

Dated 31 August 2018

THAMES WATER UTILITIES CAYMAN FINANCE LIMITED

THAMES WATER UTILITIES LIMITED

THAMES WATER UTILITIES HOLDINGS LIMITED

THAMES WATER UTILITIES FINANCE LIMITED

THAMES WATER UTILITIES CAYMAN FINANCE HOLDINGS LIMITED

DEUTSCHE TRUSTEE COMPANY LIMITED

as Bond Trustee

and

DEUTSCHE TRUSTEE COMPANY LIMITED

as Security Trustee

DEED OF VARIATION

effecting the substitution of Thames Water Utilities Cayman Finance Limited with Thames Water Utilities Finance Limited as the issuer and principal debtor in respect of all the bonds issued pursuant to the £10,000,000,000 Multicurrency Programme (the “**Programme**”) originally established by Thames Water Utilities Cayman Finance Limited

Linklaters

Ref: L-270504

Linklaters LLP

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This Deed of Variation is made on 31 August 2018 and is supplemental to the Bond Trust Deeds (as defined below) and is made **between**:

- (1) **THAMES WATER UTILITIES CAYMAN FINANCE LIMITED** in its capacity as the original issuer of the Existing Bonds (as defined below) (“**TWUCF**” and the “**Original Issuer**”);
- (2) **THAMES WATER UTILITIES LIMITED** (“**TWUL**”), **THAMES WATER UTILITIES HOLDINGS LIMITED**, **THAMES WATER UTILITIES CAYMAN FINANCE LIMITED**, **THAMES WATER UTILITIES FINANCE LIMITED** and **THAMES WATER UTILITIES CAYMAN FINANCE HOLDINGS LIMITED** (“**TWUCFH**”) (together, the “**Guarantors**”);
- (3) **THAMES WATER UTILITIES FINANCE LIMITED** (“**TWUF**” and the “**New Issuer**”);
- (4) **DEUTSCHE TRUSTEE COMPANY LIMITED** (the “**Security Trustee**”) acting in accordance with the STID; and
- (5) **DEUTSCHE TRUSTEE COMPANY LIMITED** (the “**Bond Trustee**”, which expression, where the context so admits, includes any other trustee for the time being of the Bond Trust Deeds) acting in accordance with the Bond Trust Deeds.

Whereas:

- (A) This Deed of Variation is supplemental to:
 - (i) the bond trust deed dated 30 August 2007 made between, *inter alios*, the Original Issuer, the Guarantors and the Bond Trustee relating to the Programme (the “**Original Bond Trust Deed**”);
 - (ii) the first restated bond trust deed dated 25 July 2008 made between the same parties as are parties to the Original Bond Trust Deed and modifying the provisions of the Original Bond Trust Deed (the “**First Restated Bond Trust Deed**”);
 - (iii) the second restated bond trust deed dated 15 September 2009 made between the same parties as are parties to the Original Bond Trust Deed and modifying the provisions of the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed (the “**Second Restated Bond Trust Deed**”);
 - (iv) the third restated bond trust deed dated 9 December 2011 made between the same parties as are parties to the Original Bond Trust Deed and modifying the provisions of 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 (the “**Third Restated Bond Trust Deed**”);
 - (v) the fourth restated bond trust deed dated 19 June 2012 made between the same parties as are parties to the Original Bond Trust Deed and modifying the provisions of the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as amended and restated by the Second Restated Bond Trust Deed, as further amended and restated by the Third Restated Bond Trust Deed (the “**Fourth Restated Bond Trust Deed**”);
 - (vi) the fifth restated bond trust deed dated 12 March 2014 made between the same parties as are parties to the Original Bond Trust Deed and modifying the provisions of the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as amended and restated by the Second Restated Bond Trust Deed, as amended and restated by the Third Restated Bond Trust Deed, as further

- amended and restated by the Fourth Restated Bond Trust Deed (the “**Fifth Restated Bond Trust Deed**”);
- (vii) the sixth restated bond trust deed dated 26 June 2015 made between the same parties as are parties to the Original Bond Trust Deed and modifying the provisions of the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as amended and restated by the Second Restated Bond Trust Deed, as amended and restated by the Third Restated Bond Trust Deed, as amended and restated by the Fourth Restated Bond Trust Deed, as further amended and restated by the Fifth Restated Bond Trust Deed (the “**Sixth Restated Bond Trust Deed**”);
 - (viii) the seventh restated bond trust deed dated 16 September 2016 made between the same parties as are parties to the Original Bond Trust Deed and modifying the provisions of the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as amended and restated by the Second Restated Bond Trust Deed, as amended and restated by the Third Restated Bond Trust Deed, as amended and restated by the Fourth Restated Bond Trust Deed, as amended and restated by the Fifth Restated Bond Trust Deed, as further amended and restated by the Sixth Restated Bond Trust Deed (the “**Seventh Restated Bond Trust Deed**”);
 - (ix) the eighth restated bond trust deed dated 10 October 2017 made between the same parties as are parties to the Original Bond Trust Deed and modifying the provisions of the Original Bond Trust Deed, as amended and restated by the First Restated Bond Trust Deed, as amended and restated by the Second Restated Bond Trust Deed, as amended and restated by the Third Restated Bond Trust Deed, as amended and restated by the Fourth Restated Bond Trust Deed, as amended and restated by the Fifth Restated Bond Trust Deed, as amended and restated by the Sixth Restated Bond Trust Deed, as further amended and restated by the Seventh Restated Bond Trust Deed (the “**Eighth Restated Bond Trust Deed**” and together with the Original Bond Trust Deed, the First Restated Bond Trust Deed, the Second Restated Bond Trust Deed, the Third Restated Bond Trust Deed, the Fourth Restated Bond Trust Deed, the Fifth Restated Bond Trust Deed, the Sixth Restated Bond Trust Deed and the Seventh Restated Bond Trust Deed, the “**Bond Trust Deeds**”);
 - (x) the terms and conditions of the debt securities as listed in Schedule 1 of this Deed of Variation (the “**Existing Bonds**”); and
 - (xi) the deed of delegation dated 12 December 2017 made between the Original Issuer, the Guarantors, the Bond Trustee and The Law Debenture Trust Corporation p.l.c. as delegate of the Bond Trustee in respect of the Cdn.\$250,000,000 2.875% Sub-Class A Guaranteed Unwrapped Bonds due 12 December 2024 (the “**Delegate**” and the “**CAD Bonds**”, respectively).
- (B) Pursuant to the Extraordinary Resolutions each dated 26 June _____ 2018 passed in accordance with the Bond Trust Deed to which they relate (the “**Extraordinary Resolutions**”), the Bond Trustee and the Delegate have been authorised, directed, requested and empowered to make certain modifications, in relation to the Existing Bonds and to the Bond Trust Deeds (including to the terms and conditions of the Existing Bonds)

and to the respective Receipts and Coupons, which continue in full force and effect, as amended by this Deed of Variation.

- (C) Pursuant to the Extraordinary Resolutions and the STID Proposal dated 4 June 2018, which has been approved by the Majority Creditors on 26 June 2018, the New Issuer is substituted in place of the Original Issuer as the issuer and principal debtor under the Existing Bonds, and the Bond Trust Deeds and the respective Receipts and Coupons, and the Guarantors (for so long as they remain Obligor) will unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable by the New Issuer under the Existing Bonds and the Bond Trust Deeds and the respective Receipts and Coupons.
- (D) This Deed of Variation is supplemental to the Bond Trust Deeds and the Existing Bonds and the respective Receipts and Coupons and should be read in conjunction therewith, and it shall be binding on, and enure to the benefit of, each of the parties hereto and its successors.

This Deed of Variation witnesses and it is declared as follows:

1 Definitions and Interpretation

Unless otherwise defined in this Deed of Variation or the context requires otherwise, words and expressions used in this Deed of Variation 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, as further amended and restated on 9 December 2011, as further amended and restated on 16 September 2013, as further amended and restated on 1 July 2014, as further amended and restated on 15 May 2015, and as further amended and restated on or around 31 August 2018) between, *inter alios*, the Original 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 of Variation, this Deed of Variation shall prevail.

2 Substitution of Issuer

2.1 The parties hereto agree and acknowledge that, with effect on and from the date of this Deed of Variation:

2.1.1 TWUF shall be deemed to be named in each Bond Trust Deed and the Existing Bonds and the Receipts and Coupons as the issuer and principal debtor in place of the Original Issuer and each Bond Trust Deed and the Existing Bonds and the Receipts and Coupons shall be deemed to be amended in such manner as shall be necessary to give effect to this substitution and, without prejudice to the generality of the foregoing, (i) any references in the Bond Trust Deeds or in the Existing Bonds or in the Receipts or in the Coupons to “Issuer”, “the Issuers” and “the relevant Issuer” shall be deemed to be references to TWUF and any references to the Issuer being incorporated in the “Cayman Islands” shall be read as “England and Wales” where appropriate and (ii) all obligations owed by the Original Issuer in relation to the Existing Bonds arising before or after the date hereof shall be assumed and owed by TWUF.

2.1.2 the Bond Trustee shall assume rights against and obligations to TWUF such that TWUF shall be bound by the terms of the Existing Bonds and the Bond Trust Deeds and the Receipts and Coupons for all purposes as if TWUF had at all times

been a party to the Existing Bonds and the Bond Trust Deeds and the Receipts and Coupons in place of the Original Issuer as the issuer and principal debtor.

2.1.3 the Original Issuer shall be released from all its obligations as issuer and principal debtor under the Bond Trust Deeds and the Existing Bonds and the Receipts and Coupons.

2.1.4 to the extent that a Guarantor has not already been named as such in the Agency Agreements, each Guarantor shall be deemed to be named in the Bond Trust Deeds and the Existing Bonds and the Receipts and Coupons as a guarantor in respect of the Bond Trust Deeds and the Existing Bonds and the Receipts and Coupons and the Bond Trustee shall assume rights against and obligations to the Guarantors and the Guarantors shall be bound by the terms of the Existing Bonds and the Bond Trust Deeds and the Receipts and Coupons for all purposes of the Existing Bonds and the Bond Trust Deeds and the Receipts and Coupons as if the Guarantors had, where the context permits, at all times been a party to the Existing Bonds and the Bond Trust Deeds and the Receipts and Coupons as Guarantors.

2.2 The provisions of the Existing Bonds and the Bond Trust Deeds and the Receipts and Coupons shall, save as varied pursuant to this Deed of Variation, continue in full force and effect.

3 Counterparts

This Deed of Variation 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 of Variation.

4 Governing Law

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

5 Jurisdiction

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

5.2 The English courts are the most appropriate and convenient courts to settle any such dispute and each of the Original Issuer, the New issuer and the Guarantors waives objection to those courts on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Deed of Variation.

5.3 This Clause 5 is for the benefit of the Bond Trustee and the Security Trustee only. To the extent allowed by law, the Bond Trustee and the Security Trustee may take:

5.3.1 proceedings in any other court; and

5.3.2 concurrent proceedings in any number of jurisdictions.

6 Notice

The provisions of clause 17 (*Notices*) of the Common Terms Agreement as amended and restated from time to time shall apply hereto as if expressly set out herein.

7 Service of Process

- 7.1** The Original Issuer and TWUCFH each irrevocably appoints TWUL as its agent under this Deed of Variation for service of process in any proceedings before the English courts.
- 7.2** If any person appointed as process agent is unable for any reason to act as agent for the Original Issuer or, as the case may be, TWUCFH for service of process, the Original Issuer or, as the case may be, TWUCFH must immediately appoint another agent on terms acceptable to the Security Trustee. Failing this, the Security Trustee may appoint another agent for this purpose.
- 7.3** Each of the Original Issuer or, as the case may be, TWUCFH and TWUL agrees that failure by a process agent to notify the Original Issuer or, as the case may be, TWUCFH of any process will not invalidate the relevant proceedings.
- 7.4** This Clause 6 does not affect any other method of service allowed by law.

Schedule 1
List of Debt Securities
(the “Existing Bonds”)

No.	Description	ISIN/ Common Code	Issuer	Obligors
1	€113,000,000 2.3 per cent. Index Linked Class A Guaranteed Unwrapped Bonds due 18 July 2022	XS0649823035/ 064982303	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
2	£300,000,000 2.375 per cent. Class B Guaranteed Unwrapped Bonds due 3 May 2023	XS1605392676/ 160539267	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
3	£250,000,000 1.875 per cent. Class A Guaranteed Unwrapped Bonds due 24 January 2024	XS1555168282/ 155516828	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
4	CAD250,000,000 2.875 per cent. Class A Guaranteed Unwrapped Bonds due 12 December 2024 (the “Canadian Bonds”)	CAG8787NAB06/ 173430418	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
5	£500,000,000 4 per cent. Class A Guaranteed Unwrapped Bonds due 19 June 2025	XS1078777114/ 107877711	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited

No.	Description	ISIN/ Common Code	Issuer	Obligors
6	£45,000,000 0.721 per cent. Index Linked Class A Unwrapped Bonds due 21 December 2027	XS1335311574/ 133531157	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
7	£250,000,000 2.875 per cent. Class B Guaranteed Unwrapped Bonds due 3 May 2027	XS1605393054/ 160539305	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
8	£300,000,000 3.5 per cent. Class A Guaranteed Unwrapped Bonds due 25 February 2028	XS1371533867/ 137153386	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
9	£300,000,000 Fixed Rate 5.75 per cent. Class B Unwrapped Bonds due 13 September 2030	XS0540190096	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Limited
10	£250,000,000 2.625 per cent. Class A Guaranteed Unwrapped Bonds due 24 January 2032	XS1555168365/ 155516836	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
11	£40,000,000 0.75 per cent. Index Linked Class A Bonds due 18 December 2034	XS1334772925/ 133477292	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited

No.	Description	ISIN/ Common Code	Issuer	Obligors
12	£300,000,000 4.375 per cent. Class A Guaranteed Unwrapped Bonds due 3 July 2034	XS0800185174/ 080018517	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
13	JPY 20,000,000,000 3.28 per cent. Fixed Rate Class A Unwrapped Bonds due 20 August 2038	XS0382041225/ 038204122	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
14	£50,000,000 3.853 per cent. Sub-Class A1 Index-Linked Unwrapped Bonds due 15 December 2040	XS0404852526/ 040485252	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited
15	£500,000,000 5.50 per cent. Class A Guaranteed Unwrapped Bonds due 11 February 2041	XS0590171103/ 059017110	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
16	£50,000,000 1.98 per cent. Sub-Class A5 Index-Linked Unwrapped Bonds due 28 August 2042	XS0318577912/ 031857791	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited
17	£55,000,000 2.091 per cent. Class A Guaranteed Unwrapped Index-Linked Bonds due 6 October 2042	XS0455926260/ 045592626	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
18	£40,000,000 1.974 per cent. Class A Guaranteed Unwrapped Index-Linked Bonds due 12 October 2045	XS0548262061/ 054826206	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance

No.	Description	ISIN/ Common Code	Issuer	Obligors
				Limited Thames Water Utilities Cayman Finance Holdings Limited
19	£300,000,000 4.625 per cent. Class A Guaranteed Unwrapped Bonds due 4 June 2046	XS0800186222/ 080018622	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
20	£100,000,000 1.846 per cent. Sub-Class A4 Index-Linked Unwrapped Bonds due 28 August 2047	XS0318577755/ 031857775	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited
21	£200,000,000 1.819 per cent. Sub-Class A3 Index-Linked Unwrapped Bonds due 28 August 2049	XS0318577672/ 031857767	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited
22	£200,000,000 1.771 per cent. Sub-Class A2 Index-Linked Unwrapped Bonds due 28 August 2057	XS0318577599/ 031857759	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited
23	£400,000,000 7.738 per cent. Guaranteed Class A Unwrapped Bonds due 9 April 2058	XS1537083716/ 153708371	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited Thames Water Utilities Cayman Finance Holdings Limited
24	£350,000,000 1.76 per cent. Sub-Class A1 Index-Linked Unwrapped Bonds due 28 August 2062	XS0318577326/ 031857732	TWUCF	Thames Water Utilities Holdings Limited Thames Water Utilities Limited Thames Water Utilities Finance Limited

This Deed of Variation is delivered on the date stated at the beginning.

ORIGINAL ISSUER

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

} 

(Witness's signature)

Name: Tobias Burch

Address: 15, 16 Street,
London, UK

Occupation: Referee

NEW ISSUER

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

} 

(Witness's signature)

Name: Tobias Burch

Address: 15, 16 Street,
London, UK

Occupation: Referee

GUARANTOR

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

} 



(Witness's signature)

Name: Tobias Bark
Address: 1 Silk Street,
London, UK
Occupation: Refereed

GUARANTOR

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

} 



(Witness's signature)

Name: Tobias Bark
Address: 1 Silk Street,
London, UK
Occupation: Refereed

GUARANTOR

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

} 

(Witness's signature) 

Name: Tobias Bärk


Address: 15.66 Street,
London UK

Occupation: Referendar

GUARANTOR

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

} 

(Witness's signature) 


Name: Tobias Bärk

Address: 15.66 Street,
London, UK

Occupation: Referendar

GUARANTOR

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

} 


(Witness's signature)

Name: *Tobias Bunch*

Address: *7 Silk Street,
London, UK*

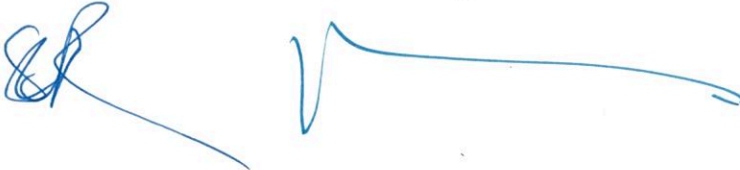
Occupation: *Referendar*

BOND TRUSTEE

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

}

of:

Two blue ink signatures are written in cursive. The first signature is on the left, and the second is on the right, extending further to the right.

EXECUTED as a DEED)
by THE LAW DEBENTURE TRUST CORPORATION p.l.c.)
as delegate of DEUTSCHE TRUSTEE COMPANY LIMITED)
in its capacity as Delegate of the Bond Trustee in respect of the CAD Bonds:)


.....

Director


.....

Director/Secretary

Representing Law Debenture Corporate Services Ltd

SECURITY TRUSTEE

Security Trustee for all applicable purposes pursuant to the STID

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

}

of:

Two blue ink signatures are present. The first signature is a stylized, cursive mark. The second signature is a long, horizontal, slightly wavy line.