

To: Deutsche Trustee Company Limited  
21 Moorfields, London  
United Kingdom, EC2Y 9DB  
(the "**Security Trustee**")

Attention: The Managing Director

From: Thames Water Utilities Limited (the "**Proposer**" and "**TWUL**")

Date: 17 March 2025

Re: STID Proposals in respect of the (i) Class A Permitted Financial Indebtedness Consent and Waiver and (ii) the Debt Service Payment Account Consent and Waiver (each as defined below)

In accordance with Clause 9.1 (*Instigation of STID Proposal*) of the security trust and intercreditor deed dated 30 August 2007 between, amongst others, the Proposer and the Security Trustee (as amended and restated from time to time) (the "**STID**"), please find below requests to the Security Trustee to concur with certain consents and waivers under the Finance Documents as detailed in paragraph 2 (*Requested Consents and Waivers; Detail of the STID Proposals*) below, in accordance with and subject to the votes of the Majority Creditors under Clause 8.2.2 (*Procedure for Modifications, Consents and Waivers*) of the STID (together, the "**STID Proposals**").

Capitalised terms used but not defined in these STID Proposals have the meanings ascribed to them in the STID or the master definitions agreement dated 30 August 2007 (as amended and restated from time to time) (the "**MDA**").

The Obligors hereby confirm their acknowledgement and acceptance of the proposals set out in the STID Proposals. This document contains two separate and independent STID Proposals.

## **1 Reasons for the STID Proposals**

### **1.1 Company Interim Recapitalisation Transaction**

- 1.1.1 The Proposer has engaged Rothschild & Co to conduct an equity raise process in respect of the business conducted by the TWU Financing Group. The process commenced in May 2024 and is ongoing. TWUL has received proposals from a number of parties and is assessing the proposals.
- 1.1.2 To extend the TWU Financing Group's liquidity runway to facilitate, amongst other things, the equity raise process, Thames Water Utilities Holdings Limited issued on 22 November 2024 a practice statement letter in connection with a potential transaction to extend its liquidity runway, through (among other things) raising Financial Indebtedness under super senior financing (the "**Super Senior Debt**") and extending maturity and amortisation dates under the Senior Debt (the "**Company Interim Recapitalisation Transaction**") via a restructuring plan under Part 26A of the UK Companies Act 2006 (the "**Company RP**").
- 1.1.3 On 17 December 2024, by order of the High Court, seven meetings of the plan creditors were convened to vote on the Company RP.

- 1.1.4 On 21 January 2025, at the plan creditor meetings to vote on the Company RP, five of the seven classes of plan creditors approved the Company RP, with the Class B creditor class and the Subordinated Creditor class voting against the Company RP.
- 1.1.5 On 21 February 2025, the High Court made an order sanctioning the Company RP ("**Sanction Order**"), upon TWH undertaking to the High Court that prior to an appeal to the Court of Appeal made in respect of the Company RP being determined in TWH's favour, (i) TWH would not date and release the CF Finance Documents (as defined in the Company RP), and will extend the time permitted to date and release those documents under the Company RP; and (ii) TWH would not satisfy or procure or commission a waiver to all of the Super Senior Funding Conditions Precedent (as defined in the Company RP). It is a Super Senior Funding Conditions Precedent that the "Restructuring Effective Date" has occurred, and any "Appeal Period" in relation to the Company RP has expired (and no appeal is subsisting at that time, and no appeal has been successful in challenging the Company RP) (the "**Appeal Period Super Senior Funding Condition Precedent**").
- 1.1.6 The "Restructuring Effective Date" occurred on 25 February 2025, and certain amendments were made to the Finance Documents and certain documents were entered into, including (among others):
- (i) the Master Amendment and Restatement Agreement dated 25 February 2025 between, among others, TWUF, TWL, TWH and the Plan Creditors (as defined in the Company RP) (the "**MARA**");
  - (ii) the Super Senior Class A Issuer Borrower Loan Agreement dated 25 February 2025 between TWUL, Thames Water Super Senior Issuer plc<sup>1</sup> ("**Super Senior Issuer**") and Kroll Trustee Services Limited as the Super Senior Security Trustee relating to the on-lending of the proceeds of the Super Senior Issuer Funding from the Super Senior Issuer to TWUL (the "**Super Senior IBLA**"), the Super Senior Guarantee dated 25 February 2025 between TWUL, TWH and Kroll Trustee Services Limited (the "**Super Senior Guarantee**"), and the Super Senior Share Charge dated 25 February 2025 between TWUL (as chargor) and Kroll Trustee Services Limited (as Super Senior Security Trustee (the "**Super Senior Security Trustee**")), pursuant to or in connection with which the Super Senior Debt was to be made available to TWUL; and
  - (iii) the Super Senior Issuer Bond Trust Deed dated 25 February 2025 constituting the £1,407,495,538 Super Senior Secured Guaranteed Fixed Rate Bonds due 2027 and between the Super Senior Issuer and Kroll Trustee Services Limited and the £92,504,462 Super Senior Issuer Facility Agreement dated 25 February 2025 between, among others, the Super Senior Issuer, Kroll Agency Services Limited as Super Senior Issuer Facility Agent and Kroll Trustee Services Limited as Super Senior Security Trustee (the creditors thereunder the "**Super Senior Issuer Secured Creditors**") and the Super Senior Issuer Intercreditor Agreement dated 25 February 2025 between, among others, TWH, TWUL, the Super Senior Issuer and the Super Senior Security Trustee (the "**Super Senior Issuer Intercreditor Agreement**"), pursuant to or in connection with which funding was to be

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<sup>1</sup> The Super Senior Issuer is a wholly owned subsidiary of TWUL.

made available to the Super Senior Issuer to fund its advances to TWUL under the Super Senior Debt.

- 1.1.7 The Sanction Order was the subject of appeals before the Court of Appeal, heard by the Court of Appeal on 11 to 13 March 2025. On 17 March 2025, subject to limited modifications relating to releases by TWH and TWUL, the Court of Appeal dismissed the appeals.

## 1.2 Super Senior IBLA Funding

- 1.2.1 To meet its financing needs during any further appeal period and prior to the expiry of its liquidity runway, the Proposer wishes to utilise the available commitments under the Super Senior IBLA (the "**Super Senior IBLA Funding**").
- 1.2.2 To facilitate the availability of the Super Senior IBLA Funding during the Appeal Period, the Super Senior Issuer has requested (or will shortly be requesting) a waiver of the Appeal Period Super Senior Funding Condition Precedent, together with certain related amendments to the terms of the Super Senior IBLA and certain of the Underlying Super Senior Finance Documents (as defined in the Super Senior Issuer Intercreditor Agreement). Pursuant to the terms of the Super Senior Issuer Intercreditor Agreement, such waiver requires the prior consent of the Super Senior Security Trustee, acting on the instructions of the Super Majority SSIS Creditors (as defined in the Super Senior Issuer Intercreditor Agreement).
- 1.2.3 If such waivers and amendments are approved, Super Senior IBLA Funding would be incurred and constitute super senior secured financing in accordance with the Common Agreements. Such Super Senior IBLA Funding would be incurred on a tranching basis in order to, together with a number of other measures including the Consents and Waivers (as defined below) sought in the separate and independent STID Proposals, mitigate the risks for the Super Senior Issuer Secured Creditors whilst the Appeal Period is ongoing.

## 1.3 Debt Service Payment Account Consent and Waiver

- 1.3.1 In order to minimise the amount of Super Senior IBLA Funding required in the short term during the Appeal Period, until (i) the Appeal Period Super Senior Funding Condition Precedent has been satisfied in accordance with the Super Senior IBLA and the relevant Underlying Super Senior Finance Documents (which shall not include where such Appeal Period Super Senior Funding Condition Precedent has been waived); and (ii) if there are available commitments under the Super Senior IBLA, the Proposer has received the next tranche of Super Senior IBLA Funding following such satisfaction (and if the Super Senior IBLA is fully drawn at the time of such satisfaction, this limb (ii) shall not apply), the Proposer wishes to (a) waive certain requirements related to funding the Debt Service Payment Account in Schedule 11 (*Cash Management*) to the CTA, which in summary relate to the transfer of 1/12th of the Proposer's Annual Finance Charges for the relevant 12-month period to the Proposer's Debt Service Payment Account on the first Business Day of each month; and (b) reduce from seven Business Days to one Business Day the time prior to each Payment Date at which the Debt Service Payment Account must have enough funds to ensure that Scheduled Debt Service payments can be made, and related calculation and re-calculation requirements.

- 1.3.2 To give effect to the above, the Proposer is seeking the consents and waivers set out in paragraph 2.2 below.

#### **1.4 Class A Permitted Financial Indebtedness Consent and Waiver**

- 1.4.1 Additionally, there are potentially a range of outcomes that may impact the Super Senior IBLA Funding in the unlikely event that the Company RP were subsequently held by an appellate court not to be effective.
- 1.4.2 To address those potential outcomes, and to give effect to the intention of both the TWU Financing Group and a significant portion of the Class A Creditors (which the Proposer understands also comprise the Majority Creditors) that the Super Senior IBLA Funding could only ever be incurred during the Appeal Period on a super senior secured basis or, failing that, on a senior secured Class A basis, the Proposer is seeking an additional set of consents and waivers as set out in paragraphs 2.8 to 2.10 below.

- 1.5 The Proposer believes that the Consents and Waivers (as defined below) would be beneficial to the Secured Creditors as they would improve the financial resilience of the TWU Financing Group, by allowing TWUL to access an appropriate amount of liquidity during the Appeal Period.

## **2 Requested Consents and Waivers; Detail of the STID Proposals**

- 2.1 This paragraph 2 sets out in full the requested Consents and Waivers in respect of the CTA, the MDA and the STID.

#### **Debt Service Payment Account Consent and Waiver**

- 2.2 As explained in paragraph 1.3 above, the Proposer requests the Majority Creditors to instruct the Security Trustee:

- 2.2.1 to waive the requirements in Clauses 6.11 to 6.13 (*Operating Accounts*) of Schedule 11 (*Cash Management*) to the CTA;
- 2.2.2 to consent to a waiver with respect to the "Determination Date" for the purposes of Clauses 9.6.1, 9.6.2, 9.6.3 and 9.6.7 (*Debt Service Payment Account*) of Schedule 11 (*Cash Management*) to the CTA, such that the deadline for determining the Scheduled Debt Service and/or Unsecured TWUF Bond Shortfall shall be deferred until the date that is one Business Day prior to each Payment Date (the "**Deferred Determination Date**"), such waiver being conditional on, where any requirement to transfer an amount "promptly" (or within any other period or timeframe prescribed by Clauses 9.6.1, 9.6.2, 9.6.3 and 9.6.7 (*Debt Service Payment Account*) of Schedule 11 (*Cash Management*) to the CTA) to the Debt Service Payment Account or an Operating Account (as applicable), such amount being transferred not later than the relevant Deferred Determination Date; and
- 2.2.3 to irrevocably waive any Default or Event of Default which occurs under Schedule 6 (*Events of Default*) to the CTA, directly as a consequence of any action taken by an Obligor in accordance with the waivers and consents set out in this paragraph 2.2, other than, in each case, to the extent that such waiver would relate to the waiver of, or have the effect of changing, any Events of Default, Trigger Events, financial ratios or covenants in respect of which the waiver or the effect of the change would constitute an Entrenched Right,

(the "**Debt Service Payment Account Consent and Waiver**").

- 2.3** If approved pursuant to the relevant STID Proposal, the Debt Service Payment Account Consent and Waiver shall apply on and from the date on which the Consent and Waiver Letter (as defined below) is executed, and the Debt Service Payment Account Consent and Waiver shall terminate on written notice from the Proposer to the Security Trustee that (i) the Appeal Period Super Senior Funding Condition Precedent has been satisfied in accordance with the Super Senior IBLA and the relevant Underlying Super Senior Finance Documents (which shall not include where such Appeal Period Super Senior Funding Condition Precedent has been waived); and (ii) if there are available commitments under the Super Senior IBLA, the Proposer has received the next tranche of Super Senior IBLA Funding following such satisfaction (and if the Super Senior IBLA is fully drawn at the time of such satisfaction, this limb (ii) shall not apply) (such written notice, the "**Termination Notice**" and the date of such notice, the "**Termination Date**").
- 2.4** The termination of the Debt Service Payment Account Consent and Waiver pursuant to paragraph 2.3 shall not require the Proposer to retrospectively comply with the requirements waived in paragraph 2.2 above in respect of any requirements which arose prior to the Termination Date.
- 2.5** The Proposer shall give the Termination Notice promptly following the occurrence of the event(s) specified in paragraph 2.3 above and no later than the earlier of (i) two Business Days following the occurrence of such events; and (ii) the last Business Day of the calendar month in which such event(s) have occurred.
- 2.6** A Termination Notice from the Proposer (signed by two directors of the Proposer without personal liability) delivered to the Security Trustee confirming that the event(s) specified in paragraph 2.3 above have occurred shall, in the absence of manifest error, be conclusive evidence as to the matter set out in the Termination Notice.
- 2.7** The Proposer acknowledges and agrees that the Security Trustee may rely upon the statements, certifications, confirmations, consents and acknowledgements by the Proposer contained in the Termination Notice and the Security Trustee shall not be required to make any investigation in respect thereof. The Proposer further acknowledges and agrees that the Security Trustee shall have the benefit of the Proposer's indemnity under Clause 16.4 (*Remuneration and Indemnification of the Security Trustee*) of the STID.

#### **Class A Permitted Financial Indebtedness Consent and Waiver**

- 2.8** As explained in paragraph 1.4 above, notwithstanding that some of the following matters may already have been brought into effect, consented to and/or approved through the operation of the Company RP and the Sanction Order and/or implemented thereunder, the Proposer requests:
- 2.8.1** the Majority Creditors to instruct the Security Trustee to:
- (i) without prejudice to the incurrence of the Super Senior IBLA Funding as super senior financing, consent to the incurrence of the Financial Indebtedness under the Super Senior IBLA and the Super Senior Guarantee as "Class A Debt" pursuant to limb (I) of the definition of "Permitted Financial Indebtedness" as set out in the MDA; and
  - (ii) consent to the accession by each of the Super Senior Issuer and the Super Senior Security Trustee to the STID, the CTA and the MDA as a Secured

Creditor in respect of the Super Senior IBLA Funding and the Super Senior Guarantee;

**2.8.2** the Majority Creditors to instruct the Security Trustee to:

- (i) consent to the acquisition by TWUL of all of the shares in the Super Senior Issuer for the purposes of limb (g) of the definition of "Permitted Acquisition" set out in the MDA;
- (ii) consent to the designation of the Super Senior IBLA and the Super Senior Guarantee as an Authorised Credit Facility representing Class A Debt;
- (iii) waive:
  - (a) the requirements pursuant to Clause 2.7 (*Accession of Permitted Subsidiary*) of the STID for the Super Senior Issuer to accede to the STID, the CTA, the MDA, the Security Agreement, the Tax Deed of Covenant, the Agency Agreement and the Bond Trust Deed as an Obligor and for TWUL and the Super Senior Issuer to deliver the documents set out in Clause 2.7.2 of the STID (*Accession of Permitted Subsidiary*);
  - (b) any requirement under the Security Agreement for the Chargors to grant any Security Interest over the shares in the Super Senior Issuer or any Related Rights (as defined in the Security Agreement) in respect of or accruing to any shares in the Super Senior Issuer; and
  - (c) the requirement pursuant to Clause 22.3.1 (*Further subsidiaries*) of the Security Agreement for the Super Senior Issuer as a Subsidiary to execute a Deed of Accession to the Security Agreement; and
- (iv) consent to the Super Senior Issuer being treated as a member of the TWUL VAT Group, for the purposes of Clause 10.1.2 of the Tax Deed of Covenant,

and each of the consents and waivers in this paragraph 2.8.2 shall be subject to paragraph 2.9 below.

**2.9** The consents and waivers in paragraph 2.8.2 are requested on the basis that:

- (i) (subject to (ii) below) each such consent (including, without limitation, any designation as "Class A Debt") or waiver, as applicable, will be deemed to be effective on and from the date on which the Super Senior IBLA and the Super Senior Guarantee were originally entered into;
- (ii) the deemed effectiveness set out in (i) above shall take immediate effect if and only if the Company RP Unwind occurs (and, for the avoidance of doubt, shall not take effect (x) at any time before the Company RP Unwind, or (y) if the Appeal Period Super Senior Funding Condition Precedent have been satisfied in accordance with the Super Senior IBLA and the relevant Underlying Super Senior Finance Documents); and
- (iii) any confirmation as to whether a Company RP Unwind has occurred shall be for the Super Senior Security Trustee, as Secured Creditor Representative in respect of the Super Senior IBLA (acting on the instructions of the applicable Underlying Super Senior Secured Parties under the Super Senior Issuer Intercreditor Agreement), to

make, with any such confirmation being, in the absence of manifest error, conclusive evidence as to the matters set out therein.

A "**Company RP Unwind**" will occur if the Super Senior IBLA Funding is in any material respect no longer indebtedness ranking senior in the Payment Priorities to the Class A Debt which ranks at or below limb (viii) of the Payment Priorities (as set out in paragraph 9.3 (*Debt Service Payment Account*) of Schedule 11 (*Cash Management*) to the CTA (in the form scheduled to the MARA)), as confirmed by the Super Senior Security Trustee to the Security Trustee in writing, upon which confirmation the Security Trustee shall rely conclusively.

**2.10** Also, as explained in paragraph 1.4 above, the Proposer requests an irrevocable waiver of any Default or Event of Default which occurs under Schedule 6 (*Events of Default*) to the CTA directly as a consequence, to the extent applicable following a Company RP Unwind, of (i) the acquisition by TWUL of all of the shares in the Super Senior Issuer; (ii) the entry into, the incurrence of the Super Senior IBLA Funding under, and each Obligor's performance of its obligations (including any payment) under the Super Senior IBLA and/or the Super Senior Guarantee, as applicable; (iii) the designation of the Super Senior IBLA Funding incurred under the Super Senior IBLA and the Super Senior Guarantee as Class A Debt in accordance with paragraph 2.8 and 2.9 above; and/or (iv) any action otherwise taken by an Obligor which would be prohibited but for the consents and/or waivers set out in paragraph 2.8 and 2.9 above, other than (in each case) to the extent that such waiver would relate to the waiver of, or have the effect of changing, any Events of Default, Trigger Events, financial ratios or covenants in respect of which the waiver or the effect of the change would constitute an Entrenched Right (together with the other consents and waivers requested pursuant to paragraph 2.8 and 2.9 above, the "**Class A Permitted Financial Indebtedness Consent and Waiver**", and together with the Debt Service Payment Account Consent and Waiver, the "**Consents and Waivers**", and each a "**Consent and Waiver**").

**2.11** For the avoidance of doubt:

**2.11.1** approval of the Consents and Waivers proposed in these STID Proposals (or either of them) shall in no way constitute an approval of the waiver of the Appeal Period Super Senior Funding Condition Precedent under the Super Senior Issuer Intercreditor Agreement by the Class A DIG Representatives in their capacity as Super Senior Issuer Secured Creditors, if applicable, which waiver has been (or will shortly be) sought separately; and

**2.11.2** any approvals granted by a Secured Creditor (or its Class A DIG Representative on its behalf, as applicable) in respect of any STID Proposal shall be without prejudice to any other rights (including consent rights) of the Secured Creditor pursuant to any other document to which the Secured Creditor is party, including, for example and without limitation, the Transaction Support Agreement dated 25 October 2024.

**2.12** Immediately upon each relevant Consent and Waiver becoming effective in accordance with its terms, the Proposer shall take all such further actions, steps or to issue any notices and/or execute any certificates, the Consent and Waiver Letter (as defined below) and any Accession Memorandum to give effect to the consents described in paragraphs 2.2, 2.8 and 2.9 above. Such actions will be implemented simultaneously with the effectiveness of the Consents and Waivers.

**2.13** **The approval of a Consent and Waiver is not conditional on the approval of the other Consent and Waiver; therefore, if the Majority Creditors approve the Debt Service Payment Account Consent and Waiver but do not approve the Class A Permitted**

**Financial Indebtedness Consent and Waiver, the Debt Service Payment Account Consent and Waiver must still be implemented and *vice versa* (and, in this regard, each Consent and Waiver shall be treated as a separate STID Proposal (within the meaning given in the MDA)).**

### **3 Certification by the Proposer**

**3.1** Pursuant to and in accordance with Clause 9.2 (*Minimum Content of STID Proposal*) of the STID, the Proposer hereby certifies to the Security Trustee that in its opinion, in relation to each of the STID Proposals:

- (i) only the consent of the Majority Creditors under Clause 9.2.1 (*Minimum Content of STID Proposal*) of the STID (such consent must be received by 31 March 2025 (the "**STID Voting Date**")) is required to implement the relevant STID Proposal; and
- (ii) no Entrenched Right or Reserved Matter applies in respect of any STID Proposal contained herein in the manner prescribed above and, as such, the consent of no other Secured Creditor (or where applicable, their Secured Creditor Representative(s)) is required pursuant to the Entrenched Rights and Reserved Matters in the STID.

**3.2** The Proposer also certifies that these STID Proposals will not impose any additional obligations or liabilities on the Security Trustee.

**3.3** The Proposer notes that pursuant to Clause 9.5.1 (*Effective Time of Majority Creditor Decisions on STID Proposal*) of the STID, the Security Trustee is duly authorised and must promptly implement the relevant STID Proposals following the earlier of:

**3.3.1** the date on which the Security Trustee has received votes in favour of the relevant STID Proposals from DIG Representatives representing more than 50 per cent. of the Outstanding Principal Amount of the Qualifying Class A Debt; and

**3.3.2** the STID Voting Date if the Majority Creditors have voted in favour of the relevant STID Proposals.

by signing the consent and waiver letter appended to these STID Proposals (the "**Consent and Waiver Letter**").

### **4 Implementation of the STID Proposal**

**4.1** Subject to Clause 9.5 (*Effective Time of Majority Creditor Decisions on STID Proposal*) of the STID, the Security Trustee shall notify each Secured Creditor (or, where applicable, its Secured Creditor Representative) and each Secondary Market Guarantor of the decision of the Majority Creditors on each of the STID Proposals promptly following the STID Voting Date (or such earlier date in accordance with the STID) and, provided that the Majority Creditors approve the relevant STID Proposal, the Consents and Waivers as set out in paragraph 2 (*Requested Consents and Waivers; Detail of the STID Proposals*) shall apply under the CTA and the MDA upon execution of the Consent and Waiver Letter and pursuant to Clause 9.7 (*Binding Decisions of Majority Creditors*) of the STID such Consents and Waivers will bind the Secured Creditors and the Secondary Market Guarantors.

**4.2** Each of the STID Proposals constitute a certificate for the purposes of Clause 8 (*Modifications, Consents and Waivers*) and Clause 15.4.3 (*Protections*) of the STID.

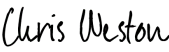


- 4.3** Contemporaneously with the implementation of each relevant STID Proposal, the Proposer agrees to deliver a certificate to the Security Trustee certifying that: (a) all information provided to Secured Creditors in connection with the STID Proposals is true, accurate and not misleading in any material respect; and (b) the Finance Documents shall remain in full force and effect (subject to the terms of the Consent and Waiver Letter signed by the Security Trustee in accordance with these STID Proposals).

Yours faithfully

THE PROPOSER

THAMES WATER UTILITIES LIMITED

Signed by:  
  
BEBB027E3E844DF...

By: Chris Weston

Signed by:  
  
7320CA24FA3F450...  
Julian Gething

By:

OBLIGORS


THAMES WATER UTILITIES FINANCE PLC

Signed by:  
  
BEBB027E3E844DF...  
.....  
By: Chris Weston

Signed by:  
  
7320CA24FA3F450...  
.....  
By: Julian Gething

THAMES WATER UTILITIES HOLDINGS LIMITED

Signed by:  
  
BEBB027E3E844DF...  
.....  
By: Chris Weston

Signed by:  
  
7320CA24FA3F450...  
.....  
By: Julian Gething

**Appendix 1**  
**Form of Consent and Waiver Letter**

## CONSENT AND WAIVER LETTER

Deutsche Trustee Company Limited  
21 Moorfields  
London EC2Y 9DB

[●] March 2025

To: Thames Water Utilities Limited (the “**Proposer**”)

Dear Sir or Madam

- 1 We refer to (i) the STID Proposals dated [17 March 2025] (the “**STID Proposals**”) delivered pursuant to Clause 9.1 (*Instigation of STID Proposal*) of the Security Trust and Intercreditor Deed dated 30 August 2007 (as amended and restated from time to time) and entered into between, among others, the Proposer and Deutsche Trustee Company Limited (the “Security Trustee”) (the “**STID**”) and (ii) the notice of the decision of the Majority Creditors in respect of the STID Proposals dated on or around the date hereof (the “**Notice of Approval**”).
- 2 Terms defined in the STID Proposals have the same meaning when used in this letter unless otherwise expressly defined herein.
- 3 As set out in the Notice of Approval, the Security Trustee has received sufficient votes from the Majority Creditors in favour of the Debt Service Payment Account Consent and Waiver and the Class A Permitted Financial Indebtedness Consent and Waiver which each are their own STID Proposal (the “**Approved STID Proposals**”).
- 4 Pursuant to Clause 9.5.1 (*Effective Time of Majority Creditor Decisions on STID Proposal*) of the STID, the Security Trustee is duly authorised and must promptly implement the Approved STID Proposals following the earlier of:
  - 4.1 the date on which the Security Trustee has received votes in favour of the Approved STID Proposals from DIG Representatives representing more than 50 per cent. of the aggregate Outstanding Principal Amount of the Qualifying Class A Debt; and
  - 4.2 the STID Voting Date if the Majority Creditors have voted in favour of the Approved STID Proposals.
- 5 The consents and waivers in paragraph 3 above are binding in accordance with Clause 9.7 (*Binding Decisions of Majority Creditors*) and Clause 9.8 (*Binding Vote of DIG Representatives*).
- 6 For the purposes Clause 9.5 (*Effective Time of Majority Creditor Decisions on STID Proposal*) of the STID, and in order to implement the Approved STID Proposals, the Security Trustee with effect on the date hereof consents to:
  - 6.1 the Debt Service Payment Account Consent and Waiver as set out in the relevant STID Proposal; and
  - 6.2 the Class A Permitted Financial Indebtedness Consent and Waiver as set out in the relevant STID Proposal.

- 7 This letter and all non-contractual or other obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law. Clause 21.1 (*Jurisdiction*) of the Common Terms Agreement applies to this letter and is binding on the Security Trustee and the Proposer as if set out in full in this letter.

Yours faithfully

**Deutsche Trustee Company Limited (as Security Trustee)**

By: \_\_\_\_\_

By: \_\_\_\_\_



We acknowledge receipt of the Consent and Waiver Letter.  
**THE PROPOSER**

**THAMES WATER UTILITIES LIMITED**

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By:

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By:

**OBLIGORS**

**THAMES WATER UTILITIES FINANCE PLC**

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By:

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By:

**THAMES WATER UTILITIES HOLDINGS LIMITED**

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By:

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By: