bond Certificate in respect of each amount paid.

(e) *Appointment of the Agents*

The Paying Agents, the Agent Bank, the Transfer Agents and the Registrar (the “**Agents**”) appointed by the Issuer (and their respective specified offices) are listed in the Agency Agreement. Any Calculation Agent will be listed in the relevant Final Terms or Drawdown Prospectus and will be appointed pursuant to a Calculation Agency Agreement. The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right, with the prior written consent of the Bond Trustee at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, **provided that** the Issuer will at all times maintain: (i) a Principal Paying Agent (in the case of Bearer Bonds); (ii) a Registrar (in the case of Registered Bonds); (iii) an Agent Bank or Calculation Agent (as specified in the relevant Final Terms or Drawdown Prospectus) (in the case of Floating Rate Bonds or Indexed Bonds); and (iv) if and for so long as the Bonds are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent, Transfer Agent or Registrar in any particular place, a Paying Agent, Transfer Agent and/or Registrar, as applicable, having its specified office in the place required by such listing authority, stock exchange and/or quotation system. Notice of any such variation, termination or appointment will be given in accordance with Condition 17 (*Notices*).

(f) *Unmatured Coupons and Receipts and Unexchanged Talons*

- (i) Subject to the provisions of the relevant Final Terms or Drawdown Prospectus, upon the due date for redemption of any Bond which is a Bearer Bond (other than a Fixed Rate Bond, unless it has all unmatured Coupons attached), unmatured Coupons and Receipts relating to such Bond (whether or not attached) shall become void and no payment shall be made in respect of them.
- (ii) Upon the date for redemption of any Bond, any unmatured Talon relating to such Bond (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iii) Upon the due date for redemption of any Bond which is redeemable in instalments, all Receipts relating to such Bond having an Instalment Date falling on or after such due date

(whether or not attached) shall become void and no payment shall be made in respect of them.

- (iv) Where any Bond, which is a Bearer Bond and is a Fixed Rate Bond, is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, a sum equal to the aggregate amount of the missing unmatured Coupons will be deducted from the amount of principal due for payment and, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption of any Bond is not an Interest Payment Date, interest accrued from the preceding Interest Payment Date or the Interest Commencement Date, as the case may be, or the Interest Amount payable on such date for redemption shall only be payable against presentation (and surrender if appropriate) of the relevant Bond and Coupon.

(g) *Non-Business Days*

Subject as provided in the relevant Final Terms or Drawdown Prospectus, if any date for payment in respect of any Bond, Receipt or Coupon is not a business day in the holder's location for receipt of funds, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks are open for presentation and payment of debt securities and for dealings in foreign currency in the relevant place of presentation and (in the case of a payment in a currency other than euro), where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which dealings may be carried on in the relevant currency in the principal financial centre of the country of such currency and, in relation to any sum payable in euro, a day on which T2 is open.

(h) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a coupon sheet issued in respect of any Bond, the Talon forming part of such coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further coupon sheet (and if necessary another Talon for a further coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 13 (*Prescription*)).

10 Taxation

All payments in respect of the Bonds, Receipts or Coupons will be made (whether by the Issuer, the Guarantors, any Paying Agent, the Registrar, the Bond Trustee, the Security Trustee or, in respect of Wrapped Bonds, the Financial Guarantors) without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, the Guarantors, any Paying Agent or the Registrar or, where applicable, the Bond Trustee, the Security Trustee or the Financial Guarantor is required by applicable law to make any payment in respect of the Bonds, Receipts or Coupons subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event, the Issuer, the Guarantors, such Paying Agent, the Registrar, the Bond Trustee, the Security Trustee or the Financial Guarantor, as the case may be, shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. None of the Issuer, the Guarantors, any Paying Agent, the Registrar, the Bond Trustee, the Security Trustee or the Financial Guarantor will be obliged to make any additional payments to the Bondholders, Receiptholders or the Couponholders in respect of such withholding or deduction. The Issuer, the Guarantors, any Paying Agent, the Registrar, the Bond Trustee, the Security Trustee or the Financial Guarantor may require

holders to provide such certifications and other documents as required by applicable law in order to qualify for exemptions from applicable tax laws.

For the avoidance of doubt, any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, or otherwise imposed pursuant to Sections 1471 to 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) shall be treated as a withholding required by applicable law.

If the Issuer is obliged to make any such deduction or withholding, the amount so deducted or withheld is not guaranteed by the Financial Guarantor.

11 Events of default

The Events of Default (as defined in the Master Definitions Agreement) relating to the Bonds are set out in Schedule 6 of the CTA.

Following the notification of an Event of Default in respect of the Issuer, the STID provides for a Standstill Period (as defined in the Master Definitions Agreement) to commence and for restrictions to apply to all Secured Creditors of TWUL. The CTA also contains various Trigger Events that will, if they occur, (among other things) permit the Majority Creditors to commission an Independent Review, require TWUL to discuss its plans for appropriate remedial action and prevent the TWU Financing Group from making further Restricted Payments until the relevant Trigger Events have been remedied.

(a) *Events of Default*

If any Event of Default occurs and is continuing in relation to the Issuer, subject always to the terms of the STID, the Bond Trustee may at any time (in accordance with the provisions of the Bond Trust Deed and the STID), having certified in writing that, in its opinion, the occurrence of such event is materially prejudicial to the interests of the Bondholders and shall upon the Bond Trustee being so directed or requested: (i) by an Extraordinary Resolution (as defined in the Bond Trust Deed) of holders of the relevant Sub-Classes of Class A Bonds or, if there are no Class A Bonds outstanding, the Class B Bonds; or (ii) in writing by holders of at least one quarter in outstanding nominal amount of the relevant Sub-Class of Class A Bonds, or if there are no Class A Bonds outstanding, the Class B Bonds and subject, in each case, to being indemnified and/or secured and/or pre-funded to its satisfaction, give notice to the Issuer and the Security Trustee that the Bonds of the relevant Sub-Class are, and they shall immediately become, due and repayable, at their respective Redemption Amounts determined in accordance with Condition 8(b) (*Optional Redemption*) (except that, in the case of Fixed Rate Bonds and Indexed Bonds for the purposes of this Condition 11(a), the “**Reference Date**” means the date two Business Days prior to the despatch of the notice of redemption given under this Condition 11(a)) or as specified in the applicable Final Terms or Drawdown Prospectus.

(b) *Confirmation of no Event of Default*

The Issuer, pursuant to the terms of the CTA, shall provide written confirmation to the Bond Trustee, on an annual basis, that no Event of Default has occurred in relation to the Issuer.

(c) *Enforcement of Security*

If the Bond Trustee gives written notice to the Issuer and the Security Trustee that an Event of Default has occurred under the Bonds of any Sub-Class, a Standstill Period shall commence. The Security Trustee may only enforce the Security acting in accordance with the STID and,

subject to certain limitations on enforcement during a Standstill Period, on the instructions of the Majority Creditors.

(d) Automatic Acceleration

In the event of the acceleration of the Secured Liabilities (other than a Permitted Share Pledge Acceleration, a Permitted Hedge Termination, a Permitted Lease Termination or a Permitted EIB Compulsory Prepayment Event (as defined in the Master Definitions Agreement) as set out in the STID), the Bonds of each Series shall automatically become due and repayable at their respective Redemption Amounts determined in accordance with Condition 8(b) (*Optional Redemption*) (except that, in the case of Fixed Rate Bonds and Indexed Bonds for the purposes of this Condition 11(d), “**Reference Date**” means the date two Business Days prior to the date of such acceleration) or as specified in the applicable Final Terms or Drawdown Prospectus plus, in each case, accrued and unpaid interest thereon.

12 Enforcement Against Issuer

No Bondholder or Couponholder is entitled to take any action against the Issuer or, in the case of the holders of Wrapped Bonds, against the Financial Guarantor or against any assets of the Issuer or any Financial Guarantor to enforce its rights in respect of the Bonds or to enforce any of the Security or to enforce any Financial Guarantee unless the Bond Trustee or the Security Trustee (as applicable), having become bound so to proceed, fails or neglects to do so within a reasonable period and such failure or neglect is continuing. The Security Trustee will act (subject to Condition 11(c) (*Enforcement of Security*)) on the instructions of the Majority Creditors pursuant to the STID, and neither the Bond Trustee nor the Security Trustee shall be bound to take any such action unless it is indemnified and/or secured and/or pre-funded to its satisfaction against all fees, costs, expenses, liabilities, claims and demands to which it may thereby become liable or which it may incur by so doing.

Neither the Bond Trustee nor the Bondholders may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Security Agreement and subject to the STID) or other proceeding under any similar law for so long as any Bonds are Outstanding or for two years and a day after the latest Maturity Date on which any Bond of any Series is due to mature.

13 Prescription

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

14 Replacement of Bonds, Coupons, Receipts and Talons

If any Bearer Bond, Registered Bond, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced (subject to applicable laws and requirements of the London Stock Exchange), if the relevant Bonds have been admitted to listing, trading and/or quotation on such a stock exchange), at the specified office of the Principal Paying Agent or, as the case may be, the Registrar upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require. Mutilated or defaced Bonds, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15 Meetings of Bondholders, Modification, Waiver and Substitution

(a) *Decisions of Majority Creditors*

The STID contains provisions dealing with the manner in which matters affecting the interests of the Secured Creditors (including the Bond Trustee and the Bondholders) will be dealt with. Bondholders will (subject to various Reserved Matters and Entrenched Rights) be bound by the decisions of the Majority Creditors (and additionally in a Default Situation (as defined in the Master Definitions Agreement) decisions made pursuant to the Emergency Instruction Procedure (as set out in Clause 9.13 (*Emergency Instruction Procedure*) of the STID)).

In the circumstances which do not relate to Entrenched Rights or Reserved Matters of the Bondholders (as set out in the STID), the Bond Trustee shall be entitled to vote as the DIG Representative of holders of each Sub-Class of Wrapped Bonds (following the occurrence of a FG Event of Default in respect of the Financial Guarantor of those Wrapped Bonds which is continuing) and of each Sub-Class of Unwrapped Bonds (other than Class A FG Covered Bonds (unless a Default Situation is subsisting)) on intercreditor issues (“**Intercreditor Issues**”) but shall not be entitled to convene a meeting of any one or more Sub-Class of Bondholders to consider the relevant matter unless a Default Situation is subsisting. If a Default Situation has occurred and is subsisting, the Bond Trustee may vote on Intercreditor Issues in its absolute discretion or shall vote in accordance with a direction by those holders of such outstanding Class A Bonds (including Class A FG Covered Bonds) or, if there are no Class A Bonds outstanding, Class B Bonds: (i) by means of an Extraordinary Resolution of the relevant Sub-Class of Bonds; or (ii) (in respect of a DIG Proposal to terminate a Standstill) as requested in writing by the holders of at least one quarter of the Principal Amount Outstanding of the relevant Sub-Class of Class A Bonds (including Class A FG Covered Bonds) then outstanding, or if there are no Class A Bonds outstanding, Class B Bonds. In any case, the Bond Trustee shall not be obliged to vote unless it has been indemnified and/or secured and/or pre-funded to its satisfaction.

Whilst a Default Situation is subsisting, certain decisions and instructions may be required in a timeframe which does not allow the Bond Trustee to convene Bondholder meetings. To cater for such circumstances, the STID provides for an Emergency Instruction Procedure. The Security Trustee will be required to act upon instructions contained in an emergency notice (an “**Emergency Instruction Notice**”). An Emergency Instruction Notice must be signed by DIG Representatives (provided that, any Secondary Market Guarantor in respect of Class A FG Covered Bonds shall constitute the DIG Representatives for the Emergency Instruction Procedure despite a Default Situation subsisting) (the “**EIN Signatories**”) representing 66²/₃ per cent. or more of the aggregate Outstanding Principal Amount of the Qualifying Class A Debt or following repayment in full of the Class A Debt, the Class B Debt after, *inter alia*, excluding the proportion of Qualifying Debt in respect of which the Bond Trustee is the DIG Representative and in respect of which the Bond Trustee has not voted. The Emergency Instruction Notice must specify the emergency action which the Security Trustee is being instructed to take and must certify that, unless such action is taken within the time frame specified in the Emergency Instruction Notice, the interests of the EIN Signatories will be materially prejudiced.

(b) *Meetings of Bondholders*

The Bond Trust Deed contains provisions for convening meetings of the Bondholders (including by video or audio conference call) to consider any matter affecting their interests, including the modification of the Bonds, the Receipts, the Coupons or any of the provisions of the Bond Trust Deed, (in the case of Class A Wrapped Bonds and Class B Wrapped Bonds) the Financial Guarantees and any other Finance Document to which the Bond Trustee is a party (subject to the

terms of the STID). Any modification may (except in relation to any Entrenched Right or Reserved Matter of the Bond Trustee (as set out in the STID) subject to the terms of the STID including, in the case of any of the Class A Wrapped Bonds or Class B Wrapped Bonds, to Entrenched Rights or Reserved Matters of any Financial Guarantor (as set out in the STID) and subject to the provisions concerning ratification and/or meetings of particular combinations of Sub-Classes of Bonds as set out in Condition 16(b) (*Exercise of rights by Bond Trustee*) and the Bond Trust Deed), be made if sanctioned by a resolution passed at a meeting of such Bondholders duly convened and held in accordance with the Bond Trust Deed by a majority of not less than three-quarters of the votes cast (an “**Extraordinary Resolution**”) at such meeting. Such a meeting may be convened by the Bond Trustee or the Issuer and shall be convened by the Issuer upon the request in writing of the relevant Bondholders holding not less than one-tenth in nominal amount of the relevant Bonds for the time being Outstanding.

The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. in nominal amount of the relevant Bonds for the time being Outstanding or, at any adjourned meeting, one or more persons being or representing Bondholders, whatever the nominal amount of the relevant Bonds held or represented, provided however, that certain matters as set out in paragraph 5 of the Fourth Schedule to the Bond Trust Deed (the “**Basic Terms Modifications**”) in respect of the holders of any particular Sub-Class of Bonds may be sanctioned only by an Extraordinary Resolution passed at a meeting of Bondholders of the relevant Sub-Class of Bonds at which one or more persons holding or representing not less than three-quarters or, at any adjourned meeting, one-quarter in nominal amount of the Outstanding Bonds form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the relevant Bondholders, Receiptholders and Couponholders whether present or not.

In addition, a resolution in writing signed by or on behalf of all Bondholders who for the time being are entitled to receive notice of a meeting of Bondholders under the Bond Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

(c) *Modification, consent and waiver*

As more fully set out in the Bond Trust Deed (and subject to the conditions and qualifications therein), the Bond Trustee may, without the consent of the Bondholders of any Sub-Class, concur with the Issuer or any other relevant parties in making: (i) any modification of these Conditions, the Bond Trust Deed, any Financial Guarantee or any Finance Document which is of a formal, minor or technical nature or to correct a manifest error or error which is, in the opinion of the Bond Trustee, proven; and (ii) (except as mentioned in the Bond Trust Deed and subject to the terms of the STID) any other modification and granting any consent under or waiver or authorisation of any breach or proposed breach of these Conditions, the Bond Trust Deed, such Financial Guarantee or any such Finance Document or other document which is, in the opinion of the Bond Trustee, not materially prejudicial to the interests of the Bondholders of that Sub-Class. The Bond Trustee shall, at the request of the Issuer, without the consent or sanction of the Bondholders of any Sub-Class, agree to such amendments to the Bond Trust Deed or these Conditions as may be required by the Issuer to transfer the listing of any Sub-Class of Bonds between Euronext Dublin and the London Stock Exchange, provided that: (x) the Bond Trustee has received a certificate signed by two directors of the Issuer certifying that: (a) such amendments do not constitute Basic Terms Modifications; and (b) such amendments are required to effect such transfer and are only intended to give effect to such transfer (upon which certificate the Bond

Trustee shall be entitled to rely without further enquiry or liability to any person); and (y) such amendments do not require the Bond Trustee to undertake any more onerous duties or responsibilities or impose on the Bond Trustee any additional liabilities beyond those set out in the Bond Trust Deed. In addition, the Bond Trustee shall be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments in the circumstances and as otherwise set out in Condition 6(b)(iii)(D) without the consent or approval of the Bondholders or the Couponholders. Any such modification, consent, waiver or authorisation shall be binding on the Bondholders of that Sub-Class, and the holders of all relevant Receipts and Coupons and, if the Bond Trustee so requires, notice thereof shall be given by the Issuer to the Bondholders of that Sub-Class as soon as practicable thereafter.

The Bond Trustee is entitled to assume that any such modification, consent, waiver or authorisation is not materially prejudicial to the Bondholders if the Rating Agencies confirm that there will not be any adverse effect thereof on the original issue ratings of the Bonds.

(d) *Substitution of the Issuer*

As more fully set forth in the STID and the Bond Trust Deed (and subject to the conditions and qualifications therein), the Bond Trustee shall, if requested by the Issuer, agree with the Issuer, without reference to the Bondholders, to the substitution of another corporation in place of the Issuer as principal debtor in respect of the Bond Trust Deed and the Bonds of all Series and subject to the Wrapped Bonds continuing to be subject to a Financial Guarantee of the relevant Financial Guarantor.

(e) *Benchmark Amendments*

For the avoidance of doubt, the requirements set out in this Condition 15 do not apply to amendments to the Conditions and/or the Bond Trust Deed that are made pursuant to Condition 6(b)(iii)(D).

16 Bond Trustee Protections

(a) *Trustee considerations*

Subject to the terms of the STID and Condition 16(b) (*Exercise of rights by Bond Trustee*), in connection with the exercise, under these Conditions, the Bond Trust Deed, any Financial Guarantee or any Finance Document, of its rights, powers, trusts, authorities and discretions (including any modification, consent, waiver or authorisation), the Bond Trustee will have regard to the interests of the holders of the Bonds provided that, if the Bond Trustee considers, in its sole opinion, that there is a conflict of interest between the interests of the holders of the Class A Bonds and the interests of the holders of the Class B Bonds, the Bond Trustee shall give priority to the interests of the holders of the Class A Bonds whose interests shall prevail. Where, in the sole opinion of the Bond Trustee, there is a conflict between holders of two or more Sub-Classes of Bonds of the same Class, it shall consider the interests of the holders of the Sub-Class of Bonds with the shortest dated maturity and, in either case, will not have regard to the consequences of such exercise for the holders of other Sub-Classes of Bonds or for individual Bondholders, resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. The Bond Trustee shall not be entitled to require from the Issuer or any Financial Guarantor, nor shall any Bondholders be entitled to claim from the Issuer, any Financial Guarantor or the Bond Trustee, any indemnification or other payment in respect of any consequence (including any tax consequence) for individual Bondholders of any such exercise.

(b) *Exercise of rights by Bond Trustee*

Except as otherwise provided in these Conditions and the Bond Trust Deed, when exercising any rights, powers, trusts, authorities and discretions relating to or contained in these Conditions or the Bond Trust Deed (other than in determining or in respect of any Entrenched Right or Reserved Matter relating to the Bonds or any other Basic Terms Modification), which affects or relates to any Class A Wrapped Bonds and/or Class B Wrapped Bonds, the Bond Trustee shall only act on the instructions of the relevant Financial Guarantor(s) (provided no FG Event of Default has occurred and is continuing) in accordance with the provisions of the Bond Trust Deed and the Bond Trustee is not required to have regard to the interests of the Bondholders in relation to the exercise of such rights, powers, trusts, authorities and discretions and has no liability to any Bondholders as a consequence of so acting. As a consequence of being required to act only on the instructions of the relevant Financial Guarantor(s) in the circumstances referred to in the previous sentence, the Bond Trustee may not, notwithstanding the provisions of these Conditions, be entitled to act on behalf of the holders of any Sub-Classes of Bonds. Subject as provided in these Conditions and the Bond Trust Deed, the Bond Trustee will exercise its rights under, or in relation to, the Bond Trust Deed, the Conditions or any Financial Guarantee in accordance with the directions of the relevant Bondholders, but the Bond Trustee shall not be bound as against the Bondholders to take any such action unless it has: (i): (a) (in respect of the matters set out in Condition 11 (*Events of default*) and Condition 15(a) (*Decisions of Majority Creditors*) only) been so requested in writing by the holders of at least 25 per cent. in nominal amount of the relevant Sub-Classes of Bonds Outstanding; or (b) been so directed by an Extraordinary Resolution; and (ii) been indemnified and/or furnished with security and/or pre-funded to its satisfaction.

(c) *Decisions under STID binding on all Bondholders*

Subject to the provisions of the STID and the Entrenched Rights and Reserved Matters of the Bond Trustee and the Bondholders, decisions of the Majority Creditors and (in a Default Situation) decisions made pursuant to the Emergency Instruction Procedure will bind the Bond Trustee and the Bondholders in all circumstances.

17 Notices

Notices to holders of Registered Bonds will be posted to them at their respective addresses in the Register and deemed to have been given on the date of posting. Other notices to Bondholders will be valid if published in a leading daily newspaper having general circulation in London (which is expected to be the *Financial Times*). The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of the London Stock Exchange, on which the Bonds are for the time being listed. Any such notice (other than to holders of Registered Bonds as specified above) shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made. Couponholders and Receiptholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Bonds in accordance with this Condition 17.

So long as any Bonds are represented by Global Bonds, notices in respect of those Bonds may be given by delivery of the relevant notice to Euroclear as operator of the Euroclear System or Clearstream, Luxembourg or any other relevant clearing system as specified in the relevant Final Terms or Drawdown Prospectus for communication by them to entitled account holders in substitution for publication in a daily newspaper with general circulation in London. Such notices shall be deemed to have been received by the Bondholders on the day of delivery to such clearing systems.

18 Indemnification of the Bond Trustee and Security Trustee

(a) Indemnification of the Bond Trustee

The Bond Trust Deed contains provisions for indemnification of the Bond Trustee, and for its relief from responsibility, including provisions relieving it from taking any action including taking proceedings against the Issuer, any Financial Guarantor and or any other person unless indemnified and/or secured and/or prefunded to its satisfaction. The Bond Trustee or any of its affiliates (as defined in Condition 7 (*Indexation*)) are entitled to enter into business transactions with the Issuer, any Financial Guarantor, the other Secured Creditors or any of their respective subsidiaries or associated companies without accounting for any profit resulting therefrom.

(b) Indemnification of the Security Trustee

Subject to the Entrenched Rights and Reserved Matters of the Security Trustee, the Security Trustee will only be required to take any action under or in relation to, or to enforce or protect the Security, or any other security interest created by a Finance Document, or a document referred to therein, if instructed to act by the Majority Creditors or Secured Creditors (or their representatives) (as appropriate) and if indemnified and/or secured and/or prefunded to its satisfaction.

(c) Directions, Duties and Liabilities

Neither the Security Trustee nor the Bond Trustee, in the absence of its own wilful default, negligence or fraud, and in all cases when acting as directed by or subject to the agreement of the Majority Creditors or Secured Creditors (or their representatives) (as appropriate), shall in any way be responsible for any loss, costs, damages or expenses or other liability, which may result from the exercise or non-exercise of any consent, waiver, power, trust, authority or discretion vested in the Security Trustee or the Bond Trustee pursuant to the STID, any Finance Document or any Ancillary Document.

19 Miscellaneous

(a) Governing Law

The Bond Trust Deed, STID, the Security Agreement, the Bonds, the Coupons, the Receipts, the Talons (if any), the relevant Financial Guarantee (if any) and the other Finance Documents are, and all matters arising from or in connection with such documents shall be governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The courts of England are to have exclusive jurisdiction to settle any dispute that may arise out of or in connection with the Bonds, the Coupons, the Receipts, the Talons, the relevant Financial Guarantee (if any) and the Finance Documents and accordingly any legal action or proceedings arising out of or in connection with the Bonds, the Coupons, the Receipts, the Talons (if any) the relevant Financial Guarantee (if any) and/or the Finance Document may be brought in such courts. The Issuer has in each of the Finance Documents irrevocably submitted to the jurisdiction of such courts. The English courts are the most appropriate and convenient courts to settle any such dispute and the Issuer waives objection to those courts on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Bond Trust Deed. To the extent allowed by law, the Bond Trustee, the Bondholders and the Couponholders may take: (i) proceedings in any other court; and (ii) concurrent proceedings in any number of jurisdictions.

(c) *Third Party Rights*

No person has any right to enforce any term or condition of the Bonds or the Bond Trust Deed under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any rights or remedy which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

**PRINCIPAL PAYING AGENT
AND AGENT BANK**

Deutsche Bank AG, London Branch

REGISTRAR AND TRANSFER AGENT

Deutsche Bank Trust Company Americas

Schedule 2
Forms of Global and Definitive Bearer Bonds, Receipts, Coupons and Talons

Part A
Form of Temporary Global Bond

THIS TEMPORARY GLOBAL BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”). NEITHER THIS TEMPORARY GLOBAL BOND NOR ANY PORTION HEREOF MAY BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO ANY U.S. PERSON UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENT OF THE SECURITIES ACT IS AVAILABLE.

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.

THAMES WATER UTILITIES FINANCE PLC
(incorporated with limited liability in England and Wales)

[*currency*][*amount*]
[*Fixed Rate*]/[*Floating Rate*]/[*Indexed*] Bonds due [*maturity*]

guaranteed by

THAMES WATER UTILITIES LIMITED
THAMES WATER UTILITIES HOLDINGS LIMITED
(each incorporated with limited liability in England and Wales)

Temporary Global Bond

1 Introduction

1.1 The Bonds

This Temporary Global Bond is issued in respect of the bonds (the “**Bonds**”) of Thames Water Utilities Finance Plc (the “**Issuer**”) described in the Final Terms (the “**Final Terms**”) a copy of which is annexed hereto. The Bonds:

1.1.1 **[Financial Guarantee]**: are unconditionally and irrevocably guaranteed as to scheduled payments of principal and interest pursuant to a financial guarantee (and the endorsement thereto) dated [●] (the “**Financial Guarantee**”) to be issued by [*insert name of Financial Guarantor*];¹

1.1.2 **Guarantee**: are guaranteed by Thames Water Utilities Limited and Thames Water Utilities Holdings Limited, [and [*insert name of additional Guarantor if any*]] (the “**Guarantors**”) pursuant to a security agreement dated 30 August 2007 (the “**Security Agreement**”); and

1.1.3 **Agency Agreement**: are the subject of an issue and paying agency agreement dated 30 August 2007 (as supplemented, amended or replaced) (the “**Agency**”)

¹ Delete for Unwrapped Bonds.

Agreement") made between the Issuer, the Guarantors, Deutsche Bank AG, London Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Bonds), the other paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression includes any additional or successor paying agents appointed from time to time in connection with the Bonds) and the other agents named therein.

1.2 Construction

All references in this Temporary Global Bond to an agreement, instrument or other document (including the Agency Agreement [and the Financial Guarantee]² shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time *provided that*, in the case of any amendment, supplement, replacement or novation made after the date hereof, it is made in accordance with the Conditions. Headings and sub-headings are for ease of reference only and shall not affect the construction of this Temporary Global Bond.

1.3 References to Conditions

Any reference herein to the "**Conditions**" is to the Terms and Conditions of the Bonds set out in Schedule 4 (*Terms and Conditions of the Bonds*) hereto, as supplemented, amended and/or replaced by the Final Terms, and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof. This Temporary Global Bond is issued pursuant to a bond trust deed (as supplemented, amended or replaced) (the "**Bond Trust Deed**") dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023 and made between the Issuer, the Guarantors and Deutsche Trustee Company Limited as trustee (the "**Bond Trustee**") which expression shall include any person or corporation from time to time appointed as bond trustee. Words and expressions defined in the Conditions shall have the same meanings when used in this Temporary Global Bond.

2 Promise to Pay

The Issuer, for value received, promises to pay to the bearer of this Temporary Global Bond, in respect of each Bond represented by this Temporary Global Bond, the Redemption Amount [(or, in the case of Instalment Bonds, in respect of each such Bond for the time being and from time to time represented hereby, such Instalment Amounts as may become so due and payable)]³ on the Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on each such Bond on the dates and in the manner specified in the Conditions, save that the calculation of amounts payable is made in respect of the total aggregate amount of the

² Delete for Unwrapped Bonds.

³ insert for Instalment Bonds only.

Bonds, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions; *provided, however, that* such interest shall be payable only:

- 2.1 Before the Exchange Date:** in the case of interest falling due before the Exchange Date (as defined below), to the extent that a certificate or certificates issued by Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A., Luxembourg (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system dated not earlier than the date on which such interest falls due and in substantially the form set out in Schedule 3 (*Form of Euroclear/Clearstream, Luxembourg Certification*) hereto is/are delivered to the specified office of the Principal Paying Agent; or
- 2.2 Failure to exchange:** in the case of interest falling due at any time, to the extent that the Issuer has failed to procure the exchange for a permanent global bond of that portion of this Temporary Global Bond in respect of which such interest has accrued.

3 Negotiability

This Temporary Global Bond is negotiable and, accordingly, title to this Temporary Global Bond shall pass by delivery.

4 Exchange

4.1 Permanent Global Bond

If the relevant Final Terms specifies the form of Bonds as being “Temporary Global Bond exchangeable for a Permanent Global Bond”, then on or after the day following the expiry of 40 days after the date of issue of this Temporary Global Bond (the “**Exchange Date**”), the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Bond (which expression has the meaning given in the master definitions agreement dated 30 August 2007 (as supplemented, amended or replaced) (the “**Master Definitions Agreement**”) in accordance with the Agency Agreement to the bearer of this Temporary Global Bond or (in the case of any subsequent exchange) an increase in the principal amount of the existing Permanent Global Bond in accordance with its terms against:

- 4.1.1 Presentation and surrender:** presentation and (in the case of final exchange) surrender of this Temporary Global Bond at the specified office of the Principal Paying Agent; and
- 4.1.2 Certification:** receipt by the Principal Paying Agent of a certificate or certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system dated not earlier than the Exchange Date and in substantially the form set out in Schedule 3 (*Form of Euroclear/Clearstream, Luxembourg Certification*) hereto,

within seven days of the bearer requesting such change.

The principal amount of the Permanent Global Bond shall be equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Principal Paying Agent; *provided, however, that* in no circumstances shall the principal amount of the Permanent Global Bond exceed the initial principal amount of this Temporary Global

Bond and any Temporary Global Bond representing a fungible Sub-Class of Bonds with the Sub-Class of Bonds represented by the first Temporary Global Bond.

4.2 Definitive Bearer Bonds; Not D Rules

If the Final Terms specifies the form of Bonds as being “Temporary Global Bond exchangeable for Definitive Bearer Bonds” and also specifies that the C Rules of the U.S. Tax Equity and Fiscal Responsibility Act 1982 (“**TEFRA**”) are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then on or after the day following the expiry of 40 days after the date of issue of this Temporary Global Bond (the “**Exchange Date**”), the Issuer shall procure the delivery of Definitive Bearer Bonds (which expression has the meaning given in the Master Definitions Agreement) in accordance with the Agency Agreement with Coupons, Receipts and Talons (if so specified in the Final Terms) attached and in an aggregate principal amount equal to the principal amount of this Temporary Global Bond to the bearer of this Temporary Global Bond against presentation and surrender of this Temporary Global Bond at the specified office of the Principal Paying Agent.

4.3 Definitive Bearer Bonds; D Rules

If the Final Terms specifies the form of Bonds as being “Temporary Global Bond exchangeable for Definitive Bearer Bonds” and also specifies that the TEFRA D Rules are applicable, then on or after the day following the expiry of 40 days after the date of issue of this Global Bond (the “**Exchange Date**”), the Issuer shall procure the delivery of Definitive Bearer Bonds (which expression has the meaning given in the Master Definitions Agreement) in accordance with the Agency Agreement with Coupons, Receipts and Talons (if so specified in the Final Terms) attached against:

4.3.1 Presentation and surrender: presentation and (in the case of final exchange) surrender of this Temporary Global Bond at the specified office of the Principal Paying Agent; and

4.3.2 Certification: receipt by the Principal Paying Agent of a certificate or certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system dated not earlier than the Exchange Date and in substantially the form set out in Schedule 3 (*Form of Euroclear/Clearstream, Luxembourg Certification*) hereto.

The Definitive Bearer Bonds so delivered from time to time shall be in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Principal Paying Agent; *provided, however, that* in no circumstances shall the aggregate principal amount of Definitive Bearer Bonds so delivered exceed the initial principal amount of this Temporary Global Bond.

4.4 Registered Bonds

If the Final Terms specifies the form of Bonds as being “Temporary Global Bond exchangeable for Registered Bonds” then the Issuer shall procure:

4.4.1 in the case of an exchange for a Registered Global Bond:

- (i) (in the case of first exchange) delivery of such Registered Global Bond in accordance with the Conditions and the Agency Agreement to the bearer of this Temporary Global Bond; or
- (ii) (in the case of any subsequent exchange) an increase in the principal amount of the Registered Global Bond in accordance with its terms; or

4.4.2 in the case of an exchange for Definitive Registered Bonds, the delivery of the Definitive Registered Bonds in accordance with the Conditions and the Agency Agreement,

in each case upon presentation or surrender of this Temporary Global Bond to the Principal Paying Agent at its specified office and without any requirements to provide certificates upon such presentation or, as the case may be, surrender;

provided, however, that in no circumstances shall the aggregate principal amount of Registered Bonds so delivered exceed the initial principal amount of this Temporary Global Bond and any Temporary Global Bond representing a fungible Sub-Class of Bonds with the Sub-Class of Bonds represented by the first Temporary Global Bond and in the case of any Registered Global Bond.

5 Delivery of Permanent Global Bond or Definitive Bearer Bonds

5.1 Permanent Global Bond

Whenever any interest in this Temporary Global Bond is to be exchanged for an interest in a Permanent Global Bond, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Bond, duly authenticated, to the bearer of this Temporary Global Bond or (in the case of any subsequent exchange) an increase in the principal amount of such existing Permanent Global Bond in accordance with its terms, in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Principal Paying Agent against presentation and (in the case of final exchange) surrender of this Temporary Global Bond at the specified office of the Principal Paying Agent within seven days of the bearer requesting such exchange.

5.2 Definitive Bearer Bonds

Whenever this Temporary Global Bond is to be exchanged for Definitive Bearer Bonds, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Bearer Bonds, duly authenticated and with Coupons, Receipts and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of this Temporary Global Bond to the bearer of this Temporary Global Bond against the surrender of this Temporary Global Bond at the specified office of the Principal Paying Agent within 30 days of the bearer requesting such exchange but, in any event, not earlier than 40 days after the issue of such Bonds.

5.3 Registered Bonds

Whenever this Temporary Global Bond is to be exchanged for Registered Bonds, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Registered Bonds, duly authenticated in an aggregate principal amount equal to the principal amount

of this Temporary Global Bond to the bearer of this Temporary Global Bond against the surrender of this Temporary Global Bond at the specified office of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

6 Writing Down

On each occasion on which:

- 6.1 **Permanent Global Bond:** the Permanent Global Bond is delivered or the principal amount thereof is increased in accordance with its terms in exchange for a further portion of this Temporary Global Bond; or
- 6.2 **Definitive Bearer Bonds:** Definitive Bearer Bonds are delivered in exchange for this Temporary Global Bond; or
- 6.3 **Registered Bonds:** Registered Bonds are delivered or the principal amount of any Registered Global Bond is increased in accordance with its terms in exchange for a further portion of this Temporary Global Bond;
- 6.4 **Cancellation:** Bonds represented by this Temporary Global Bond are to be cancelled in accordance with Condition 8(h) (*Redemption, Purchase and Cancellation - Cancellation*),

the Issuer shall procure that: (a) the principal amount of the Permanent Global Bond, the principal amount of such Registered Bonds, the principal amount of such increase or (as the case may be) the aggregate principal amount of such Bonds; and (b) the remaining principal amount of this Temporary Global Bond (which shall be the previous principal amount hereof less the aggregate of the amounts referred to in (a)) are noted in Schedule 1 (*Payments, Delivery of Definitive Bearer Bonds or Registered Bonds, Exchange for Permanent Global Bond Exercise of Options and Cancellation of Bonds*) hereto, whereupon the principal amount of this Temporary Global Bond shall for all purposes be as most recently so noted.

7 Payments

- 7.1 All payments in respect of this Temporary Global Bond shall be made against presentation and (in the case of payment of principal of the Bonds in full with all interest accrued on the Bonds) surrender of this Temporary Global Bond at the specified office of any Paying Agent and shall be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Bonds. On each occasion on which a payment of interest is made in respect of this Temporary Global Bond, the Issuer shall procure that the same is noted in Schedule 1 (*Payments, Delivery of Definitive Bearer Bonds or Registered Bonds, Exchange for Permanent Global Bond, Exercise of Options and Cancellation of Bonds*) hereto.
- 7.2 For the purposes of any payments made in respect of this Temporary Global Bond, Condition 9(g) (*Non-Business Days*) shall not apply, and all such payments shall be made (in the case of payment in a currency other than euro) on a day on which commercial banks and foreign exchange markets are open in the financial centre of the currency of the Bonds or (in the case of a payment in euro) a day on which T2 is open.
- 7.3 The bearer of this Temporary Global Bond shall not be entitled to receive any payment of interest in respect of the Bonds represented by this Temporary Global Bond which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the

Exchange Date, (unless, upon due presentation of this Temporary Global Bond for exchange (in whole or in part) for a Permanent Global Bond or for delivery of Definitive Bearer Bonds and/or Definitive Registered Bonds, such exchange or delivery is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date).

- 7.4** All payments on the Temporary Global Bond otherwise falling due before the Exchange Date will be made only upon presentation of this Temporary Global Bond at the specified office of any of the Paying Agents outside (unless Condition 9(c) (*Payments in the United States of America*) applies) the United States and upon and to the extent of delivery to the relevant Paying Agent of a certificate pursuant to paragraph 2.1 above.

8 Conditions Apply

- 8.1** Until this Temporary Global Bond has been exchanged as provided herein or cancelled in accordance with the Agency Agreement, the bearer of this Temporary Global Bond shall be subject to the Conditions and, subject as otherwise provided herein, shall be entitled to the same rights and benefits under the Conditions as if the bearer were the holder of Definitive Bearer Bonds and any related Coupons, Receipts and Talons in the smallest specified denomination and in an aggregate principal amount equal to the principal amount of this Temporary Global Bond.

- 8.2** The bearer of this Temporary Global Bond and, *inter alia*, the Bond Trustee are restricted in the proceedings which they may take against the Issuer to enforce their rights hereunder and under the Bond Trust Deed, as more particularly described in the Conditions and the Bond Trust Deed.

9 Notices

Notwithstanding Condition 17 (*Notices*), while: (a) all the Bonds are represented by this Temporary Global Bond, or by this Temporary Global Bond and the Permanent Global Bond or by this Temporary Global Bond and the Registered Global Bond; and (b) this Temporary Global Bond is, or this Temporary Global Bond and the Permanent Global Bond are, or this Temporary Global Bond and the Registered Global Bond are, deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, notices to Bondholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Bondholders in accordance with the Condition 17 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

10 Authentication

This Temporary Global Bond shall not be valid for any purpose until it has been authenticated for and on behalf of Deutsche Bank AG, London Branch as principal paying agent.

11 Governing Law

This Temporary Global Bond 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.

As witness the [manual/facsimile] signature of a duly authorised person on behalf of the Issuer.

THAMES WATER UTILITIES FINANCE PLC

By:

[manual or facsimile signature]

(duly authorised)

ISSUED on the Issue Date

AUTHENTICATED for and on behalf of
DEUTSCHE BANK AG, LONDON BRANCH
as principal paying agent
without recourse, warranty or liability

By:

[manual or facsimile signature]

(duly authorised)

Schedule 1
Payments, Delivery of Definitive Bearer Bonds or Registered Bonds,
Exchange for Permanent Global Bond,
Exercise of Options and Cancellation of Bonds

Date of payment, delivery, exchange, exercise of option (and date upon which exercise is effective) or cancellation	Amount of interest then paid	Amount of principal then paid or redeemed	Aggregate Principal Amount of Definitive Bearer Bonds or Registered Bond(s) then delivered	Aggregate Principal Amount of this Temporary Global Bond then exchanged for the Permanent Global Bond	Aggregate Principal Amount of Bonds then cancelled	Aggregate Principal Amount in respect of which option is exercised	Remaining Principal Amount of this Temporary Global Bond	Authorised signature by or on behalf of the Principal Paying Agent

Schedule 2
Form of Accountholder's Certification

THAMES WATER UTILITIES FINANCE PLC
(incorporated in England and Wales with limited liability)

[currency][amount]
[title of Bonds]

guaranteed by

THAMES WATER UTILITIES LIMITED
THAMES WATER UTILITIES HOLDINGS LIMITED
(each incorporated with limited liability in England and Wales)

This is to certify that as of the date hereof, and except as set forth below, the above-captioned Securities held by you for our account: (a) are owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("**United States persons**"); (b) are owned by United States person(s) that: (i) are foreign branches of a United States financial institution (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(iv)) ("**financial institutions**") purchasing for their own account or for resale; or (ii) acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (i) or (ii), each such United States financial institution hereby agrees, on its own behalf or through its agent, that you may advise the issuer or the issuer's agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder); or (c) are owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)). In addition, if the owner of the Securities is a United States or foreign financial institution described in clause (c) (whether or not also described in clause (a) or (b)), this is to further certify that such financial institution has not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

If the Securities are of the category contemplated in Section 230.903(c)(3) of Regulation S under the Securities Act of 1933, as amended (the "**Act**"), then this is also to certify that, except as set forth below, the Securities are beneficially owned by: (1) non-U.S. person(s); or (2) U.S. person(s) who purchased the Securities in transactions which did not require registration under the Act. As used in this paragraph the term "**U.S. person**" has the meaning given to it by Regulation S under the Act.

As used herein, "**United States**" means the United States of America (including the States and the District of Columbia); and its "**possessions**" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We undertake to advise you promptly by tested telex on or prior to the date on which you intend to submit your certification relating to the Securities held by you for our account in accordance with your operating procedures if any applicable statement herein is not correct on such date, and in

the absence of any such notification it may be assumed that this certification applies as of such date.

This certification excepts and does not relate to [currency] [amount] of such interest in the above Securities in respect of which we are not able to certify and as to which we understand exchange and delivery of definitive Securities (or, if relevant, exercise of any rights or collection of any interest) cannot be made until we do so certify.

We understand that this certification is required in connection with certain tax laws and, if applicable, certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Certificate of Authentication

Dated: [Date]

[name of account holder]
as, or as agent for,
the beneficial owner(s) of the Securities
to which this certificate relates.

By:
Authorised signatory

Schedule 3
Form of Euroclear/Clearstream, Luxembourg Certification

THAMES WATER UTILITIES FINANCE PLC
(incorporated with limited liability in England and Wales)

[*currency*][*amount*]
[*title of Bonds*]

guaranteed by

THAMES WATER UTILITIES LIMITED
THAMES WATER UTILITIES HOLDINGS LIMITED
(each incorporated with limited liability in England and Wales)

This is to certify that, based solely on certifications we have received in writing, by tested telex or by electronic transmission from member organisations appearing in our records as persons being entitled to a portion of the principal amount set forth below (our “**Member Organisations**”) substantially to the effect set forth in the temporary global Bond in respect of the Securities the form of which is set out in Schedule 2 to the Bond Trust Deed in relation to the Bonds issued in respect of the securities, as of the date hereof, [*currency*][*amount*] principal amount of the above captioned Securities: (a) is owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source (“**United States persons**”); (b) is owned by (United States persons that: (i) are foreign branches of United States financial institutions (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(iv)) (“**financial institutions**”) purchasing for their own account or for resale; or (ii) acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (i) or (ii), each such United States financial institution has agreed, on its own behalf or through its agent, that we may advise the Issuer or the Issuer’s agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder); or (c) is owned by United States or foreign financial institutions for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and to the further effect that United States or foreign financial institutions described in clause (c) (whether or not also described in clause (a) or (b)) have certified that they have not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

If the Securities are of the category contemplated in Section 230.903(c)(3) of Regulation S under the Securities Act of 1933, as amended (the “**Act**”), then this is also to certify with respect to the principal amount of Securities set forth above that, except as set forth below, we have received in writing, by tested telex or by electronic transmission, from our Member Organisations entitled to a portion of such principal amount, certifications with respect to such portion substantially to the effect set forth in the temporary global Bond issued in respect of the Securities.

We further certify: (1) that we are not making available herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) any portion of the temporary global security excepted in such certifications; and (2) that as of the date hereof we have not received any notification from any of our Member Organisations to the effect that the statements made by such Member Organisations with respect to any portion of the part submitted herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) are no longer true and cannot be relied upon as of the date hereof.

We understand that this certification is required in connection with certain tax laws and, if applicable, certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Dated: [date]

EUROCLEAR BANK SA/NV

or

CLEARSTREAM BANKING S.A., LUXEMBOURG

By:
Authorised signatory

Schedule 4
Terms and Conditions of the Bonds

[Insert the Terms and Conditions as set out in Schedule 1 to the Bond Trust Deed dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023]

Part B Form of Permanent Global Bond

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.

THIS PERMANENT GLOBAL BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”). NEITHER THIS PERMANENT GLOBAL BOND NOR ANY PORTION HEREOF MAY BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO ANY U.S. PERSON UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENT OF THE SECURITIES ACT IS AVAILABLE.

THAMES WATER UTILITIES FINANCE PLC
(incorporated in England and Wales with limited liability)

[*currency*][*amount*]
[*Fixed Rate*]/[*Floating Rate*]/[*Indexed*] **Bonds due** [*maturity*]

guaranteed by

THAMES WATER UTILITIES LIMITED
THAMES WATER UTILITIES HOLDINGS LIMITED
(each incorporated with limited liability in England and Wales)

Permanent Global Bond

1 Introduction

1.1 The Bonds

This Permanent Global Bond is issued in respect of the bonds (the “**Bonds**”) of Thames Water Utilities Finance Plc (the “**Issuer**”) described in the Final Terms (the “**Final Terms**”) a copy of which is annexed hereto. The Bonds:

- 1.1.1 **[Financial Guarantee]**: are unconditionally and irrevocably guaranteed as to scheduled payments of principal and interest pursuant to a financial guarantee (and the endorsement thereto) dated [●] (the “**Financial Guarantee**”) to be issued by [*insert name of Financial Guarantor*]]⁴;
- 1.1.2 **Guarantee**: are guaranteed by Thames Water Utilities Limited and Thames Water Utilities Holdings Limited [and [*insert name of additional Guarantor if any*]] (the “**Guarantors**”) pursuant to a security agreement dated 30 August 2007 (the “**Security Agreement**”); and
- 1.1.3 **Agency Agreement**: are the subject of an issue and paying agency agreement dated 30 August 2007 (as supplemented, amended or replaced) (the “**Agency Agreement**”) made between the Issuer, the Guarantors, Deutsche Bank AG,

⁴ Delete for Unwrapped Bonds.

London Branch as principal paying agent (the “**Principal Paying Agent**”, which expression includes any successor principal paying agent appointed from time to time in connection with the Bonds), the other paying agents named therein (together with the Principal Paying Agent, the “**Paying Agents**”, which expression includes any additional or successor paying agents appointed from time to time in connection with the Bonds) and the other agents named therein.

1.2 Construction

All references in this Permanent Global Bond to an agreement, instrument or other document (including the Agency Agreement [and the Financial Guarantee]⁵) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time *provided that*, in the case of any amendment, supplement, replacement or novation made after the date hereof, it is made in accordance with the Conditions. Headings and sub-headings are for ease of reference only and shall not affect the construction of this Permanent Global Bond.

2 References to Conditions

Any reference herein to the “**Conditions**” is to the Terms and Conditions of the Bonds set out in Schedule 3 (*Terms and Conditions of the Bonds*) hereto, as supplemented, amended and/or replaced by the Final Terms, and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof. This Permanent Global Bond is issued pursuant to a bond trust deed (as supplemented, amended or replaced) (the “**Bond Trust Deed**”) dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on ¹² October 2023, and made between the Issuer, the Guarantors and Deutsche Trustee Company Limited as trustee (the “**Bond Trustee**” which expression shall include any person or corporation from time to time appointed as bond trustee). Words and expressions defined in the Conditions shall have the same meanings when used in this Permanent Global Bond.

3 Promise to Pay

The Issuer, for value received, promises to pay to the bearer of this Permanent Global Bond, in respect of each Bond represented by this Permanent Global Bond, the Redemption Amount [(or, in the case of Instalment Bonds, in respect of each such Bond for the time being and from time to time represented hereby, such Instalment Amounts as may become due and payable)⁶] on the Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on each such Bond on the dates and in the manner specified in the Conditions, save that the calculation of amounts payable is made in respect of the total aggregate amount of the

⁵ Delete for Unwrapped Bonds.

⁶ Insert for Instalment Bonds only.

Bonds, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

4 Negotiability

This Permanent Global Bond is negotiable and, accordingly, title to this Permanent Global Bond shall pass by delivery.

5 Exchange

5.1 Definitive Bearer Bonds

This Permanent Global Bond will become exchangeable, in whole but not in part only and at the request of the bearer of this Permanent Global Bond, for Definitive Bearer Bonds (which expression has the meaning given in the master definitions agreement dated 30 August 2007 (as supplemented, amended or replaced) (the “**Master Definitions Agreement**”) in accordance with the Conditions:

5.1.1 In limited circumstances: if the Final Terms specifies “in the limited circumstances described in the Permanent Global Bond”, then if either of the following events occurs:

- (i) **Closure of clearing systems:** Euroclear Bank SA/NV (“**Euroclear**”) or Clearstream Banking S.A., Luxembourg (“**Clearstream, Luxembourg**”) or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
- (ii) any Event of Default as set out in Schedule 6 (*Events of Default*) to the Common Terms Agreement; or

5.1.2 Taxation: the Issuer certifies to the Bond Trustee that it has or will, on the next payment date for interest or principal, become subject to adverse tax consequences which would not be suffered if the Bonds are not represented by a Permanent Global Bond.

5.2 Registered Bonds

If the Final Terms specifies the form of Bonds as being “Permanent Global Bond exchangeable for Registered Bonds” then the Issuer shall procure that such exchange, in whole or in part only, for Registered Bonds will be made in accordance with the Conditions and the Agency Agreement at any time (and without any requirements to provide certificates upon presentation or, as the case may be, surrender) upon presentation or surrender of this Permanent Global Bond to the Principal Paying Agent at its specified office.

6 Delivery of Definitive Bearer Bonds or Registered Bonds

6.1 Whenever this Permanent Global Bond is to be exchanged for Definitive Bearer Bonds, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Bearer Bonds, duly authenticated and with Coupons, Receipts and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of this Permanent Global Bond to the bearer of this Permanent Global Bond

against the surrender of this Permanent Global Bond at the specified office of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

- 6.2** Whenever this Permanent Global Bond (or part of it only) is to be exchanged for Registered Bonds, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Registered Bonds, in an aggregate principal amount equal to the principal amount of this Permanent Global Bond (or such part of this Permanent Global Bond as is to be exchanged) to the bearer of this Permanent Global Bond against the surrender or presentation, as the case may be, of this Permanent Global Bond at the specified office of the Principal Paying Agent within seven days of the bearer requesting such exchange.

7 Writing Down

On each occasion on which:

- 7.1 Payment of principal:** a payment of principal is made in respect of this Permanent Global Bond;
- 7.2 Definitive Bearer Bonds:** Definitive Bearer Bonds are delivered;
- 7.3 Registered Bonds:** Registered Bonds are delivered; or
- 7.4 Cancellation:** Bonds represented by this Permanent Global Bond are to be cancelled in accordance with Condition 8(h) (*Redemption, Purchase and Cancellation - Cancellation*),

the Issuer shall procure that: (a) the amount of such payment and the aggregate principal amount of such Bonds; and (b) the remaining principal amount of this Permanent Global Bond (which shall be the previous principal amount hereof *less* the aggregate of the amounts referred to in (a) above) are noted in Schedule 1 (*Payments, Delivery of Definitive or Registered Bonds, Further Exchange of the Temporary Global Bond, Exercise of Options and Cancellation of Bonds*) hereto, whereupon the principal amount of this Permanent Global Bond shall for all purposes be as most recently so noted.

8 Writing up

If this Permanent Global Bond was originally issued in exchange for part only of a temporary global Bond representing the Bonds, then, if at any time any further portion of such temporary global Bond is exchanged for an interest in this Permanent Global Bond, the principal amount of this Permanent Global Bond shall be increased by the amount of such further portion, and the Issuer shall procure that the principal amount of this Permanent Global Bond (which shall be the previous principal amount hereof *plus* the amount of such further portion) is noted in Schedule 1 (*Payments, Delivery of Definitive or Registered Bonds, Further Exchange of the Temporary Global Bond, Exercise of Options and Cancellation of Bonds*) hereto, whereupon the principal amount of this Permanent Global Bond shall for all purposes be as most recently so noted.

9 Payments

- 9.1** All payments in respect of this Permanent Global Bond shall be made against presentation and (in the case of payment of principal of the Bonds in full with all interest accrued on the Bonds) surrender of this Permanent Global Bond at the specified office of any Paying Agent and shall be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Bonds. On each occasion on which a payment of interest is made

in respect of this Permanent Global Bond, the Issuer shall procure that the same is noted in Schedule 1 (Payments, Delivery of Definitive or Registered Bonds, Further Exchange of the Temporary Global Bond, Exercise of Options and Cancellation of Bonds) hereto.

- 9.2** For the purposes of any payments made in respect of this Permanent Global Bond, Condition 9(g) (*Non-Business Days*) shall not apply, and all such payments shall be made (in the case of payment in a currency other than euro) on a day on which commercial banks and foreign exchange markets are open in the financial centre of the currency of the Bonds or (in the case of a payment in euro) a day on which T2 is open.

10 Conditions Apply

- 10.1** Until this Permanent Global Bond has been exchanged as provided herein or cancelled in accordance with the Agency Agreement, the bearer of this Permanent Global Bond shall be subject to the Conditions and, subject as otherwise provided herein, shall be entitled to the same rights and benefits under the Conditions as if the bearer were the holder of Definitive Bearer Bonds and any related Coupons, Receipts and Talons in the smallest Specified Denomination and in an aggregate principal amount equal to the principal amount of this Permanent Global Bond.
- 10.2** The bearer of this Permanent Global Bond and, *inter alia*, the Trustee are restricted in the proceedings which they may take against the Issuer to enforce their rights hereunder and under the Bond Trust Deed, as more particularly described in the Conditions and the Bond Trust Deed.

11 Exercise of Call Option

In connection with an exercise of the option contained in Condition 8(b) (*Redemption, Purchase and Cancellation - Optional Redemption*) in relation to some only of the Bonds, this Permanent Global Bond may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Bonds to be redeemed will not be selected as provided in the Conditions.

12 Notices

Notwithstanding Condition 17 (*Notices*), while: (a) all the Bonds are represented by this Permanent Global Bond, or by this Permanent Global Bond and a Temporary Global Bond, or by this Permanent Global Bond and a Registered Global Bond; and (b) this Permanent Global Bond is, or this Permanent Global Bond and a Temporary Global Bond are, or this Permanent Global Bond and the Registered Global Bond are, deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, notices to Bondholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Bondholders in accordance with the Condition 17 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

13 Authentication

This Permanent Global Bond shall not be valid for any purpose until it has been authenticated for and on behalf of Deutsche Bank AG, London Branch as principal paying agent.

14 Governing Law

This Permanent Global Bond 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.

As witness the [manual/facsimile] signature of a duly authorised person on behalf of the Issuer.

THAMES WATER UTILITIES FINANCE PLC

By:

[manual or facsimile signature]

(duly authorised)

ISSUED on the Issue Date

AUTHENTICATED for and on behalf of
DEUTSCHE BANK AG, LONDON BRANCH
as principal paying agent
without recourse, warranty or liability

By:

[manual signature]

(duly authorised)

Schedule 1

Payments, Delivery of Definitive or Registered Bonds, Further Exchanges of the Temporary Global Bond, Exercise of Options and Cancellation of Bonds

Date of payment, delivery, further exchange of Temporary Global Bond, exercise of option (and date upon which exercise is effective) or cancellation	Amount of interest then paid	Amount of principal then paid or redeemed	Aggregate Principal Amount of Definitive Bearer Bonds or Registered Bonds then delivered	Aggregate Principal Amount of Bonds then cancelled	Aggregate Principal Amount of further exchanges of Temporary Global Bonds	Aggregate Principal Amount in respect of which option is exercised	Current Principal Amount of this Global Bond	Authorised signature by or on behalf of the Principal Paying Agent

Schedule 2
Exchange Notice

..... , being the bearer of the Permanent Global Bond at the time of its deposit with the Principal Paying Agent at its specified office for the purposes of the Bonds, hereby:

EITHER (delete as applicable):

- (i) requests that the Permanent Global Bond be exchanged in whole for Definitive Bearer Bonds as permitted by Clause 5.1 thereof and the terms of the applicable Final Terms and directs that such Definitive Bearer Bonds be made available for collection by it from the specified office of the Principal Paying Agent; OR
- (ii) requests that [*currency*][*amount*] of the Permanent Global Bond be exchanged for a corresponding amount of Individual Bonds Certificates⁷ as permitted by Clause 5.2 thereof and the terms of the applicable Final Terms and directs that such Definitive Registered Bonds [be made available for collection by it from the specified office of the Registrar/be mailed to the (respective) address(es) of the registered Bondholders(s) as set forth below]:

Details for insertion in register in respect of Definitive Registered Bonds:

Name(s) and address(es) of registered Bondholder(s):

.....
.....;

OR

- (iii) requests that the Permanent Global Bond be exchanged in whole⁸ for a Registered Global Bond as permitted by Clause 5.2 thereof and the terms of the applicable Final Terms and directs that such Registered Global Bond [be made available for collection by it from the specified office of the Registrar/be mailed to the address of the registered Bondholder as set forth below]:

Details for insertion in register in respect of Registered Global Bond:

Name and address of registered Bondholder:

.....
.....

⁷ Under the current rules of Euroclear and Clearstream, Individual Bond Certificates in registered form cannot be held through the clearing systems. Bondholders must make arrangements with the Registrar for payments on such Bonds to be made to them.

⁸ Exchange of a Permanent Global Bond for a Registered Global Bond will only be permitted in whole.

Schedule 3
Terms and Conditions of the Bonds

[Insert the Terms and Conditions as set out in Schedule 1 to the Bond Trust Deed dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011 as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023]

Part C
Form of Definitive Bearer Bond

[On the face of the Bond:]

Series Number: [●]

Sub-Class Number: [●]

Serial Number: [●]

[Denomination]

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.

THIS BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NEITHER THIS BOND NOR ANY PORTION HEREOF MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED OR DELIVERED WITHIN THE UNITED STATES OR TO ANY U.S. PERSON UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENT OF THE SECURITIES ACT IS AVAILABLE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

THAMES WATER UTILITIES FINANCE PLC
(incorporated in England and Wales with limited liability)

[Aggregate principal amount of Sub-Class]
[Title of Bonds] due [maturity]

guaranteed by

THAMES WATER UTILITIES LIMITED
THAMES WATER UTILITIES HOLDINGS LIMITED
(each incorporated with limited liability in England and Wales)

This Bond is one of a series of bonds (the “**Bonds**”) of Thames Water Utilities Finance Plc (the “**Issuer**”) described in the Final Terms (the “**Final Terms**”) a copy of the relevant particulars of which is endorsed on this Bond. Any reference herein to the “**Conditions**” is to the Terms and Conditions of the Bonds endorsed on this Bond, as supplemented, amended and/or replaced by the Final Terms, and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof. This Definitive Bearer Bond is issued subject to and with the benefit of the Conditions pursuant to a bond trust deed (as modified, supplemented, amended and/or replaced from time to time) (the “**Bond Trust Deed**” dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June

2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023, and made between the Issuer, the Guarantors and Deutsche Trustee Company Limited as trustee (the “**Bond Trustee**”) which expression shall include any person or corporation from time to time appointed as bond trustee). Words and expressions defined in the Conditions shall have the same meanings when used in this Bond. The Issuer for value received promises, all in accordance with the Conditions endorsed hereon and the Bond Trust Deed prepared in relation to the Bonds to pay to the bearer upon presentation or, as the case may be, surrender hereof on the maturity date specified in the Conditions or on such earlier date as the same may become payable in accordance therewith the Redemption Amount [or, if this Bond is an Instalment Bond, such Instalment Amounts]⁹ on such dates as may be specified in the Conditions or if this Bond shall become due and payable on any other date, the Redemption Amount and to pay interest and all other amounts as may be payable pursuant to the Conditions, all subject to and in accordance therewith.

[This Bond shall not/Neither this Bond nor any of the interest coupons, [talons or receipts] appertaining hereto shall] be valid for any purpose until this Bond has been authenticated for and on behalf of the Principal Paying Agent.

This Bond is guaranteed and secured by Thames Water Utilities Limited and Thames Water Utilities Holdings Limited [and *[insert name of additional Guarantor if any]*] (together, the “**Guarantors**”) pursuant to a guarantee and security agreement (as supplemented, amended or replaced from time to time, the “**Security Agreement**”) dated 30 August 2007 between, *inter alios*, the Issuer, the Guarantors and Deutsche Trustee Company Limited as security trustee.

[In addition, this Bond is unconditionally and irrevocably guaranteed as to timely payments or interest and principal pursuant to a financial guarantee (and the endorsement thereto) (the “**Financial Guarantee**”) to be issued by *[insert name of Financial Guarantor]*.]¹⁰

This Bond and all matters arising from or connected with it are governed by, and shall be construed in accordance with, English law.

As witness the facsimile signature of a duly authorised signatory on behalf of the Issuer.

THAMES WATER UTILITIES FINANCE PLC

By:
(*duly authorised*)

ISSUED on the Issue Date

AUTHENTICATED for and on behalf of
DEUTSCHE BANK AG, LONDON BRANCH
as principal paying agent
without recourse, warranty or liability

⁹ Delete for Unwrapped Bonds.

¹⁰ Delete for Unwrapped Bonds.

By:

[manual or facsimile signature]

(duly authorised)

[On the reverse of the Bonds:]

Final Terms

The following is a copy of the relevant particulars of the Final Terms.

Terms and Conditions

[Insert the Terms and Conditions as set out in Schedule 1 to the Bond Trust Deed dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023.]

[At the foot of the Conditions:]

PRINCIPAL PAYING AGENT

Deutsche Bank AG, London Branch

Part D
Form of Receipt

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

THAMES WATER UTILITIES FINANCE PLC

[Amount and title of Bonds] due [maturity]

Series No: [●]

Serial Number of Bond: [●]

Sub-Class No: [●]

Receipt for the sum of [●] being the instalment of principal payable in accordance with the Conditions endorsed on the Bond to which this Receipt appertains on [●].

This Receipt is issued subject to and in accordance with the Conditions applicable to the Bond to which this Receipt appertains which shall be binding on the holder of this Receipt whether or not it is for the time being attached to such Bond.

This Receipt must be presented for payment together with the Bond to which it appertains in accordance with the Conditions.

This Receipt is not and shall not in any circumstances be deemed to be a document of title and if separated from the Bond to which it appertains will not represent any obligation of the Issuer. Accordingly, the presentation of such Bond without this Receipt or the presentation of this Receipt without such Bond will not entitle the holder to any payment in respect of the relevant instalment of principal.

The Bond to which this Receipt appertains may, in certain circumstances specified in the Conditions, fall due for redemption before the due date for payment of the instalment of principal relating to this Receipt. In such event, this Receipt shall become void and no payment shall be made in respect of it.

[On the reverse of each Receipt:]

PRINCIPAL PAYING AGENT

Deutsche Bank AG, London Branch

Part E
Form of Coupon

- 1** [Form of Coupon attached to Bonds which are interest-bearing, fixed rate or fixed coupon amount and having Coupons:]

[On the front 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.

THAMES WATER UTILITIES FINANCE PLC

[Amount and title of Bonds] due [maturity]

Series No: [●]

Serial Number of Bond: [●]

Sub-Class No: [●]

Coupon for *[set out the amount due]* due on *[date]*

Such amount is payable (subject to the Conditions applicable to the Bond to which this Coupon appertains, which shall be binding on the holder of this Coupon whether or not it is for the time being attached to such Bond) against surrender of this Coupon at the specified office of the Principal Paying Agent or any of the Paying Agents set out on the reverse hereof (or any other or further principal paying agent or paying agents and/or specified offices from time to time designated for the purpose by notice duly given in accordance with such Conditions).

- 2** [Form of Coupon attached to the Bonds which are interest-bearing, floating rate, indexed or variable coupon amount and having Coupons:]

[On the front of Coupons]

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.

THAMES WATER UTILITIES FINANCE PLC

[Amount and title of Bonds] due [maturity]

Series No: [●]

Serial Number of Bond: [●]

Sub-Class No: [●]

Coupon for the amount due on the Interest Payment Date falling in [month, year]]

[Coupon relating to the Bond in the principal amount of [•]]¹¹

Such amount is payable (subject to the Conditions applicable to the Bond to which this Coupon appertains, which shall be binding on the holder of this Coupon whether or not it is for the time being attached to such Bond) against surrender of this Coupon at the specified office of the Principal Paying Agent or any of the Paying Agents set out on the reverse hereof (or any other or further principal paying agent or paying agents and/or specified offices from time to time designated for the purpose by notice duly given in accordance with such Conditions).

The attention of Couponholders is drawn to Condition 9(f) (*Unmatured Coupons and Receipts and Unexchanged Talons*) of the Conditions. The Bond to which this Coupon appertains may, in certain circumstances specified in the Conditions, fall due for redemption before the due date in relation to this Coupon. In such event, this Coupon will become void and no payment will be made in respect hereof.

[On the reverse of each Receipt:]

PRINCIPAL PAYING AGENT

Deutsche Bank AG, London Branch

¹¹ This wording is only required for Bonds which are issued in more than one denomination.

Part F
Form 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.

THAMES WATER UTILITIES FINANCE PLC

[Amount and title of Bonds] due [maturity]

Series No: [●]

Serial Number of Bond: [●]

Sub-Class No:[●]

Talon for further [Coupons/Receipts]

After all the [Coupons/Receipts] appertaining to the Bond to which this Talon appertains have matured, further [Coupons/Receipts] (including, where appropriate, a Talon for further [Coupons/Receipts]) will be issued at the specified office of the Principal Paying Agent or any of the Paying Agents set out in the reverse hereof (or any other or further paying agents and/or specified offices from time to time designated by notice duly given in accordance with the Conditions applicable to the Bond to which this Talon appertains (which shall be binding on the holder of this Talon whether or not it is for the time being attached to such Bond)) upon production and surrender of this Talon upon and subject to such Conditions.

The Bond to which this Talon refers may, in certain circumstances specified in the Conditions, fall due for redemption before the original due date for exchange of this Talon. In such event this Talon shall become void and no exchange shall be made in respect hereof.

[On the reverse of each Talon:]

PRINCIPAL PAYING AGENT

Deutsche Bank AG, London Branch

Schedule 3

Part A

Form of Registered Global Bond

FORMS OF REGISTERED GLOBAL BONDS

THIS SECURITY AND THE GUARANTEES IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT.

ISIN: [●]

THAMES WATER UTILITIES FINANCE PLC

(incorporated in England and Wales with limited liability)

[*currency*][*amount*]

[*Fixed Rate*]/[*Floating Rate*]/[*Indexed*] Bonds due [*maturity*]

guaranteed by

THAMES WATER UTILITIES LIMITED

THAMES WATER UTILITIES HOLDINGS LIMITED

(each incorporated with limited liability in England and Wales)

Registered Global Bond

This Registered Global Bond is issued in respect of the [*currency*] [*amount*] [*Fixed Rate*]/[*Floating Rate*]/[*Indexed*] Bonds due [*maturity*] (the "**Bonds**") of Thames Water Utilities Finance Plc (the "**Issuer**"). The Bonds are constituted by, are subject to, and have the benefit of, a trust deed (as amended or supplemented from time to time, the "**Bond Trust Deed**") dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023, between, *inter alios*, the Issuer and Deutsche Trustee Company Limited as trustee (the "**Bond Trustee**") and the terms and conditions (the "**Conditions**") endorsed thereon and are the subject of an agency agreement dated 30 August 2007 (as amended or supplemented from time to time, the "**Agency Agreement**") and made between, *inter alios*, the Issuer, Deutsche Bank Trust Company Americas as registrar (the "**Registrar**"), and principal paying agent, the other paying agents and the transfer agents named therein and the Bond Trustee.

The Bonds are guaranteed and secured by Thames Water Utilities Limited and Thames Water Utilities Holdings Limited [and [*insert name of additional Guarantor if any*]] (together, the "**Guarantors**") pursuant to a guarantee and security agreement (as supplemented, amended

or replaced from time to time, the “**Security Agreement**”) dated 30 August 2007 between, *inter alios*, the Issuer, the Guarantors and Deutsche Trustee Company Limited as security trustee.

[In addition, the Bonds are unconditionally and irrevocably guaranteed as to timely payments or interest and principal pursuant to a financial guarantee (and the endorsement thereto) (the “**Financial Guarantee**”) to be issued by [*insert name of Financial Guarantor*].]¹²

Any reference herein to the Conditions is to the terms and conditions of the Bonds attached hereto and any reference to a numbered Condition is to the correspondingly numbered provision thereof.

This is to certify that:

[•]

is the person registered in the register maintained by the Registrar in relation to the Bonds (the “**Register**”) as the duly registered holder (the “**Holder**”) of:

[*currency*][*amount*]
([**Amount and Currency in words**])

in aggregate principal amount of Bonds.

The Issuer for value received promises, all in accordance with the Conditions and the Bond Trust Deed (as defined above) to pay to the Holder, on the maturity date specified in the Conditions or on such earlier date as any such Bond may become due and payable in accordance with the Conditions, the Redemption Amount [or, in the case of Instalment Bonds, in respect of each such Bond for the time being from time to time represented hereby, such Instalment Amounts as may become so due and payable]¹³ on such dates as may be specified in the Conditions or, if any such Bond shall become due and payable on any other date, the Redemption Amount and, in respect of each such Bond, to pay interest and all other amounts as may be payable pursuant to the Conditions, all subject to and in accordance therewith. Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where “Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January.

This Registered Global Bond will be exchanged in whole (but not in part) for duly authenticated and completed definitive registered bonds (“**Definitive Registered Bonds**”) in substantially the form (subject to completion) set out in Schedule 3 Part B (*Form of Definitive Registered Bond*) to the Bond Trust Deed in the circumstances specified in the relevant Final Terms.

Whenever this Registered Global Bond is to be exchanged for Definitive Registered Bonds, such Definitive Registered Bonds shall be issued in an aggregate principal amount equal to the principal amount of this Registered Global Bond within five business days of the delivery, by or on behalf of the Holder, Euroclear and/or Clearstream, Luxembourg, to the Registrar of such information as is required to complete and deliver such Definitive Registered Bonds (including the names and addresses of the persons in whose names the Definitive Registered Bonds are to be registered and the principal amount of each such person’s holding) against the surrender of this Registered Global Bond at the specified office of the Registrar. Such exchange shall be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Bonds scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax

¹² Delete for Unwrapped Bonds.

¹³ Insert only for Instalment Bonds

or other duty of whatsoever nature which may be levied or imposed in connection with such exchange. In this paragraph, "business day" means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city in which the Registrar has its specified office.

Save as otherwise provided herein, the Holder of this Registered Global Bond shall have the benefit of, and be subject to, the Conditions and, for the purposes of this Registered Global Bond, any reference in the Conditions to "**Bond Certificate**" or "**Bond Certificates**" shall, except where the context otherwise requires, be construed so as to include this Registered Global Bond.

Notwithstanding Condition 17 (*Notices*), so long as this Registered Global Bond is held on behalf of Euroclear, Clearstream, Luxembourg or any other clearing system (an "**Alternative Clearing System**"), notices to holders of Bonds represented by this Registered Global Bond may be given by delivery of the relevant notice to Euroclear, Clearstream, Luxembourg or (as the case may be) such Alternative Clearing System.

This Registered Global Bond is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the holder is entitled to payment in respect of this Registered Global Bond.

This Registered Global Bond shall not be valid for any purpose until it has been authenticated for and on behalf of Deutsche Bank Trust Company Americas as registrar.

This Registered Global Bond and all matters arising from or connected with it are governed by, and shall be construed in accordance with, English law.

As witness the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

THAMES WATER UTILITIES FINANCE PLC

By:

[manual or facsimile signature]

(duly authorised)

ISSUED on *[Issue Date]*

AUTHENTICATED for and on behalf of
DEUTSCHE BANK AG, LONDON BRANCH
as principal paying agent
without recourse, warranty or liability

By:

[manual or facsimile signature]

(duly authorised)

Schedule 1
Exchange Notice

..... , being the registered holder of this Registered Global Bond, hereby:

- (i) requests that [*currency*][*amount*] of the Registered Global Bond be exchanged for a corresponding amount of Individual Bonds Certificates¹⁴ in accordance with the terms thereof and the terms of the applicable Final Terms and directs that such Definitive Registered Bonds [be made available for collection by it from the specified office of the Registrar/be mailed to the (respective) address(es) of the registered Bondholder(s) as set forth below]:

Details for insertion in register in respect of Definitive Registered Bonds:

Name(s) and address(es) of registered Bondholder(s):

.....
.....

By:
(duly authorised)

¹⁴ Under the current rules of Euroclear and Clearstream, Individual Bond Certificates in registered form cannot be held through the clearing systems. Bondholders must make arrangements with the Registrar for payment on such Bonds to be made to them.

Form of Transfer

FOR VALUE RECEIVED [●], being the registered holder of this Registered Global Bond, hereby transfers to [●] of [●], [currency] [●] in principal amount of the [currency] [amount] [Fixed Rate/Floating Rate/Indexed] Bonds due [maturity] (the “**Bonds**”) of Thames Water Utilities Finance Plc (the “**Issuer**”) and irrevocably requests and authorises Deutsche Bank Trust Company Americas, in its capacity as registrar in relation to the Bonds (or any successor to Deutsche Bank Trust Company Americas in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

Dated: [●]

By:

(duly authorised)

Bonds

The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Registered Global Bond.

- (a) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (b) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.
- (c) Any transfer of Bonds shall be in an amount equal to [currency] [amount] or an integral multiple of [currency] [amount] in excess thereof.

[Attached to the Registered Global Bond:]

[Terms and Conditions as set out in Schedule 1 to the Bond Trust Deed dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023.]

[At the foot of the Terms and Conditions:]

PAYING AGENT

Deutsche Bank AG, London Branch

REGISTRAR

Deutsche Bank Trust Company Americas

Part B
Form of Definitive Registered Bond

[THIS SECURITY AND THE GUARANTEES IN RESPECT HEREOF HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER: (A) REPRESENTS THAT IT IS [AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT (AN "INSTITUTIONAL ACCREDITED INVESTOR"));]^(*) (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF; (2) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT; [(3) TO ANOTHER INSTITUTIONAL ACCREDITED INVESTOR, SUBJECT TO DELIVERY TO THE REGISTRAR OF A TRANSFER CERTIFICATE TO THE EFFECT THAT SUCH TRANSFER IS BEING MADE TO AN INSTITUTIONAL ACCREDITED INVESTOR, TOGETHER WITH A DULY EXECUTED IAI INVESTMENT LETTER FROM THE RELEVANT TRANSFEREE;]^(*) OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).]¹⁵

[THIS BOND AND THE GUARANTEES IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED, DELIVERED OR OTHERWISE TRANSFERRED,

^{**} Include if this is a Definitive IAI Registered Bond.

^{**} Include if this is a Definitive IAI Registered Bond.

¹⁵ This legend shall be borne by Definitive IAI Registered Bond.

WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT.]¹⁶

[FOR PURPOSES OF SECTIONS 1271 ET. SEQ. OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED, THIS BOND HAS ORIGINAL ISSUE DISCOUNT OF [currency][amount] PER EACH [currently][amount] OF NOMINAL AMOUNT OF THIS BOND; THE ISSUE PRICE OF THIS BOND IS [currency][amount]; THE ISSUE DATE IS [date]; AND THE YIELD TO MATURITY (COMPOUNDED [semi-annually]) IS [yield].]¹⁷

Serial Number: [●]

THAMES WATER UTILITIES FINANCE PLC
(incorporated in England and Wales with limited liability)

[currency][amount]
[Fixed Rate]/[Floating Rate]/[Indexed] Bonds due [maturity]

guaranteed by

THAMES WATER UTILITIES LIMITED
THAMES WATER UTILITIES HOLDINGS LIMITED
(each incorporated with limited liability in England and Wales)

Definitive Registered Bond

This Definitive Registered Bond is issued in respect of the [currency] [amount] [Fixed Rate] [Floating Rate] [Indexed] Bonds due [maturity] (the “**Bonds**”) of Thames Water Utilities Finance Plc (the “**Issuer**”). The Bonds are constituted by, are subject to, and have the benefit of, a trust deed (as amended or supplemented from time to time, the “**Bond Trust Deed**”) dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023, between, *inter alios*, the Issuer and Deutsche Trustee Company Limited as trustee (the “**Trustee**”) and the terms and conditions (the “**Conditions**”) endorsed hereon and are the subject of an agency agreement dated 30 August 2007 (as amended or supplemented from time to time, the “**Agency Agreement**”) and made between, *inter alios*, the Issuer, Deutsche Bank Trust Company Americas as registrar (the “**Registrar**”) and principal paying agent, the other paying agents and the transfer agents named therein and the Trustee.

Any reference herein to the Conditions is to the terms and conditions of the Bonds endorsed hereon and any reference to a numbered Condition is to the correspondingly numbered provision thereof.

This is to certify that:

[●]

¹⁶ This legend shall be borne by each Definitive Registered Bond issued in reliance on Regulation S.

¹⁷ Legend to be borne by any Definitive IAI Registered Bond, in each case issued with "original issue discount" for U.S. federal income tax purposes.

is the person registered in the register maintained by the Registrar in relation to the Bonds (the “**Register**”) as the duly registered holder or, if more than one person is so registered, the first-named of such persons (the “**Holder**”) of:

[**currency**][**amount**]

([**Amount and Currency in Words**])

in aggregate principal amount of the Bonds.

The Issuer for value received promises, all in accordance with the Conditions and the Bond Trust Deed (as defined above) to pay to the Holder, on the maturity date specified in the Conditions or on such earlier date as any such Bond may become due and payable in accordance with the Conditions, the Redemption Amount [or, in the case of Instalment Bonds, in respect of each such Bond for the time being from time to time represented hereby, such Instalment Amounts as may become so due and payable]¹⁸ on such dates as may be specified in the Conditions or, if any such Bond shall become due and payable on any other date, the Redemption Amount [and, in respect of each such Bond, to pay interest and all other amounts as may be payable pursuant to the Conditions, all subject to and in accordance therewith.

This Definitive Registered Bond is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Holder is entitled to payment in respect of this Definitive Registered Bond.

This Definitive Registered Bond is guaranteed and secured by Thames Water Utilities Limited and Thames Water Utilities Holdings Limited [and [*insert name of additional Guarantor if any*]] (together, the “**Guarantors**”) pursuant to a guarantee and security agreement (as supplemented, amended or replaced from time to time, the “**Security Agreement**”) dated 30 August 2007 between, *inter alios*, the Issuer, the Guarantors and Deutsche Trustee Company Limited as security trustee.

[In addition, this Definitive Registered Bond is unconditionally and irrevocably guaranteed as to timely payments or interest and principal pursuant to a financial guarantee (and the endorsement thereto) (the “**Financial Guarantee**”) to be issued by [*insert name of Financial Guarantor*].]¹⁹

This Definitive Registered Bond shall not be valid for any purpose until it has been authenticated for and on behalf of Deutsche Bank Trust Company Americas as registrar.

As witness the manual or facsimile signature of a duly authorised person on behalf of the Issuer.

THAMES WATER UTILITIES FINANCE PLC

By:

[*manual or facsimile signature*]

(*duly authorised*)

ISSUED on [*Issue Date*]

¹⁸ Insert only for Instalment Bonds.

¹⁹ Delete for Unwrapped Bonds.

AUTHENTICATED for and on behalf of
DEUTSCHE BANK AG, LONDON BRANCH
as principal paying agent
without recourse, warranty or liability

By:

[manual or facsimile signature]

(duly authorised)

Form of Transfer

FOR VALUE RECEIVED [●], being the registered holder of this Definitive Registered Bond, hereby transfers to [●] of [●] [currency] [●] in principal amount of the [currency] [amount] [Fixed Rate]/[Floating Rate]/[Indexed] Bonds due [maturity] (the “**Bonds**”) of Thames Water Utilities Finance Plc (the “**Issuer**”) and irrevocably requests and authorises Deutsche Bank Trust Company Americas, in its capacity as registrar in relation to the Bonds (or any successor to Deutsche Bank Trust Company Americas, in its capacity as such) to effect the relevant transfer by means of appropriate entries in the register kept by it.

Dated: [●]

By:

(duly authorised)

Notes

The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Definitive Registered Bond.

- (a) A representative of such registered holder should state the capacity in which he signs, e.g. executor.
- (b) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar may require.
- (c) Any transfer of Bonds shall be in an amount equal to [currency] [amount] or any integral multiple of [currency] [amount] in excess thereof.

[Attached to each Bond Certificate.]

[Terms and Conditions as set out in Schedule 1 to the Bond Trust Deed dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023.]

[At the foot of the Terms and Conditions:]

PAYING AGENT

Deutsche Bank AG, London Branch

REGISTRAR

Deutsche Bank Trust Company Americas

Schedule 4
Provisions for Meetings of Bondholders

1

- A. The provisions of this Schedule are subject to the provisions of Conditions 15 (*Meetings of Bondholders, Modification, Waiver and Substitution*) and 16 (*Bond Trustee Protections*) and the STID.
- B. As used in this Schedule the following expressions shall have the following meanings unless the context otherwise requires:
- (i) “**voting certificate**” means an English language certificate issued by a Paying Agent and dated in which it is stated:
- (a) that on the date thereof Bearer Bonds (whether in definitive form or represented by a Global Bond and not being Bearer Bonds in respect of which a block voting instruction has been issued and is outstanding in respect of the meeting specified in such voting certificate or any adjourned such meeting) were deposited with such Paying Agent or (to the satisfaction of such Paying Agent) were held to its order or under its control or blocked in an account with a clearing system and that no such Bearer Bonds will cease to be so deposited or held or blocked until the first to occur of:
- (1) the conclusion of the meeting specified in such certificate or, if later, of any adjourned such meeting; and
- (2) the surrender of the certificate to the Paying Agent who issued the same; and
- (b) that the bearer thereof is entitled to attend and vote at such meeting and any adjourned such meeting in respect of the Bearer Bonds represented by such certificate;
- (ii) “**block voting instruction**” means an English language document issued by a Paying Agent and dated in which:
- (a) it is certified that Bearer Bonds (whether in definitive form or represented by a Global Bond and not being Bearer Bonds in respect of which a voting certificate has been issued and is outstanding in respect of the meeting specified in such block voting instruction and any adjourned such meeting) have been deposited with such Paying Agent or (to the satisfaction of such Paying Agent) were held to its order or under its control or blocked in an account with a clearing system and that no such Bearer Bonds will cease to be so deposited or held or blocked until the first to occur of:
- (1) the conclusion of the meeting specified in such document or, if later, of any adjourned such meeting; and
- (2) the surrender to the Paying Agent not less than 48 hours before the time for which such meeting or any adjourned such meeting is convened of the receipt issued by such Paying Agent in respect of each such deposited Bearer Bond

which is to be released or (as the case may require) the Bearer Bond or Bearer Bonds 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 17 hereof of the necessary amendment to the block voting instruction;

- (b) it is certified that each holder of such Bearer Bonds has instructed such Paying Agent that the vote(s) attributable to the Bearer Bond or Bearer Bonds so deposited or held or blocked should be cast in a particular way in relation to the resolution or resolutions to be put to such meeting or any adjourned such meeting and that all such instructions are during the period commencing 48 hours prior to the time for which such meeting or any adjourned 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 Bearer Bonds so deposited or held or blocked are listed distinguishing with regard to each such resolution between those in respect of which instructions have been given as aforesaid 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 document (each hereinafter called a “**proxy**”) is or are authorised and instructed by such Paying Agent to cast the votes attributable to the Bearer Bonds so listed in accordance with the instructions referred to in (c) above as set out in such document;
- (iii) “**24 hours**” means a period of 24 hours including all or part of a day upon which banks are open for 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 business in all of the places as aforesaid; and
 - (iv) “**48 hours**” means a period of 48 hours including all or part of two days upon which banks are open for 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 business in all of the places as aforesaid.
- C. A holder of a Bearer Bond (whether in definitive form or represented by a Global Bond) may obtain a voting certificate in respect of such Bond from a Paying Agent or require a Paying Agent to issue a block voting instruction in respect of such

Bond by depositing such Bearer Bond with such Paying Agent or (to the satisfaction of such Paying Agent) by such Bearer Bond being held to its order or under its control or being blocked in an account with a clearing system, in each case not less than 48 hours before the time fixed for the relevant meeting and on the terms set out in sub-paragraph (B)(i)(a) or (B)(ii)(a) above (as the case may be), and (in the case of a block voting instruction) instructing such Paying Agent to the effect set out in sub-paragraph (B)(ii)(b) above. 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 or adjourned meeting of Bondholders be deemed to be the holder of the Bearer Bonds to which such voting certificate or block voting instruction relates and the Paying Agent with which such Bearer Bonds have been deposited or the person holding the same to the order or under the control of such Paying Agent or the clearing system in which such Bearer Bonds have been blocked shall be deemed for such purposes not to be the holder of those Bearer Bonds.

D.

- (i) A holder of Registered Bonds (whether in definitive form or represented by a Registered Global Bond) may, by an instrument in writing in the English language (a **“form of proxy”**) signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Registrar not less than 48 hours before the time fixed for the relevant meeting, appoint any person (a **“proxy”**) to act on his or its behalf in connection with any meeting of the Bondholders and any adjourned such meeting.
- (ii) Any holder of Registered Bonds (whether in definitive form or represented by a Registered Global Bond) which is a corporation may by resolution of its directors or other governing body authorise any person to act as its representative (a **“representative”**) in connection with any meeting of the Bondholders and any adjourned such meeting.
- (iii) Any proxy appointed pursuant to sub-paragraph (i) above or representative appointed pursuant to sub-paragraph (ii) above shall so long as such appointment remains in force be deemed, for all purposes in connection with the relevant meeting or adjourned meeting of the Bondholders, to be the holder of the Registered Bonds to which such appointment relates and the holder of the Registered Bonds shall be deemed for such purposes not to be the holder.

2 The Issuer or the Bond Trustee may at any time and the Issuer shall upon a requisition in writing in the English language signed by the holders of not less than one-tenth in nominal amount of the relevant Bonds for the time being outstanding convene a meeting of the relevant Bondholders and if the Issuer makes default for a period of seven days in convening such a meeting the same may be convened by the Bond Trustee or the requisitionists. Every such meeting shall be held at such time and place as the Bond Trustee may appoint or approve.

3 At least 21 days' notice (exclusive of the day on which the notice is given and the day on which the meeting is to be held) specifying the place, day and hour of meeting, shall be

given to the holders of the relevant Bonds prior to any meeting of such holders in the manner provided by Condition 17 (*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 but (except for an Extraordinary Resolution) it shall not be necessary to specify in such notice the terms of any resolution to be proposed. Such notice shall include statements, if applicable, to the effect that: (i) Bearer Bonds may, not less than 48 hours before the time fixed for the meeting, be deposited with Paying Agents or (to their satisfaction) held to their order or under their control or blocked in an account with a clearing system for the purpose of obtaining voting certificates or appointing proxies; and (ii) the holders of Registered Bonds may appoint proxies by executing and delivering a form of proxy in the English language to the specified office of the Registrar not less than 48 hours before the time fixed for the meeting or, in the case of corporations, may appoint representatives by resolution of their directors or other governing body. A copy of the notice shall be sent by post to the Bond Trustee (unless the meeting is convened by the Bond Trustee), the Issuer (unless the meeting is convened by the Issuer) and to the Guarantors (unless the meeting is convened by the Guarantors).

- 4 A person (who may but need not be a Bondholder) nominated in writing by the Bond Trustee shall be entitled to take the chair at the relevant meeting or adjourned meeting but if no such nomination is made or if at any meeting or adjourned meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting or adjourned meeting the Bondholders 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.
- 5 At any such meeting one or more persons present holding Definitive Bearer Bonds or Definitive Registered Bonds or voting certificates or being proxies or representatives and holding or representing in the aggregate not less than one-twentieth of the nominal amount of the relevant Bonds for the time being outstanding shall (except for the purpose of passing an Extraordinary Resolution) form a quorum for the transaction of business and no business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of the relevant business. The quorum at any such meeting for passing an Extraordinary Resolution shall (subject as provided below) be one or more persons present holding Definitive Bearer Bonds or Definitive Registered Bonds or voting certificates or being proxies or representatives and holding or representing not less than 50 per cent in nominal amount of the relevant Bonds for the time being outstanding *provided that* at any meeting the business of which includes any of the following matters (each of which shall only be capable of being effected after having been approved by Extraordinary Resolution) namely:
 - (i) reduction or cancellation of the amount payable or, where applicable, modification, except where such modification is in the opinion of the Bond Trustee bound to result in an increase, of the method of calculating the amount payable or modification of the date of payment or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of the Bonds;
 - (ii) alteration of the currency in which payments under the Bonds, Receipts and Coupons are to be made;
 - (iii) alteration of the majority required to pass an Extraordinary Resolution;

- (iv) the sanctioning of any such scheme or proposal as is described in paragraph 18(l) below;
- (v) alteration of this proviso or the proviso to paragraph 6 below; and
- (vi) the sanctioning of a STID Proposal or a DIG Proposal which requires the consent of the Bond Trustee pursuant to the Entrenched Rights;

the quorum shall be one or more persons present holding Definitive Bearer Bonds or Definitive Registered Bonds or voting certificates or being proxies or representatives and holding or representing not less than three-quarters of the nominal amount of the Bonds for the time being outstanding.

- 6** 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 Bondholders be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if such day is a public holiday the next succeeding business day) at the same time and place (except in the case of a meeting at which an Extraordinary Resolution is to be proposed in which 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 Bond 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 Bond Trustee) dissolve such meeting or adjourn the same for such period, being not less than 13 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 Bond Trustee, and the provisions of this sentence shall apply to all further adjourned such meetings. At any adjourned meeting one or more persons present holding Definitive Bearer Bonds or voting certificates or being proxies or representatives (whatever the nominal amount of the relevant Bonds so held or represented by them) shall (subject as provided below) form a quorum and shall have power to pass any Extraordinary Resolution or other 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 of the matters specified in the proviso to paragraph 5 above shall be one or more persons present holding Definitive Bearer Bonds or voting certificates or being proxies or representatives and holding or representing not less than one-quarter of the nominal amount of the Bonds for the time being outstanding.
- 7** Notice of any adjourned meeting at which an Extraordinary Resolution is to be submitted shall be given in the same manner as notice of an original meeting but as if 10 were substituted for 21 in paragraph 3 above and such notice shall state the relevant quorum. Subject as aforesaid it shall not be necessary to give any notice of an adjourned meeting.
- 8** Every question submitted to a meeting shall, if so required by the Chairman, be decided in the first instance by a show of hands and in case of equality of votes the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes

(if any) to which he may be entitled as a Bondholder or as a holder of a voting certificate or as a proxy or as a representative.

- 9** At any meeting unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman, the Issuer, the Guarantors, the Bond Trustee or any person present holding a Definitive Bearer Bond or Definitive Registered Bonds or a voting certificate or being a proxy or representative (whatever the nominal amount of the relevant Bonds so held or represented by him) 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.
- 10** Subject to paragraph 12 below, 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.
- 11** 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 (but for lack of required quorum) have been transacted at the meeting from which the adjournment took place.
- 12** 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.
- 13** The Bond Trustee and its lawyers and any director, officer or employee of a corporation being a trustee of this Bond Trust Deed and any director or officer of the Issuer or, as the case may be, the Guarantors and its or their lawyers and any other person authorised so to do by the Bond Trustee may attend and speak at any meeting. Save as aforesaid, but without prejudice to the proviso to the definition of “**outstanding**” (as set out in the Master Definitions Agreement), no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting of Bondholders or join with others in requesting the convening of such a meeting or to exercise the rights conferred on Bondholders by Condition 15 (*Meetings of Bondholders, Modification, Waiver and Substitution*) unless he either produces the Definitive Bearer Bond or Definitive Bearer Bonds of which he is the holder or a voting certificate or is a proxy or a representative. No person shall be entitled to vote at any meeting in respect of Bonds held by, for the benefit of, or on behalf of, the Issuer, the Guarantors, any Subsidiary of the Issuer or the Guarantors, any holding company of the Issuer or the Guarantors or any Subsidiary of such holding company. Nothing herein shall prevent any of the proxies named in any block voting instruction or form of proxy from being a director, officer or representative of or otherwise connected with the Issuer or the Guarantors.
- 14** Subject as provided in paragraph 13 above at any meeting:

 - A.** on a show of hands every person who is present in person and produces a Definitive Bearer Bond or voting certificate or is a holder of an Definitive Registered Bond or is a proxy or representative shall have one vote; and
 - B.** on a poll every person who is so present shall have one vote in respect of each £1 or such other amount as the Bond Trustee may in its absolute discretion stipulate

(or, in the case of meetings of holders of Bonds denominated in another currency, such amount in such other currency as the Bond Trustee in its absolute discretion may stipulate) in nominal amount of the Definitive Bearer Bonds so produced or represented by the voting certificate so produced or in respect of which he is a proxy or representative or in respect of which (being an Definitive Registered Bond) he is the registered holder.

Without prejudice to the obligations of the proxies named in any block voting instruction or form of proxy any 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.

- 15** The proxies named in any block voting instruction or form of proxy and representatives need not be Bondholders.
- 16** Each block voting instruction together (if so requested by the Bond Trustee) with proof satisfactory to the Bond Trustee of its due execution on behalf of the relevant Paying Agent and each form of proxy shall be deposited by the relevant Paying Agent or (as the case may be) by the Registrar or the relevant Transfer Agent at such place as the Bond Trustee shall approve not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the proxies named in the block voting instruction or form of proxy propose to vote and in default the block voting instruction or form of proxy shall not be treated as valid unless the Chairman of the meeting decides otherwise before such meeting or adjourned meeting proceeds to business. A notarially certified copy of each block voting instruction and form of proxy shall (if the Bond Trustee so requires) be deposited with the Bond Trustee before the commencement of the meeting or adjourned meeting but the Bond Trustee shall not thereby be obliged to investigate or be concerned with the validity of or the authority of the proxies named in any such block voting instruction or form of proxy.
- 17** Any vote given in accordance with the terms of a block voting instruction or form of proxy shall be valid notwithstanding the previous revocation or amendment of the block voting instruction or form of proxy or of any of the relevant Bondholders' instructions 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 or in the case of a Registered Bond from the holder thereof by the Issuer at its registered office (or such other place as may have been required or approved by the Bond Trustee for the purpose) by the time being 24 hours and 48 hours respectively before the time appointed for holding the meeting or adjourned meeting at which the block voting instruction or form of proxy is to be used.
- 18** A meeting of the Bondholders shall in addition to the powers hereinbefore given have the following powers exercisable only by Extraordinary Resolution (subject to the provisions relating to quorum contained in paragraphs 5 and 6 above) namely:
 - A.** Power to sanction any compromise or arrangement proposed to be made between the Issuer, the Guarantors, the Bond Trustee, any Appointee and the Bondholders, Receiptholders and Couponholders or any of them.
 - B.** Power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Bond Trustee, any Appointee, the Bondholders, the Receiptholders, Couponholders, or the Issuer or the Guarantors or against any other or others of them or against any of their property whether such rights shall arise under this Bond Trust Deed or otherwise.

- C. Power to assent to any modification of the provisions of this Bond Trust Deed which shall be proposed by the Issuer, the Guarantors, the Bond Trustee or any Bondholder.
- D. Power to give any authority or sanction which under the provisions of this Bond Trust Deed is required to be given by Extraordinary Resolution.
- E. Power to appoint any persons (whether Bondholders or not) as a committee or committees to represent the interests of the Bondholders and to confer upon such committee or committees any powers or discretions which the Bondholders 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 this Bond Trust Deed.
- G. Power to discharge or exonerate the Bond Trustee and/or any Appointee from all liability in respect of any act or omission for which the Bond Trustee and/or such Appointee may have become responsible under this Bond Trust Deed.
- H. Power to authorise the Bond 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 Bonds for or the conversion of the Bonds into or the cancellation of the Bonds 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 and for the appointment of some person with power on behalf of the Bondholders to execute an instrument of transfer of the Registered Bonds held by them in favour of the persons with or to whom the Bonds are to be exchanged or sold respectively.

19 Any resolution passed at a meeting of the Bondholders duly convened and held in accordance with this Bond Trust Deed shall be binding upon all the relevant Bondholders whether present or not present at such meeting and whether or not voting and upon all relevant Receipholders and Couponholders and each of them shall be bound to give effect thereto accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof. Notice of the result of the voting on any resolution duly considered by the Bondholders shall be published in accordance with Condition 17 (*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.

20 The expression “**Extraordinary Resolution**” when used in this Bond Trust Deed means: (a) a resolution passed at a meeting of the Bondholders of a Sub-Class, Tranche or Tranches duly convened and held in accordance with this Bond Trust Deed by a majority of not less than three-quarters of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three-quarters of the votes cast on such poll; or (b) a resolution in writing signed by or on behalf of all the Bondholders who for the time being are entitled to receive notice of a meeting of Bondholders, which

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 Bondholders.

- 21** Minutes of all resolutions and proceedings at every meeting of the Bondholders 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

- A.** If and whenever the Issuer shall have issued and have outstanding Bonds of more than one Sub-Class the foregoing provisions of this Schedule shall have effect subject to the following modifications:
- (i) a resolution which in the opinion of the Bond Trustee affects the Bonds of only one Sub-Class shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Bonds of that Sub-Class;
 - (ii) a resolution which in the opinion of the Bond Trustee affects the Bonds of more than one Sub-Class but does not give rise to a conflict of interest between the holders of Bonds of any of the Sub-Class so affected shall be deemed to have been duly passed if passed at a single meeting of the holders of the Bonds of all the Sub-Classes so affected;
 - (iii) a resolution which in the opinion of the Bond Trustee affects the Bonds of more than one Sub-Class and gives or may give rise to a conflict of interest between the holders of the Bonds of one Sub-Class or group of Sub-Classes so affected and the holders of the Bonds of another Sub-Class or group of Sub-Classes so affected shall be deemed to have been duly passed only if passed at separate meetings of the holders of the Bonds of each Sub-Class or group of Sub-Classes so affected; and
 - (iv) to all such meetings all the preceding provisions of this Schedule shall *mutatis mutandis* apply as though references therein to Bonds and Bondholders were references to the Bonds of the Sub-Class or group of Sub-Classes in question or to the holders of such Bonds, as the case may be.
- B.** If the Issuer shall have issued and have outstanding Bonds which are not denominated in sterling in the case of any meeting of holders of Bonds of more than one currency, the nominal amount of such Bonds shall: (i) for the purposes of paragraph 2 above be the equivalent in sterling at the spot rate of a bank nominated by the Bond Trustee for the conversion of the relevant currency or currencies into 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 5, 6 and 14 above (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 (or such other

sterling amount as the Bond Trustee may in its absolute discretion stipulate) in nominal amount of the Bonds (converted as above) which he holds or represents.

- 23** Subject to all other provisions of this Bond Trust Deed the Bond Trustee may without the consent of the Issuer, the Guarantors, the Bondholders, the Receiptholders or the Couponholders prescribe such further regulations regarding the requisitioning and/or the holding of meetings of Bondholders (including the holding of meetings by audio or video conference call in circumstances where it may be impractical or inadvisable to hold physical meetings) and attendance and voting thereat as the Bond Trustee may in its sole discretion think fit.

Schedule 5
Form of Accession Memorandum - Financial Guarantor

This Deed dated [*date*] is supplemental to the bond trust deed (as supplemented, amended or replaced from time to time, the “**Bond Trust Deed**”) dated 30 August 2007, as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023 and made between Thames Water Utilities Finance Plc as Issuer, Thames Water Utilities Holdings Limited and Thames Water Utilities Limited as Guarantors and Deutsche Trustee Company Limited as Bond Trustee (as the same may from time to time be modified, restated, novated and/or supplemented).

Words and expressions defined in the Bond Trust Deed have the same meanings when used in this Deed.

[*insert name of Financial Guarantor*] (the “**Financial Guarantor**”) of [*insert address of Financial Guarantor*] hereby agrees with each other person who is or who becomes a party to the Bond Trust Deed that, with effect from the date on which the provisions of Clause 28 (*New Financial Guarantors*) of the Bond Trust Deed have been complied with, the Financial Guarantor will become a party to and be bound by and benefit from the Bond Trust Deed and the supplemental deed delivered with this Deed as a Financial Guarantor.

The address for notices to the Financial Guarantor are as follows:

[*insert address*]

This Deed and all matters relating from or connected with it are governed by, and shall be construed in accordance with, English law.

The parties have executed this Deed as a deed and intend to deliver and do deliver this Deed on the date stated above.

EXECUTED as a DEED by
**THAMES WATER UTILITIES
FINANCE PLC**
acting by

}

Director/Attorney

EXECUTED as a DEED by
**THAMES WATER UTILITIES
LIMITED**
acting by

}

Director

Director/Secretary

EXECUTED as a DEED by
**THAMES WATER UTILITIES
HOLDINGS LIMITED**
acting by

}

Director

Director/Secretary

EXECUTED as a DEED by
[insert name of existing Financial
Guarantor if any]
acting by

}

Director

Director/Secretary

EXECUTED as a DEED by
[New Financial Guarantor]

}

Director

Director/Secretary

Bond Trustee

THE COMMON SEAL of
**DEUTSCHE TRUSTEE COMPANY
LIMITED** was affixed to this deed in the
presence of:

}

Associate Director

Associate Director

Schedule 6
Form of Accession Memorandum - Guarantor

This Deed dated [date] is supplemental to the trust deed (as supplemented, amended or replaced from time to time, the “**Bond Trust Deed**”) dated 30 August 2007 as amended and restated on 25 July 2008, as further amended and restated on 15 September 2009, as further amended and restated on 9 December 2011, as further amended and restated on 19 June 2012, as further amended and restated on 12 March 2014, as further amended and restated on 26 June 2015, as further amended and restated on 16 September 2016, as further amended and restated on 10 October 2017, as further amended and restated on 9 October 2018, as further amended and restated on 2 April 2020, as further amended and restated on 27 October 2021, as further amended and restated on 4 October 2022 and as further amended and restated on 12 October 2023 and made between, inter alios, Thames Water Utilities Finance Plc as Issuer, Thames Water Utilities Holdings Limited and Thames Water Utilities Limited as Guarantors and Deutsche Trustee Company Limited as Bond Trustee (as the same may from time to time be modified, restated, novated and/or supplemented).

Words and expressions defined in the Bond Trust Deed have the same meanings when used in this Deed.

[insert name of Guarantor] (the “**Guarantor**”) of [insert address of Guarantor] hereby agrees with each other person who is or who becomes a party to the Bond Trust Deed that, with effect from the date on which the provisions of Clause 29 (*New Guarantors*) of the Bond Trust Deed have been complied with, the Guarantor will become a party to and be bound by and benefit from the Bond Trust Deed and the supplemental deed delivered with this Deed as a Guarantor.

The address for notices to the Guarantor are as follows:

[insert address]

This Deed and all matters relating from or connected with it are governed by, and shall be construed in accordance with, English law.

The parties have executed this Deed as a deed and intend to deliver and do deliver this Deed on the date stated above.

EXECUTED as a deed by
[New Guarantor]

}

Director

Director/Secretary

Bond Trustee

THE COMMON SEAL of
**DEUTSCHE TRUSTEE COMPANY
LIMITED**



was affixed to this deed in the presence
of:

Associate Director

Associate Director

Signatories

EXECUTED as a DEED by
**THAMES WATER UTILITIES
FINANCE PLC**
acting by its attorney
in the presence of:

}

(Witness's signature)

Name:

Address:

Occupation:

EXECUTED as a DEED by
**THAMES WATER UTILITIES
LIMITED**
acting by its attorney
in the presence of:

}

(Witness's signature)

Name:

Address:

Occupation:

EXECUTED as a DEED by
**THAMES WATER UTILITIES
HOLDINGS LIMITED**
acting by its attorney
in the presence of:

}

(Witness's signature)

Name:

Address:

Occupation:

Bond Trustee

THE COMMON SEAL of
DEUTSCHE TRUSTEE COMPANY
LIMITED
was affixed to this deed in the presence
of:

