

EXECUTION VERSION

Dated 2 October 2015

NATIONAL EXPRESS GROUP PLC

(the Issuer)

and

WEST MIDLANDS TRAVEL LIMITED

(the Original Guarantor)

and

BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED

(the Trustee)

AMENDED AND RESTATED TRUST DEED

relating to a £1,000,000,000 Euro Medium Term Note Programme

Linklaters

Ref: RHL/JAA

Linklaters LLP

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This Trust Deed is made on 2 October 2015 **between:**

- (1) **NATIONAL EXPRESS GROUP PLC** (the “**Issuer**”);
- (2) **WEST MIDLANDS TRAVEL LIMITED** (the “**Original Guarantor**”); and
- (3) **BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED** (the “**Trustee**”, which expression includes, where the context admits, all persons for the time being the trustee or trustees of this Trust Deed).

Whereas

- (A) The Issuer proposes to issue from time to time Notes up to a maximum nominal amount from time to time outstanding of £1,000,000,000 (subject to increase as provided in the Dealer Agreement (as defined below)) (the “**Authorised Amount**”) pursuant to its Euro Medium Term Note Programme (the “**Programme**”).
- (B) The Original Guarantor has agreed to guarantee Notes issued under the Programme and to enter into certain covenants set out in this Trust Deed.
- (C) The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.
- (D) The parties hereto have agreed to make certain modifications to the Trust Deed dated 19 November 2012 between *inter alios*, the Issuer, the Original Guarantor and the Trustee (the “**2012 Trust Deed**”). This Trust Deed amends and restates the 2012 Trust Deed (as so amended and restated, the “**Trust Deed**”). Any Notes issued under the Programme on or after the date hereof shall have the benefit of this Trust Deed. This does not affect any Notes issued under the Programme prior to the date hereof or any Notes issued on or after the date of this Trust Deed so as to form a single Series with the Notes of any Series issued prior to the date of this Trust Deed.

Now this Trust Deed witnesses and it is hereby declared as follows:

1 Definitions and Interpretation

1.1 Definitions

In this Trust Deed the following expressions have the following meanings:

“**Agency Agreement**” means, in relation to the Notes of any Series, the amended and restated agency agreement dated 2 October 2015 (as amended, supplemented and/or restated from time to time) between the Issuer, the Original Guarantor, the Trustee and The Bank of New York Mellon as Principal Paying Agent appointing the initial Paying Agent and the Calculation Agent (where expressly appointed under the Final Terms relating to the Notes of such Series) in relation to such Series and any other agreement for the time being in force appointing Successor paying agents or a Successor calculation agent in relation to such Series (where expressly appointed under the Final Terms relating to the Notes of such Series), together with any agreement for the time being in force amending or modifying with the prior written approval of the Trustee any of the aforesaid agreements in relation to such Series;

“**Agents**” means, in relation to the Notes of any Series, the Principal Paying Agent, the other Paying Agents, the Calculation Agent or any of them;

“**Appointee**” means any attorney, manager, agent, delegate, nominee, custodian, receiver or other person appointed by the Trustee under this Trust Deed;

“**Auditors**” means the auditors for the time being of the Issuer and its subsidiaries taken as a whole or, in the event of any of them being unable or unwilling to carry out any action requested of them pursuant to this Trust Deed, means such other firm of chartered accountants in England as may be nominated or approved in writing by the Trustee for the purpose after consultation with the Issuer;

“**Authorised Signatory**” means any Director of the Issuer or the relevant Guarantor notified to the Trustee by any such Director as being an Authorised Signatory pursuant to sub-clause 8.15 (Authorised Signatories);

“**Calculation Agent**” means, in relation to the Notes of any Series, (where expressly appointed under the Final Terms relating to the Notes of such Series), the institution at its Specified Office initially appointed as calculation agent in relation to such Notes pursuant to the Agency Agreement and/or, if applicable, the Successor calculation agent in relation to such Notes at its Specified office;

“**CGN Permanent Global Note**” means a Permanent Global Note representing Notes for which the relevant Final Terms specify that the New Global Note form is not applicable;

“**CGN Temporary Global Note**” means a Temporary Global Note representing Notes for which the relevant Final Terms specify that the New Global Note form is not applicable;

“**Change of Control**” has the meaning given to such term in Condition 2(a);

“**Clearstream, Luxembourg**” means Clearstream Banking, *société anonyme*;

“**Common Safekeeper**” means an ICSD in its capacity as common safekeeper or a person nominated by the ICSDs to perform the role of common safekeeper;

“**Conditions**” means the terms and conditions to be endorsed on, or incorporated by reference in, the Notes of any Series, in the form set out in Schedule 1 or in such other form, having regard to the terms of the Notes of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s) as modified and supplemented by the Final Terms(s) applicable to such Series, as any of the same may from time to time be modified in accordance with this Trust Deed and any reference in this Trust Deed to a particular numbered Condition shall be construed in relation to the Notes of such Series accordingly;

“**Contractual Currency**” means, in relation to any payment obligation of any Note, the currency in which that payment obligation is expressed and, in relation to Clause 14.1 (Remuneration), pounds sterling or such other currency as may be agreed between the Issuer and the Trustee from time to time;

“**Couponholder**” means the holder of a Coupon;

“**Coupons**” means any bearer interest coupons in or substantially in the form set out in Part D of Schedule 2 appertaining to the Notes of any Series and for the time being outstanding or, as the context may require, a specific number thereof and includes any replacement Coupons issued pursuant to Condition 14 and, where the context so permits, the Talons appertaining to the Notes of such Series;

“**Dealer Agreement**” means the amended and restated dealer agreement dated 2 October 2015 between the Issuer and the Dealers named therein concerning the purchase of Notes

to be issued pursuant to the Programme as amended from time to time or any restatement thereof for the time being in force;

“Dealers” means any person appointed as a Dealer by the Dealer Agreement and any other person which the Issuer may appoint as a Dealer and notice of whose appointment has been given to the Principal Paying Agent and the Trustee by the Issuer in accordance with the provisions of the Dealer Agreement but excluding any entity whose appointment has been terminated in accordance with the terms of the Dealer Agreement and notice of whose termination has been given to the Principal Paying Agent and the Trustee by the Issuer in accordance with the provisions of the Dealer Agreement and references to the relevant Dealer(s) mean, in relation to any Note, the Dealer(s) with whom the Issuer has agreed the issue and purchase of such Note;

“Director” means any Director of the Issuer or, as the case may be, any officer of a Guarantor, from time to time;

“Drawdown Prospectus” means a separate drawdown prospectus specific to such Tranche which will contain the necessary information relating to the Issuer and the Guarantor and the relevant Notes;

“Euroclear” means Euroclear Bank SA/NV;

“Event of Default” means any one of the circumstances described in Condition 12;

“Extraordinary Resolution” has the meaning set out in Schedule 3;

“Final Terms” has the meaning ascribed to it in the Dealer Agreement;

“Fitch” means Fitch Ratings Ltd;

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

“Floating Rate Note” means a Note on which interest is calculated at a floating rate payable at such intervals as may be agreed between the Issuer, the Guarantors and the relevant Dealer(s) (as indicated in the relevant Final Terms);

“FSMA” means the Financial Services and Markets Act 2000;

“Global Note” means a CGN Temporary Global Note, a CGN Permanent Global Note, an NGN Temporary Global Note or an NGN Permanent Global Note;

“Guarantors” means (i) the Original Guarantor; and (ii) each other Guarantee Entity (as such term is defined in Clause 9.4.2 of this Trust Deed) that enters into a deed supplemental to the Trust Deed (or in such other form as may be necessary or appropriate to comply with any applicable law, rule or regulation, including the law of any jurisdiction outside England and Wales where that Guarantee Entity is organised or carries on business) for the purpose of giving a joint and several guarantee in accordance with Condition 4(d) and Clause 9.4.2; and in each case, which has not been released or discharged from its obligations as a Guarantor in accordance with Condition 4(c) and Clause 9.4.1, and the term **“Guarantor”** shall be construed accordingly;

“ICSDs” means Clearstream, Luxembourg and Euroclear;

“Issue Date” means, in relation to any Note, the date of issue of such Note pursuant to the Dealer Agreement or any other relevant agreement between the Issuer and the relevant Dealer(s);

“Indebtedness for Borrowed Money” has the meaning ascribed to it in Condition 2(a);

“Interest Commencement Date” means, in relation to any interest-bearing Note, the date specified in the relevant Final Terms from which such Note bears interest or, if no such date is specified therein, the Issue Date;

“Liabilities or Liability” means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis;

“London Stock Exchange” means the London Stock Exchange plc.;

“Material Subsidiary” means a material subsidiary of the Issuer as defined in Condition 2(a);

“Moody’s” means Moody’s Investors Service Ltd.;

“NGN Permanent Global Note” means a Permanent Global Note representing Notes for which the relevant Final Terms specify that the New Global Note form is applicable;

“NGN Temporary Global Note” means a Temporary Global Note representing Notes for which the relevant Final Terms specify that the New Global Note form is applicable;

“Noteholder” and (in relation to a Note) **holder** means the bearer of a Note;

“Notes” means the bearer notes of each Series constituted by this Trust Deed which shall be in or substantially in the form set out in Schedule 2 and, for the time being outstanding or, as the case may be, a specific number thereof and includes any replacement Notes of such Series issued pursuant to Condition 14 and (except for the purposes of Clause 5.1 (Global Notes) and 5.3 (Signature)) each Global Note in respect of such Series for so long as it has not been exchanged in accordance with the terms thereof;

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

- (a) those which have been redeemed in accordance with this Trust Deed;
- (b) those in respect of which the date for redemption in accordance with the provisions of the Conditions has occurred and for which the redemption moneys (including all interest accrued thereon to the date for such redemption) have been duly paid to the Trustee or the Principal Paying Agent in the manner provided for in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Condition 18) and remain available for payment in accordance with Conditions;
- (c) those which have been purchased and surrendered for cancellation as provided in Condition 9(j) and notice of the cancellation of which has been given to the Trustee;
- (d) those which have become void under Condition 13 (Prescription);

- (e) those mutilated or defaced Notes which have been surrendered or cancelled and in respect of which replacement Notes have been issued pursuant to Condition 14 (Replacement of Notes, Coupons and Talons); or
- (f) (for the purpose only of ascertaining the aggregate nominal amount of Notes outstanding and without prejudice to the status for any other purpose of the relevant Notes) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 14;
- (g) for the purposes of Schedule 3 (Provisions for meetings of the Noteholders) only, those held by, or by any person for the benefit of, the Issuer, any Guarantor or any Subsidiary;

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of the holders of Notes of any Series;
- (ii) the determination of how many and which Notes of any Series are for the time being outstanding for the purposes of Clauses 11.1 (Legal Proceedings) and 9.1 (Waiver), Conditions 12 and 16 and Schedule 3;
- (iii) any discretion, power or authority, whether contained in this Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the holders of the Notes of any Series or any of them; and
- (iv) the determination by the Trustee whether any event, circumstance, matter or timing is, in its opinion, materially prejudicial to the interests of the holders of the Notes of any Series,

those Notes (if any) of the relevant Series which are for the time being held by any person (including but not limited to the Issuer, any Guarantor or any Subsidiary) for the benefit of the Issuer, any Guarantor or any Subsidiary shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

“Paying Agents” means, in relation to the Notes of any Series, the several institutions (including, where the context permits, the Principal Paying Agent) at their respective Specified Offices appointed pursuant to the Agency Agreement and/or, if applicable, any additional and/or Successor paying agents in relation to such Series at their respective Specified Offices;

“Permanent Global Note” means, in relation to any Series, a Global Note to be issued pursuant to Clause 5.1 in the form or substantially in the form set out in Part B of Schedule 2;

“Potential Event of Default” means an event or circumstance which could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided for in Condition 12, become an Event of Default;

“Principal Paying Agent” means, in relation to the Notes of any Series, the institution at its Specified Office initially appointed as issuing and principal paying agent in relation to such Series pursuant to the relative Agency Agreement or, if applicable, any Successor principal paying agent in relation to such Series at its Specified Office;

“Put Option” means the put option provided for in Condition 9 (e);

“Rating Agency” means Fitch, Moody’s or S&P or any of their respective successors or any Substitute Rating Agency;

“Relevant Date” has the meaning ascribed to it in Condition 2(a);

“repay” includes **“redeem”** and vice versa and **“repaid”**, **“repayable”**, **“repayment”**, **“redeemed”**, **“redeemable”** and **“redemption”** shall be construed accordingly;

“S&P” means Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies Inc.;

“Series” means a Tranche of Notes together with any further Tranche or Tranches of Notes expressed to be consolidated and form a single series with the Notes of the original Tranche and the terms of which are identical (save for the Issue Date and/or the Interest Commencement Date but including as to whether or not the Notes are listed);

“Specified Office” in relation to any Agent in respect of any Series, has the meaning specified in the Agency Agreement;

“Subsidiary” has the meaning given in Condition 2(a);

“Substitute Rating Agency” means any rating agency of international recognised securities standing substituted for the Rating Agency by the Issuer from time to time with the prior written approval of the Trustee, such approval not to be reasonably withheld or delayed;

“Successor” means, in relation to the Paying Agents, such other or further person as may from time to time be appointed pursuant to the Agency Agreement as a Paying Agent;

“Talonholder” means the holder of a Talon;

“Talons” means any bearer talons appertaining to the Notes of any Series or, as the context may require, a specific number thereof and includes any replacement Talons issued pursuant to Condition 14;

“Temporary Global Note” means, in relation to any Series, a Global Note to be issued pursuant to Clause 5.1(Global Notes) in the form or substantially in the form set out in Part A of Schedule 2;

“this Trust Deed” means this Trust Deed and the Schedules (as from time to time modified in accordance with the provisions contained herein) and (unless the context requires otherwise) includes any deed or other document executed in accordance with the provisions hereof (as from time to time modified as aforesaid) and expressed to be supplemental hereto;

“Tranche” means all Notes of the same Series with the same Issue Date and Interest Commencement Date;

“Trustee Acts” means both the Trustee Act 1925 and the Trustee Act 2000 of England and Wales;

“Trust Corporation” means a trust corporation (as defined in the Law of Property Act 1925) or a corporation entitled to act as a trustee pursuant to applicable foreign legislation relating to trustees;

“Written Resolution” means, in relation to any Series, a resolution in writing signed by or on behalf of 90 per cent. of the holders of Notes of such Series who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of Schedule 3, whether contained in one document or several documents in like form, each signed by or on behalf of one or more such Noteholders; and

“Zero Coupon Note” means a Note on which no interest is payable.

1.2 Principles of interpretation

In this Trust Deed:

- 1.2.1 **Statutory modification:** a 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 such modification or re-enactment;
- 1.2.2 **Additional amounts:** principal and/or interest in respect of the Notes of any Series shall be deemed also to include references to any additional amounts, any redemption amounts and any premium which may be payable under the Conditions;
- 1.2.3 **Relevant Currency:** relevant currency shall be construed as a reference to the currency in which payments in respect of the Notes and/or Coupons of the relevant Series are to be made as indicated in the relevant Final Terms;
- 1.2.4 **Tax:** costs, charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof;
- 1.2.5 **Enforcement of rights:** an action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceedings for the enforcement of rights of creditors available or appropriate in such jurisdictions as shall most nearly approximate thereto;
- 1.2.6 **Clauses and Schedules:** a Schedule or a Clause, sub-clause, paragraph or sub-paragraph is, unless otherwise stated, to a schedule hereto or a clause, sub-clause, paragraph or sub-paragraph hereof respectively;
- 1.2.7 **Clearing systems:** Euroclear and/or Clearstream, Luxembourg shall, wherever the context so admits (but not in the case of any Notes in NGN form), be deemed to include references to any additional or alternative clearing system approved by the Issuer and the Trustee;
- 1.2.8 **Gender:** words denoting the masculine gender shall include the feminine gender also, words denoting individuals shall include companies, corporations and partnerships, words importing the singular number shall include the plural and, in each case, vice versa;
- 1.2.9 **Records:** any reference to the records of an ICSD shall be to the records that each of the ICSDs holds for its customers which reflect the amount of such customers' interests in the Notes (but excluding any interest in any Notes of one ICSD shown in the records of another ICSD);
- 1.2.10 **Drawdown Prospectus:** each reference to Final Terms shall, in the case of a series of Notes which is the subject of a Drawdown Prospectus be read and

construed as a reference to the final terms of the Notes set out in such Drawdown Prospectus;

1.2.11 Guarantees: all references in this 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; and

1.2.12 Proceedings: all references in these presents to taking proceedings against the Issuer and/or the Guarantors shall be deemed to include references to proving in the winding up of the Issuer and/or any Guarantor (as the case may be).

1.3 Condition 2(a)

In this Trust Deed, unless the context requires or the same are otherwise defined, words and expressions defined in Condition 2(a) and not otherwise defined herein shall have the same meaning in this Trust Deed.

1.4 Headings

The headings and sub-headings are for ease of reference only and shall not affect the construction of this Trust Deed.

1.5 The Schedules

The schedules are part of this Trust Deed and shall have effect accordingly.

1.6 Written Notices/Approvals

Any reference to a written notice or approval being given by the Trustee shall, for the avoidance of doubt, be deemed to include such notice being given by email.

2 Amount and Issue of the Notes

2.1 Amount of the Notes

The Notes will be issued in Series in an aggregate nominal amount from time to time outstanding not exceeding the Authorised Amount and, for the purpose of determining such aggregate nominal amount, Clause 5.1.12 of the Dealer Agreement shall apply.

2.2 Prior to each Issue Date

By not later than 3.00 p.m. (London time) on the second business day in London (which for this purpose shall be a day on which commercial banks are open for business in London) preceding each proposed Issue Date, the Issuer shall:

2.2.1 deliver or cause to be delivered to the Trustee a draft of the relevant Final Terms and, if applicable, notify the Trustee of any proposed changes to the draft Final Terms delivered to the Trustee; and

2.2.2 notify the Trustee in writing without delay of the Issue Date and the nominal amount of the Notes of the relevant Tranche.

For the avoidance of doubt, the Trustee shall not be required in any case to approve such Final Terms.

2.3 Constitution of Notes

Upon the issue of the Global Note, initially representing the Notes of any Tranche, such Notes shall become constituted by this Trust Deed without further formality.

2.4 Further legal opinions

On each update of the Programme, and prior to the first issue of any Notes, on each occasion when a legal opinion is delivered to a Dealer pursuant to Clause 6.11 of the Dealer Agreement and on such other occasions as the Trustee is entitled to request under the Conditions, the Issuer will procure, at no cost to the Trustee, that further legal opinions in such form and with such content as the Trustee may require from the legal advisers specified in the Dealer Agreement or in the relevant jurisdiction approved by the Trustee are delivered to the Trustee, provided that the Trustee shall not be required to approve the applicable legal opinions. In each such case, unless the relevant opinion relates solely to one or more outstanding issues of Notes, receipt by the Trustee of the relevant opinion shall be a condition precedent to the issue of Notes pursuant to this Trust Deed.

3 Covenant to Repay

3.1 Covenant to repay

The Issuer covenants with the Trustee that it shall, as and when the Notes of any Series or any of them become due to be redeemed or any principal on the Notes of any Series or any of them becomes due to be repaid in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in immediately available freely transferable funds in the relevant currency the principal amount of the Notes of such Series or any of them becoming due for payment on that date and shall (subject to the provisions of the Conditions and except in the case of Zero Coupon Notes), until all such payments (including both before and after judgment or other order of a court of competent jurisdiction) are duly made, unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions interest (which shall accrue from day to day) on the principal amount (or such other amount as may be specified in the Final Terms) of the Notes of such Series or any of them outstanding from time to time as set out in the Conditions (subject to Clause 3.3 (Interest on Floating Rate Notes following Event of Default)) provided that:

- 3.1.1** every payment of principal, interest or other sum due in respect of such Notes or any of them made to the Principal Paying Agent in the manner provided in the Agency Agreement shall satisfy *pro tanto*, to the extent of such payment, the relevant covenant by the Issuer contained in this Clause except to the extent that there is a default in the subsequent payment thereof to the relevant Noteholders or Couponholders (as the case may be) in accordance with the Conditions;
- 3.1.2** if any payment of principal or interest in respect of such Notes 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 Noteholders or Couponholders (as the case may be) or, if earlier, the seventh day after notice has been given to the relevant Noteholders in accordance with the Conditions that the full amount has been received by the Principal Paying Agent or the Trustee except, in the case of payment to the Principal Paying Agent, to the extent that there is failure in the subsequent payment to the Noteholders or Couponholders (as the case may be) under the Conditions; and

- 3.1.3 in any case where payment of the whole or any part of the principal amount due in respect of any Note is improperly withheld or refused upon due presentation of the relevant Note interest shall accrue on the whole or such part of such principal amount (except in the case of Zero Coupon Notes, to which the provision of Condition 8 shall apply) from the date of such withholding or refusal until the date either on which such principal amount due is paid to the relevant Noteholders or, if earlier, the seventh day after which notice is given to the relevant Noteholders in accordance with the Conditions that the full amount payable in respect of the said principal amount is available for collection by the relevant Noteholders or provided that on further due presentation of the relevant Note such payment is in fact made.

The Trustee will hold the benefit of this covenant and the other covenants in the Trust Deed on trust for the Noteholders in accordance with their respective interests.

3.2 Following an Event of Default

At any time after any Event of Default or Potential Event of Default shall have occurred or the Notes of all or any Series shall otherwise have become due and repayable or the Trustee shall have received any money which it proposes to pay under Clause 12 to the relevant Noteholders and/or Couponholders, the Trustee may:

- 3.2.1 by notice in writing to the Issuer, the Guarantors, the Principal Paying Agent and the other Agents require the Principal Paying Agent and the other Agents or any of them:
- (i) to act thereafter, until otherwise instructed by the Trustee, as Agents of the Trustee under the provisions of this Trust Deed on the terms provided in the Agency Agreement (with consequential amendments as necessary and save that the Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Agents shall be limited to amounts for the time being held by the Trustee on the trusts of this Trust Deed in relation to the Notes on the terms of this Trust Deed and available to the Trustee for such purpose) and thereafter to hold all Notes and Coupons and all sums, documents and records held by them in respect of Notes and Coupons on behalf of the Trustee; and/or
 - (ii) to deliver up all Notes and Coupons and all sums, documents and records held by them in respect of Notes and Coupons to the Trustee or as the Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any document or record which the relevant Agent is obliged not to release by any law or regulation; and
- 3.2.2 by notice in writing to the Issuer and the Guarantors require each of them to make all subsequent payments in respect of Notes and Coupons to or to the order of the Trustee and, with effect from the issue of any such notice until such notice is withdrawn, proviso 3.1.1 to Clause 3.1 (Covenant to repay) and (so far as it concerns payments by the Issuer and the Guarantors) Clause 12.4 (Payments to Noteholders and Couponholders) shall cease to have effect.

3.3 Interest on Floating Rate Notes following Event of Default

If Floating Rate Notes become immediately due and repayable under Condition 12 the rate and/or amount of interest payable in respect of them will be calculated at the same intervals as if such Notes had not become due and repayable, the first of which will commence on the expiry of the Interest Period (as defined in Condition 2(a)) during which the Notes of the relevant Series become so due and repayable in accordance with Condition 12 (with consequential amendments as necessary) except that the rates of interest need not be published.

3.4 Currency of payments

All payments in respect of, under and in connection with this Trust Deed and the Notes to the relevant Noteholders and Couponholders shall be made in the relevant currency as required by the Conditions.

3.5 Separate Series

The Notes of each Series shall form a separate Series of Notes and accordingly, unless for any purpose the Trustee in its absolute discretion shall otherwise determine, all the provisions of this Trust Deed shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses and Schedule the expressions “**Notes**”, “**Noteholders**”, “**Coupons**”, “**Couponholders**”, “**Talons**” and “**Talonholders**” shall be construed accordingly.

4 Guarantee

4.1 The Guarantors hereby irrevocably and unconditionally and on a joint and several basis, and notwithstanding the release of any other guarantor or any other person under the terms of any composition or arrangement with any creditors of the Issuer, guarantee to the Trustee:

4.1.1 the due and punctual payment in accordance with the provisions of this Trust Deed of the principal of and premium (if any) and interest on the Notes and of any other amounts payable by the Issuer under this Trust Deed; and

4.1.2 the due and punctual performance and observance by the Issuer of each of the other provisions of this Trust Deed on the Issuer’s part to be performed or observed.

4.2 If the Issuer fails for any reason whatsoever punctually to pay any such principal, premium, interest or other amount (a “**Default Payment Amount**”), the Guarantors shall cause each and every such Default Payment Amount to be paid as if the Guarantors instead of the Issuer were expressed to be the primary obligor under this Trust Deed and not merely as surety (but without affecting the nature of the Issuer’s obligations) to the extent that the holder of the relevant Note or Coupon or the Trustee (as the case may be) shall receive the same amounts in respect of such Default Payment Amount as would have been receivable had such Default Payment Amount been paid by the Issuer. The Guarantors may make payment of any such Default Payment Amount themselves or the Guarantors may, at their absolute discretion, instead procure that the Issuer makes payment of any such Default Payment Amount.

- 4.3** If any payment received by the Trustee or any Noteholder or Couponholder under the provisions of this Trust Deed shall (whether on the subsequent bankruptcy, insolvency or corporate reorganisation of the Issuer or, without limitation, on any other event) be avoided or set aside for any reason, such payment shall not be considered as discharging or diminishing the liability of the Guarantors and this guarantee shall continue to apply as if such payment had at all times remained owing by the Issuer and the Guarantors shall indemnify the Trustee and the Noteholders and/or Couponholders (as the case may be) in respect thereof provided that the obligations of the Issuer and/or the Guarantors under this sub-clause shall, as regards each payment made to the Trustee or any Noteholder or Couponholder which is avoided or set aside, be contingent upon such payment being reimbursed to the Issuer or other persons entitled through the Issuer.
- 4.4** The Guarantors hereby agree that their obligations under this Clause shall be unconditional and that the Guarantors shall be fully liable irrespective of the validity, regularity, legality or enforceability against the Issuer of, or of any defence or counter-claim whatsoever available to the Issuer in relation to, its obligations under this Trust Deed, whether or not any action has been taken to enforce the same or any judgment obtained against the Issuer, whether or not any of the other provisions of this Trust Deed have been modified, whether or not any time, indulgence, waiver, authorisation or consent has been granted to the Issuer by or on behalf of the Noteholders or the Couponholders or the Trustee, whether or not any determination has been made by the Trustee pursuant to Clause 9 (Waiver, Modification, Amendments and Substitution), whether or not there have been any dealings or transactions between the Issuer, any of the Noteholders or Couponholders or the Trustee, whether or not the Issuer has been dissolved, liquidated, merged, consolidated, bankrupted or has changed its status, functions, control or ownership, whether or not the Issuer has been prevented from making payment by foreign exchange provisions applicable at its place of registration or incorporation and whether or not any other circumstances have occurred which might otherwise constitute a legal or equitable discharge of or defence to any guarantor. Accordingly, the validity of this guarantee shall not be affected by reason of any invalidity, irregularity, illegality or unenforceability of all or any of the obligations of the Issuer under this Trust Deed and this guarantee shall not be discharged nor shall the liability of the Guarantors under this Trust Deed be affected by any act, thing or omission or means whatever whereby its liability would not have been discharged if it had been the principal debtor.
- 4.5** Without prejudice to the provisions of Clause 11 (Enforcement) the Trustee may determine from time to time whether or not it will enforce this guarantee which it may do without making any demand of or taking any proceedings against the Issuer and may from time to time make any arrangement or compromise with the Guarantors in relation to this guarantee which the Trustee may consider expedient in the interests of the Noteholders or Couponholders.
- 4.6** The Guarantors waive diligence, presentment, demand of payment, filing of claims with a court in the event of dissolution, liquidation, merger or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest or notice with respect to this Trust Deed or the indebtedness evidenced thereby and all demands whatsoever and covenant that this guarantee shall be a continuing guarantee, shall extend to the ultimate balance of all sums payable and obligations owed by the Issuer under this Trust Deed, shall not be discharged except by complete performance of the obligations in this Trust Deed and is

additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantors or otherwise.

4.7 If any moneys shall become payable by the Guarantors under this guarantee the Guarantors shall not, so long as the same remain unpaid, without the prior written consent of the Trustee:

4.7.1 in respect of any amounts paid by it under these guarantees, exercise any rights of subrogation or contribution or, without limitation, any other right or remedy which may accrue to it in respect of or as a result of any such payment; or

4.7.2 in respect of any other moneys for the time being due to the Guarantors by the Issuer, claim payment thereof or exercise any other right or remedy,

(including in either case claiming the benefit of any security or right of set-off or, on the liquidation of the Issuer, proving in competition with the Trustee). If, notwithstanding the foregoing, upon the bankruptcy, insolvency or liquidation of the Issuer, any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, shall be received by the Guarantors before payment in full of all amounts payable under this Trust Deed shall have been made to the Noteholders, the Couponholders and the Trustee, such payment or distribution shall be received by the Guarantors on trust to pay the same over immediately to the Trustee for application in or towards the payment of all sums due and unpaid under this Trust Deed in accordance with Clause 7 (Covenant to Comply with the Trust Deed).

4.8 Until all amounts which may be or become payable by the Issuer under this Trust Deed have been irrevocably paid in full, the Trustee may:

4.8.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Trustee in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise), and the Guarantors shall not be entitled to the benefit of the same; and

4.8.2 hold in a suspense account any moneys received from the Guarantors on account of the Guarantors' liability under this guarantee, without liability to pay interest on those moneys.

5 The Notes

5.1 Global Notes

5.1.1 The Notes of each Tranche will initially be together represented either (i) by a Temporary Global Note which shall (save as may be specified in the relevant Final Terms) be exchangeable, in accordance with its terms, for interests in a Permanent Global Note, or (ii) by a Permanent Global Note.

5.1.2 Each Permanent Global Note shall be exchangeable for Notes in definitive form in the limited circumstances specified therein.

All Global Notes shall be prepared, completed and delivered to a common depositary (in the case of a CGN) or Common Safekeeper (in the case of a NGN) in accordance with the provisions of the Agency 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.

5.2 Notes in definitive form

Notes in definitive form will be security printed in accordance with applicable legal and stock exchange requirements substantially in the form set out in Part C of Schedule 2. Any Coupons and Talons will also be security printed in accordance with the same requirements and will be attached to the Notes in definitive form at the time of issue. Notes in definitive form will be endorsed with the Conditions and shall have endorsed thereon or attached thereto a copy of the applicable Final Terms (or the relevant provisions thereof).

5.3 Signature

The Global Notes and the Notes in definitive form will be signed by a duly authorised person designated by the Issuer and will be authenticated manually by or on behalf of the Principal Paying Agent and if applicable, will be effectuated manually by or on behalf of the Common Safekeeper. The Issuer may use the signature of a person who at the date such signature was originally produced was such a duly authorised person even if at the time of issue of any Global Note or Note in definitive form he no longer holds that office. Global Notes and Notes in definitive form so executed, duly authenticated and, if applicable, duly effectuated will be binding and valid obligations of the Issuer and title thereto shall pass by delivery.

5.4 Entitlement to treat holder as owner

The Issuer, the Guarantors, the Trustee and any Agent may deem and treat the holder of any Note as the absolute owner of such Note and all Coupons appertaining to each Note in definitive form, free of any equity, set-off or counterclaim on the part of the Issuer or any Guarantor against the original or any intermediate holder of such Note (whether or not such Note shall be overdue and notwithstanding any notation of ownership or other writing thereon or any notice of previous loss or theft of such Note) for all purposes and, except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Guarantors, the Trustee and the Paying Agent shall not be affected by any notice to the contrary. All payments made to any such holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon the Notes.

5.5 Further Notes

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

6 Cancellation of Notes and Records

- 6.1** The Issuer shall procure that all Notes issued by it which are (a) redeemed or (b) purchased by or on behalf of the Issuer, the Guarantors or any Subsidiary of the Issuer and surrendered for cancellation or (c) which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 14 (Replacement of Notes, Coupons and Talons) (together in each case, in the case of Definitive Notes, with all unmaturing Coupons attached thereto or delivered therewith), and all 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 Notes, Coupons and Talons), shall forthwith be cancelled by or on behalf of the Issuer and a certificate stating:

- 6.1.1 the aggregate nominal amount of Notes which have been redeemed and the aggregate amounts in respect of Coupons which have been paid;
- 6.1.2 the serial numbers of such Notes in definitive form;
- 6.1.3 the total numbers (where applicable, of each denomination) by maturity date of such Coupons;
- 6.1.4 the aggregate amount of interest paid (and the due dates of such payments) on Global Notes;
- 6.1.5 the aggregate nominal amount of Notes (if any) which have been purchased by or on behalf of the Issuer, the Guarantors or any Subsidiary of the Issuer and cancelled and the serial numbers of such Notes in definitive form and, in the case of Notes in definitive form, the total number (where applicable, of each denomination) by maturity date of the Coupons and Talons attached thereto or surrendered therewith;
- 6.1.6 the aggregate nominal amounts of Notes and the aggregate amounts in respect of Coupons which have been so surrendered and replaced and the serial numbers of such Notes in definitive form and the total number (where applicable, of each denomination) by maturity date of such Coupons and Talons;
- 6.1.7 the total number (where applicable, of each denomination) by maturity date of the unmatured Coupons missing from Notes in definitive form bearing interest at a fixed rate which have been redeemed or surrendered and replaced and the serial numbers of the Notes in definitive form 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 Trustee by or on behalf of the Issuer as soon as possible and in any event within one month after the end of each calendar quarter during which any such redemption, purchase, payment, exchange or replacement (as the case may be) takes place. The Trustee may accept such certificate as conclusive evidence of redemption, purchase, payment, exchange or replacement *pro tanto* of the Notes or payment of interest thereon or exchange of the relative Talons respectively and of cancellation of the relative Notes and Coupons.

- 6.2 The Issuer shall procure (a) that the Principal Paying Agent shall keep a full and complete record of all Notes, Coupons and Talons issued by it (other than serial numbers of Coupons) and of their redemption, any cancellation or any payment (as the case may be) and of all replacement notes, coupons or talons issued in substitution for lost, stolen, mutilated, defaced or destroyed Notes, Coupons or Talons, (b) that 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 ten 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 (c) that such records and Coupons (if any) shall be made available to the Trustee at all reasonable times.

7 Covenant to Comply with the Trust Deed

7.1 Covenant to comply with the Trust Deed

Each of the Issuer and each Guarantor severally covenants with the Trustee to comply with those provisions of this Trust Deed and the Conditions which are expressed to be binding on it and to perform and observe the same. The Notes and the Coupons are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer, the Guarantors, the Noteholders, the Couponholders and all persons claiming through or under them respectively. The Trustee shall hold the benefit of this covenant upon trust for itself and the Noteholders and the Couponholders according to its and their respective interests.

7.2 Trustee may enforce Conditions

The Trustee shall itself be entitled to enforce the obligations of the Issuer and each Guarantor under the Notes and the Conditions as if the same were set out and contained in this Trust Deed which shall be read and construed as one document with the Notes.

8 Covenants by the Issuer and the Guarantors

The Issuer and each Guarantor covenants with the Trustee that, so long as any of the Notes remain outstanding, it will:

- 8.1 Books of account:** at all times keep and procure that all its Material Subsidiaries keep such books of account as may be necessary to comply with all applicable laws and so as to enable the financial statements of the Issuer and its Subsidiaries taken as a whole to be prepared and, if the Trustee, in its sole opinion, determines that it is necessary to request access to such books of account, allow the Trustee and any person appointed by it, to whom the Issuer, the relevant Guarantor or the relevant Material Subsidiary (as the case may be) shall have no reasonable objection, free access to the same at all reasonable times during normal business hours and to discuss the same with responsible officers of the Issuer;
- 8.2 Event of Default:** give notice in writing to the Trustee forthwith of the coming into existence of any security interest which would require any security to be given to the Notes pursuant to Condition 5 (Negative Pledge) or upon becoming aware of any Event of Default, Potential Event of Default or Change of Control (if "Change of Control Put Option" is specified to be applicable in the Final Terms applicable to any outstanding Notes at the time) and without waiting for the Trustee to take any further action;
- 8.3 Certificate of Compliance:** provide to the Trustee within fourteen days of any request by the Trustee and at the time of the despatch to the Trustee of its annual balance sheet and profit and loss account, and in any event not later than 180 days after the end of its financial year, a certificate, signed by two Authorised Signatories of the Issuer or, as the case may be, the relevant Guarantor certifying that, to the best of its knowledge, belief and information, up to a specified date not earlier than seven days prior to the date of such certificate (the "**Certified Date**") the Issuer or, as the case may be, the relevant Guarantor

has complied with its obligations under this Trust Deed (or, if such is not the case, giving details of the circumstances of such non-compliance) and that as at such date there did not exist nor had there existed at any time prior thereto since the Certified Date in respect of the previous such certificate (or, in the case of the first such certificate, since the date of this Trust Deed) any Event of Default, Potential Event of Default, Change of Control (if “Change of Control Put Option” specified to be applicable in the Final Terms applicable to any outstanding Notes at the time);

- 8.4 Financial statements:** send to the Trustee and to the Principal Paying Agent (if the same are produced) 30 days after their date of publication and in the case of annual financial statements in any event not more than 180 days after the end of each financial year, two copies of the Issuer’s consolidated annual balance sheet and profit and loss account and of every balance sheet, profit and loss account, report or other notice, statement or circular issued (or which under any legal or contractual obligation should be issued) to the members or holders of debentures or creditors (or any class of them) of the Issuer and of each Guarantor in their capacity as such at the time of the actual (or legally or contractually required) issue or publication thereof and procure that the same are made available for inspection by Noteholders and Couponholders at the Specified Offices of the Paying Agents as soon as practicable thereafter;
- 8.5 Information:** so far as permitted by applicable law, at all times give to the Trustee such information, opinions, certificates and other evidence as it shall require in accordance with its fiduciary duties and obligations to the Noteholders and in such form as it shall require (including, without limitation, the certificates called for by the Trustee pursuant to Clause 8.3 (Certificate of Compliance) for the exercise of its duties, trusts, powers, authorities and discretions vested in it under this Trust Deed or by operation of law;
- 8.6 Notes held by Issuer:** send to the Trustee upon being so requested in writing by the Trustee a certificate of the Issuer and of each Guarantor (signed on its behalf by two Authorised Signatories) setting out the total number of Notes of each Series which at the date of such certificate are held by or for the benefit of the Issuer, the relevant Guarantor or any Subsidiary;
- 8.7 Execution of further Documents:** so far as permitted by applicable law, at all times execute all such further documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of this Trust Deed;
- 8.8 Notices to Noteholders:** send or procure to be sent to the Trustee not less than three business days in London prior to the date of publication, for the Trustee’s approval, one copy of each notice to be given to the Noteholders in accordance with Condition 18 (Notices) and not publish such notice without such approval (such approval not to be unreasonably withheld or delayed) and, upon publication, send to the Trustee two copies of such notice (such approval, unless so expressed, not to constitute approval of such notice for the purpose of Section 21 of the Financial Services and Markets Act 2000);
- 8.9 Notification of non-payment:** use its reasonable endeavours to procure that the Principal Paying Agent notifies the Trustee forthwith in the event that it does not, on or before the due date for payment in respect of the Notes or Coupons of any Series or any of them

receive unconditionally the full amount in the relevant currency of the moneys payable on such due date on all such Notes or Coupons;

- 8.10 Notification of late payment:** in the event of the unconditional payment to the Principal Paying Agent or the Trustee of any sum due in respect of any of the Notes or the Coupons or any of them being made after the due date for payment thereof, forthwith give notice to the Noteholders that such payment has been made in accordance with Condition 18 (Notices);
- 8.11 Notification of redemption or payment:** not less than the number of days specified in the relevant Condition prior to the redemption or payment date in respect of any Note or Coupon give to the Trustee notice in writing of the amount of such redemption or payment and duly proceed to redeem or pay such Notes or Coupons accordingly;
- 8.12 Tax redemption:** if the Issuer gives notice to the Trustee that it intends to redeem the Notes pursuant to Condition 9(b) the Issuer shall, prior to giving such notice to the Noteholders, provide such information to the Trustee as the Trustee reasonably requires in order to satisfy itself of the matters referred to in such Condition;
- 8.13 Obligations of Agents:** observe and comply with its obligations and use reasonable endeavours to procure that the Agents observe and comply with all their obligations under the Agency Agreement and notify the Trustee immediately it becomes aware of any material breach or failure by an Agent in relation to the Notes or Coupons and at all times maintain an Agent and other Paying Agents in accordance with the Conditions;
- 8.14 Listing:** at all times use reasonable endeavours to maintain the admission to listing, trading and/or quotation of the Notes of each Series by the relevant competent authority, stock exchange and/or quotation system on which they are admitted to listing, trading and/or quotation on issue as indicated in the relevant Final Terms or, if it is unable to do so having used all reasonable endeavours or, if the Trustee considers that the maintenance of such admission to listing, trading and/or quotation is unduly burdensome or impractical and the Trustee is of the opinion that to do so would not be materially prejudicial to the interests of the Noteholders, use reasonable endeavours to obtain and maintain admission to listing, trading and/or quotation of the Notes on such other competent authority, stock exchange and/or quotation system as the Issuer and the Guarantors may (with the approval of the Trustee) decide and give notice of the identity of such other competent authority, stock exchange or quotation system to the Noteholders;
- 8.15 Authorised Signatories:** upon the execution hereof and thereafter forthwith upon any change of the same, deliver to the Trustee (with a copy to the Principal Paying Agent) a list of the Authorised Signatories of the Issuer and each Guarantor, together with certified specimen signatures of the same;
- 8.16 Payments:** subject to Condition 11, pay moneys payable by it to the Trustee hereunder without set off, counterclaim, deduction or withholding, unless otherwise compelled by law and in the event of any deduction or withholding compelled by law pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder;

- 8.17 Auditor's certificates:** cause to be prepared and certified by the Auditors in respect of each year-end financial period annual financial statements in such form as will comply with all relevant legal and accounting requirements and all requirements for the time being of the relevant stock exchange;
- 8.18 Further documents:** at all times execute and do all such further documents, acts and things as may be necessary at any time or times in the reasonable opinion of the Trustee to give effect to this Trust Deed;
- 8.19 Appointment and removal of Agents:** give notice to the Noteholders in accordance with Condition 18 (Notices) of any appointment, resignation or removal of any Agent, Calculation Agent or other Paying Agent (other than the appointment of the initial Agent, Calculation Agent and other Paying Agents) after having obtained the prior written approval of the Trustee thereto or any change of any Paying Agent's Specified Office and (except as provided by the Agency Agreement or the Conditions) at least 30 days prior to such event taking effect; provided always that so long as any of the Notes remains outstanding in the case of the termination of the appointment of the Calculation Agent or so long as any of the Notes or Coupons remains liable to prescription in the case of the termination of the appointment of the Principal Paying Agent no such termination shall take effect until a new Principal Paying Agent or Calculation Agent (as the case may be) has been appointed on terms previously approved in writing by the Trustee;
- 8.20 Subsidiaries:** procure its Subsidiaries to comply with all applicable provisions of Condition 9 (i);
- 8.21 Documents available for inspection:** use reasonable endeavours to procure that each Paying Agent makes available for inspection by Noteholders and Couponholders at its Specified Office copies of this Trust Deed, the Agency Agreement and the then latest audited balance sheet and profit and loss account (consolidated if applicable) of the Issuer and the Guarantors;
- 8.22 US Paying Agent:** if, in accordance with the provisions of the Conditions, interest in respect of the Notes becomes payable at the Specified Office of any Paying Agent in the United States of America promptly give notice thereof to the relative Noteholders in accordance with Condition 18 (Notices);
- 8.23 Dealer Agreement:** notify the Trustee of any supplements or amendments to the Dealer Agreement and if so requested, as soon as reasonably practicable, provide the Trustee with copies of all supplements and/or amendments and/or restatements of the Dealer Agreement;
- 8.24 List of Material Subsidiaries:** give to the Trustee at the same time as sending to it the certificates referred to in Clause 8.3 above, a certificate by two Authorised Signatories of the Issuer addressed to the Trustee (with a form and content satisfactory to the Trustee) listing those Subsidiaries of the Issuer which as at the date hereof, as at the Certified Date (as defined in Clause 8.3 above) of the relevant certificate given under Clause 8.3 above were Material Subsidiaries for the purposes of Condition 12 (Events of Default);

- 8.25 Change in Material Subsidiaries:** give to the Trustee, as soon as reasonably practicable after the acquisition or disposal of any company which thereby becomes or ceases to be a Material Subsidiary or after any transfer is made to any Subsidiary of the Issuer which thereby becomes a Material Subsidiary, a certificate by two Authorised Signatories of the Issuer addressed to the Trustee (with a form and content satisfactory to the Trustee) to such effect;
- 8.26 Coupons:** upon due surrender in accordance with the Conditions, pay the face value of all Coupons (including Coupons issued in exchange for Talons) appertaining to all Notes purchased by the Issuer, the Guarantors or any other Subsidiary of the Issuer;
- 8.27 Legal Opinions:** prior to making any modification or amendment or supplement to this Trust Deed, procure the delivery of (a) legal opinion(s) as to English and any other relevant law, addressed to the Trustee, dated the date of such modification or amendment or supplement, as the case may be, and in a form acceptable to the Trustee from legal advisers acceptable to the Trustee;
- 8.28 Euroclear and Clearstream:** use reasonable endeavours to procure that Euroclear and/or Clearstream, Luxembourg (as the case may be) issue(s) any record, certificate or other document requested by the Trustee as soon as practicable after such request;
- 8.29 Notice of rating downgrade:** promptly notify the Trustee upon becoming aware that any rating assigned to the Notes has been, or will be, downgraded or withdrawn; and
- 8.30 Change of taxing jurisdiction:** if before the Relevant Date for any Note or Coupon the Issuer or any Guarantor shall become subject generally to the taxing jurisdiction of any territory or any political sub-division thereof or any authority therein or thereof having power to tax other than or in addition to the United Kingdom immediately upon becoming aware thereof notify the Trustee of such event and (unless the Trustee otherwise agrees) enter forthwith into a trust deed supplemental hereto, giving to the Trustee an undertaking or covenant in form and manner satisfactory to the Trustee in terms corresponding to the terms of Condition 11 with the substitution for (or, as the case may be, the addition to) the references therein to the United Kingdom of references to that other or additional territory to whose taxing jurisdiction, or that of a political subdivision thereof or an authority therein or thereof, the Issuer or, as the case may be, the relevant Guarantor shall have become subject as aforesaid, such trust deed also to modify Condition 12 so that such Condition shall make reference to that other or additional territory.

9 Waiver, Modification, Amendments and Substitution

9.1 Waiver

Without prejudice to Clause 9.4 (Release/Appointment of a Guarantor), the Trustee may, without any consent or sanction of the Noteholders or Couponholders and without prejudice to its rights in respect of any subsequent breach, Event of Default or Potential Event of Default, from time to time and at any time, but only if and in so far as in its opinion the interests of the Noteholders shall not be materially prejudiced thereby, authorise or waive, on such terms and conditions (if any) as shall seem expedient to it, any breach or proposed breach by the Issuer or any Guarantor of any of the covenants or provisions contained in this Trust Deed or the Notes or Coupons or determine that any Event of

Default or Potential Event of Default shall not be treated as such for the purposes of this Trust Deed; any such authorisation, waiver or determination shall be binding on the Noteholders and the Couponholders and, if, but only if, the Trustee shall so require, the Issuer shall cause such authorisation, waiver or determination to be notified to the Noteholders as soon as practicable thereafter in accordance with the Conditions.

9.2 Modifications

Without prejudice to Clause 9.4 (Release/Appointment of a Guarantor), the Trustee may from time to time and at any time without any consent or sanction of the Noteholders or Couponholders concur with the Issuer and the Guarantors in making (a) any modification to this Trust Deed (other than in respect of Reserved Matters as specified and defined in Schedule 3 or any provision of this Trust Deed referred to in that specification) or the Notes which in the opinion of the Trustee it may be proper to make provided the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Noteholders or (b) any modification to this Trust Deed or the Notes if in the opinion of the Trustee such modification is of a formal, minor or technical nature or made to correct a manifest error or an error which is, in the opinion of the Trustee, proven. Any such modification shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise agrees, the Issuer shall cause such modification to be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 18.

9.3 Substitution of the Issuer

9.3.1 Procedure: Without prejudice to Clause 9.4 (Release/Appointment of a Guarantor), the Trustee may, without the consent of the Noteholders or the Couponholders, agree to the substitution, in place of the Issuer (or of any previous substitute under this Clause) of any Subsidiary of the Issuer or its successor in business or an existing Guarantor or its successor in business (hereinafter called the “**Substituted Debtor**”) as the principal debtor under this Trust Deed in relation to the Notes and Coupons of any Series provided that:

- (i) a trust deed is executed or some other written form of undertaking is given by the Substituted Debtor to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by the terms of this Trust Deed, the Notes and the Coupons (with any consequential amendments which the Trustee may deem appropriate) as fully as if the Substituted Debtor had been named in this Trust Deed and on the Notes and the Coupons as the principal debtor in place of the Issuer;
- (ii) the Issuer, the Guarantors and the Substituted Debtor execute such other deeds, documents and instruments (if any) as the Trustee may require in order that the substitution is fully effective and comply with such other requirements as the Trustee may direct in the interests of the Noteholders and the Couponholders;
- (iii) an unconditional and irrevocable guarantee in form and substance satisfactory to the Trustee shall have been given by the Issuer and the Guarantors (save for any Guarantor or its successor in business is the Substituted Debtor) of the obligations of the Substituted Debtor under this Trust Deed and the Notes;

- (iv) the Trustee is satisfied that (i) the Substituted Debtor has obtained all governmental and regulatory approvals and consents necessary for its assumption of liability as principal debtor in respect of the Notes and the Coupons in place of the Issuer (or such previous substitute as aforesaid) and (ii) the Guarantors have obtained all governmental and regulatory approvals and consents necessary for the guarantees to be fully effective as referred to in sub-clause 9.3.1 and (iii) such approvals and consents are at the time of substitution in full force and effect;
- (v) (without prejudice to the generality of the preceding sub-clauses of this sub-clause 9.3.1) where the Substituted Debtor is incorporated, domiciled or resident in or is otherwise subject generally to the taxing jurisdiction of any territory or any political sub-division thereof or any authority of or in such territory having power to tax (the “**Substituted Territory**”) other than or in addition to the territory, the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally (the “**Issuer’s Territory**”), the Substituted Debtor will (unless the Trustee otherwise agrees) give to the Trustee an undertaking in form and manner satisfactory to the Trustee in terms corresponding to the terms of Condition 11 (Taxation) with the substitution for the reference in the definition of Tax Jurisdiction in that Condition to the Issuer’s Territory of references to the Substituted Territory and in such event the Trust Deed and Notes and Coupons will be interpreted accordingly;
- (vi) without prejudice to the rights of reliance of the Trustee under sub-clause 9.3.4 (Directors’ certification) the Trustee is satisfied that the said substitution is not materially prejudicial to the interests of the Noteholders; and
- (vii) the Rating Agencies that provide a rating in respect of the Issuer and/or any Series of Notes have confirmed in writing to the Trustee that the substitution of the Substituted Debtor will not result in:
 - (a) in respect of any Series of Notes which is not specifically rated by any Rating Agency, a downgrading of the then current credit rating of any Rating Agency applicable to the class of debt represented by the Notes; or
 - (b) in respect of any Series of Notes which is specifically rated by any Rating Agency, a downgrading of the then current credit rating applicable to such Series of Notes by such Rating Agency;

9.3.2 Change of law: in connection with any proposed substitution of the Issuer or any previous substitute, the Trustee may, in its absolute discretion and without the consent of the Noteholders or the Couponholders agree to a change of the law from time to time governing the Notes and the Coupons and this Trust Deed provided that such change of law, in the opinion of the Trustee, would not be materially prejudicial to the interests of the Noteholders;

9.3.3 Extra duties: the Trustee shall be entitled to refuse to approve any Substituted Debtor if, pursuant to the law of the country of incorporation of the Substituted Debtor, the assumption by the Substituted Debtor of its obligations hereunder

imposes responsibilities on the Trustee over and above those which have been assumed under this Trust Deed;

- 9.3.4 Directors' certification:** if any two directors of the Substituted Debtor certify that immediately prior to the assumption of its obligations as Substituted Debtor under this Trust Deed the Substituted Debtor is solvent after taking account of all prospective and contingent liabilities resulting from its becoming the Substituted Debtor, the Trustee need not have regard to the financial condition, profits or prospects of the Substituted Debtor or compare the same with those of the Issuer (or of any previous substitute under this Clause);
- 9.3.5 Interests of Noteholders:** in connection with any proposed substitution, the Trustee shall not have regard to, or be in any way liable for, the consequences of such substitution for individual Noteholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. No Noteholder or Couponholder shall, in connection with any such substitution, be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon individual Noteholders or Couponholders;
- 9.3.6 Release of Issuer:** any agreement by the Trustee pursuant to sub-clause 9.3.1 (Procedure) shall, if so expressed, operate to release the Issuer (or such previous substitute as aforesaid) from any or all of its obligations as principal debtor in respect of the Notes and this Trust Deed (but without prejudice to its liabilities under any guarantee given pursuant to the Conditions). Not later than fourteen days after the execution of any such documents as aforesaid and after compliance with the said requirements of the Trustee, the Substituted Debtor shall cause notice thereof to be given to the Noteholders; and
- 9.3.7 Completion of substitution:** upon the execution of the documents referred to at Clause 9.3.1(i), (ii) and (iii) and compliance with their said requirements, the Substituted Debtor shall be deemed to be named in this Trust Deed and the Notes and Coupons as the principal debtor in place of the Issuer (or in each case of any previous substitute under this Clause) and this Trust Deed, the Notes and the Coupons shall thereupon be deemed to be amended in such manner as shall be necessary to give effect to the substitution and without prejudice to the generality of the foregoing any references in this Trust Deed, the Notes and the Coupons to the Issuer shall be deemed to be references to the Substituted Debtor.

9.4 Release/Appointment of a Guarantor

9.4.1 Release of a Guarantor:

- (i) The Issuer may by written notice to the Trustee (signed by two Directors of the Issuer) give notice that a Guarantor is to cease to be a Guarantor in respect of any Tranche of Notes if such Guarantor is no longer providing a guarantee in respect of any Indebtedness for Borrowed Money of the Issuer.
- (ii) The written notice of the Issuer referred to in Clause 9.4.1(i) shall certify that:
- (a) no Event of Default is continuing or will result from the release of that Guarantor as a Guarantor of such Tranche of Notes;

- (b) no sums advanced pursuant to any Indebtedness for Borrowed Money in respect of which that Guarantor is or was providing a guarantee is at the time of the written notice due and payable but unpaid; and
 - (c) such Guarantor is not (or will cease to be simultaneously with such release) providing a guarantee in respect of any other Indebtedness for Borrowed Money of the Issuer.
- (iii) Upon the Trustee's receipt of such written notice (receipt of the Trustee of such written notice to be confirmed to the Issuer by the Trustee as soon as possible), such Guarantor shall irrevocably be released and relieved of any obligation under the guarantee arising pursuant to Clause 4 (without prejudice to any obligations which may have accrued in relation to that Guarantor prior to that time) of any outstanding Tranche of Notes;
 - (iv) Each Guarantor so released as a Guarantor pursuant to the terms of this Clause 9.4.1 undertakes to the Trustee that if such Guarantor provides a guarantee in respect of any other Indebtedness for Borrowed Money of the Issuer at any time subsequent to the date on which it is released from the guarantee of any outstanding Tranche of Notes, such Guarantor will provide a guarantee in respect of all outstanding Tranches of Notes in accordance with Clause 9.4.2.

9.4.2 Addition of Guarantor:

If at any time after the Issue Date of any Tranche of Notes, any subsidiary of the Issuer, direct or indirect holding company of the Issuer (a "**Holdco**") or any subsidiary of a Holdco (each, a "**Guarantee Entity**") provides or at the time it becomes a subsidiary is providing a guarantee in respect of any Indebtedness for Borrowed Money of the Issuer, the Issuer covenants to the Trustee that it shall procure that such Guarantee Entity shall at or prior to the date of the giving of such guarantee or at the time it so becomes a Guarantee Entity and is providing such a guarantee:

- (i) execute and deliver a supplemental trust deed to the Trustee, (such supplemental trust deed to be in a form and with substance reasonably satisfactory to the Trustee), and submit with such supplemented trust deed such opinion(s) as the Trustee shall require, pursuant to which such Guarantee Entity shall, pursuant to the provisions of Clause 4, guarantee the obligations of the Issuer in respect of any new and outstanding Tranche of Notes, the Coupons and the Trust Deed on terms *mutatis mutandis* to the guarantee at Clause 4 including, but not limited to, such guarantee being joint and several (if there is more than one Guarantor); and
- (ii) each other Guarantor (an "**Existing Guarantor**") covenants with the Trustee that it will consent to any such entity becoming a Guarantor pursuant to Clause 9.4.2(i) without any need for that Existing Guarantor to execute any supplemental trust deed.

9.5 Rating Confirmations

For the purposes of determining whether or not the exercise by the Trustee of any of its trusts, powers, authorities, duties and discretion under this Trust Deed (including without

limitation, any modification, waiver, authorisation, determination or substitution) is materially prejudicial to the interests of the Noteholders of any Series of Notes, the Trustee shall be entitled to rely on (but is not bound by) any Rating Agency confirmation received in respect thereof.

10 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 8 (Covenants By the Issuer and the Guarantors) and 9 (Waiver, Modification, Amendments and Substitution) shall constitute a default by the Issuer or the Guarantors (as the case may be) in the performance or observance of a covenant or provision binding on it under or pursuant to this Trust Deed.

11 Enforcement

11.1 Legal proceedings

The Trustee may at any time, at its discretion and without further notice, institute such proceedings against the Issuer and the Guarantors as it may think fit to recover any amounts due in respect of the Notes which are unpaid or to enforce any of its rights under this Trust Deed or the Conditions but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-fourth in principal amount of the outstanding Notes and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or incurred by it in connection therewith and provided that the Trustee shall not be held liable for the consequence of taking any such action and may take such action without having regard to the effect of such action on individual Noteholders or Couponholders. Only the Trustee may enforce the provisions of the Notes or this Trust Deed and no Noteholder or Couponholder shall be entitled to proceed directly against the Issuer and/or any Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

11.2 Evidence of default

Proof that:

- 11.2.1** as regards any specified Note the Issuer has made default in paying any principal due in respect of such Note shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Notes in respect of which a corresponding payment is then due;
- 11.2.2** as regards any specified Coupon the Issuer has made default in paying any interest due in respect of such Coupon shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Coupons in respect of which a corresponding payment is then due; and
- 11.2.3** as regards any Talon, the Issuer has made default in exchanging such Talon for further Coupons and if relevant a further Talon as provided by its terms shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Talons which are then available for exchange,

and for the purposes of Sub-clauses 11.2.1 and 11.2.2 a payment shall be a “corresponding” payment notwithstanding that it is due in respect of a Note of a different denomination from that in respect of the above specified Note.

12 Application of Moneys

12.1 Application of moneys

All moneys received by the Trustee in respect of the Notes of any Series or amounts payable under this Trust Deed will despite any appropriation of all or part of them by the Issuer (including any moneys which represent principal or interest in respect of Notes or Coupons which have become void under the Conditions), unless and to the extent attributable, in the opinion of the Trustee, to a particular Series of the Notes, be apportioned *pari passu* and rateably between each Series of the Notes, and all moneys received by the Trustee under this Trust Deed from the Issuer or, as the case may be, the Guarantors to the extent attributable in the opinion of the Trustee to a particular Series of the Notes or which are apportioned to such Series as aforesaid, be held by the Trustee on trust to apply them (subject to Clause 12.2 (Investment of moneys)):

12.1.1 first, in payment or satisfaction of those Liabilities due and payable to the Trustee in the preparation, maintenance and execution of the trusts of this Trust Deed (including remuneration and any additional remuneration of the Trustee);

12.1.2 secondly, in or towards payment *pari passu* and rateably of all interest remaining unpaid in respect of the Notes of the relevant Series and all principal moneys due on or in respect of the Notes of that Series provided that where the Notes of more than one Series become so due and payable, such monies shall be applied as between the amounts outstanding in respect of the different Series *pari passu* and rateably (except where, in the opinion of the Trustee, such monies are paid in respect of a specific Series or several specific Series, in which event such monies shall be applied solely to the amounts outstanding in respect of that Series or those Series respectively); and

12.1.3 thirdly, the balance (if any) in payment to the Issuer (without prejudice to, or liability in respect of, any question as to how such payments shall be dealt with as between the Issuer and the Guarantors and any other person).

Without prejudice to this Clause 12 (Application of Moneys), if the Trustee holds any moneys which represents principal or interest in respect of Notes which have become void or in respect of which claims have been prescribed under Condition 13 (Prescription), the Trustee will hold such moneys on the above trusts.

12.2 Investment of moneys

If the amount of the moneys at any time available for payment of principal and interest in respect of the Notes of any Series under Clause 12.1 (Application of moneys) shall be less than a sum sufficient to pay at least one-tenth of the principal amount of the Notes of such Series then outstanding, the Trustee may, at its discretion, invest such moneys upon some or one of the investments hereinafter authorised with power from time to time, with like discretion, to vary such investments; and such investment with the resulting income thereof may be accumulated until the accumulations together with any other funds for the time being under the control of the Trustee and available for the purpose shall amount to a sum sufficient to pay at least one-tenth of the principal amount of the Notes of such Series then

outstanding and such accumulation and funds (after deduction of any taxes and any other deductibles applicable thereto) shall then be applied in the manner aforesaid.

12.3 Authorised Investments

Any moneys which under this Trust Deed may be invested by the Trustee may be invested in the name or under the control of the Trustee in any of the investments for the time being authorised by English law for the investment by trustees of trust moneys or in any other investments, whether similar to those aforesaid or not, which may be selected by the Trustee or by placing the same on deposit in the name or under the control of the Trustee with such bank or other financial institution as the Trustee may think fit and in such currency as the Trustee in its absolute discretion may determine and the Trustee may at any time vary or transfer any of such investments for or into other such investments or convert any moneys so deposited into any other currency and shall not be responsible for any loss occasioned by reason of any such investments or such deposit whether by depreciation in value, fluctuation in exchange rates or otherwise. If that bank or institution is the Trustee or a subsidiary, holding company or associated company of the Trustee, it need only account for an amount of interest equal to the amount of interest that would be payable by it on such deposit to an independent customer.

12.4 Payment to Noteholders and Couponholders

The Trustee shall give notice to the Noteholders in accordance with Condition 18 (Notices) of the date fixed for any payment under Clause 12.1 (Application of Moneys). Any payment to be made in respect of the Notes or Coupons of any Series by the Issuer, any Guarantor or the Trustee may be made in the manner provided in Condition 10 (Payments), the Agency Agreement and this Trust Deed and any payment so made shall be a good discharge of such payment to the extent of such payment by the Issuer, the relevant Guarantor or the Trustee (as the case may be).

12.5 Production of Notes and Coupons

Upon any payment under Clause 12.4 (Payment to Noteholders and Couponholders) of principal or interest, the Note or Coupon in respect of which such payment is made shall, if the Trustee so requires, be produced to the Trustee or the Paying Agent by or through whom such payment is made and the Trustee shall in respect of a Note or Coupon (a) in the case of part payment, enface or cause such Paying Agent to enface a memorandum of the amount and date of payment thereon (or, in the case of part payment of an NGN Temporary Global Note or an NGN Permanent Global Note cause the Principal Paying Agent to procure that the ICSDs make appropriate entries in their records to reflect such payment) or (b) in the case of payment in full, cause such Note or Coupon to be surrendered or shall cancel or procure the same to be cancelled and shall certify or procure the certification of such cancellation.

12.6 Noteholders to be treated as holding all Coupons

Wherever in this Trust Deed the Trustee is required or entitled to exercise a power, trust, authority or discretion under this Trust Deed, the Trustee shall, notwithstanding that it may have express notice to the contrary assume that each Noteholder is the holder of all Coupons and Talons appertaining to each Note of which he is the holder.

12.7 Regulated Activities

Notwithstanding anything in this Trust Deed to the contrary, the Trustee shall not be required to do anything which might constitute a regulated activity for the purpose of the FSMA, unless it is authorised under the FSMA to do so.

The Trustee shall have the discretion at any time (i) to delegate any of the functions which fall to be performed by an authorised person under the FSMA to any agent or person which has the necessary authorisations and licences and (ii) to apply for authorisation under the FSMA and perform any or all such functions itself if, in its absolute discretion, it considers it necessary, desirable or appropriate to do so.

13 Terms of Appointment

By way of supplement to the Trustee Acts, it is expressly declared as follows:

13.1 Reliance on Information

- 13.1.1 Advice:** the Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Trustee, the Issuer, any Guarantor, any Subsidiary or any Agent) and shall not be responsible for any Liability occasioned by so acting; any such opinion, advice, certificate or information may be sent or obtained by letter, telegram, telex, or facsimile transmission and the Trustee shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same shall contain some error or shall not be authentic;
- 13.1.2 Certificate of Directors or Authorised Signatories:** the Trustee may call for and shall be at liberty to accept a certificate signed by two Authorised Signatories of the Issuer or any Guarantor, as the case may be, or other person duly authorised on its behalf as to any fact or matter prima facie within the knowledge of the Issuer or the relevant Guarantor, as the case may be, as sufficient evidence thereof and a like certificate to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying expedient, as sufficient evidence that it is expedient and the 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 its failing so to do;
- 13.1.3 Certificate of Auditors:** a certificate of the Auditors that in their opinion a Subsidiary is or is not or was or was not at any particular time or during any particular period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer, the Guarantors, the Trustee, the Noteholders and the Couponholders;
- 13.1.4 Resolution or direction of Noteholders:** the Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Noteholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Noteholders, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have

been passed at any Meeting or the making of the directions was not valid or binding upon the Noteholders and the Couponholders;

- 13.1.5 Reliance on certification of clearing system:** the Trustee may call for any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system in relation to any matter. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Cedcom system) in accordance with its usual procedures and in which the holder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg or any other relevant clearing system and subsequently found to be forged or not authentic;
- 13.1.6 Noteholders as a class:** whenever in this Trust Deed the Trustee is required in connection with any exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Noteholders, it shall have regard to the interests of the Noteholders as a class and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences of such exercise for any individual Noteholder resulting from his or its being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Guarantors, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 11 (Taxation) and/or any undertaking given in addition thereto or in substitution therefor under this Trust Deed;
- 13.1.7 Trustee not responsible for investigations:** the Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, the Notes or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof;
- 13.1.8 No obligation to monitor:** the Trustee shall be under no obligation to monitor or supervise the functions of any other person under the Notes or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations;
- 13.1.9 Notes held by the Issuer:** in the absence of knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate of the Issuer or any Guarantor under sub-clause 8.6 (Notes held by Issuer), that no Notes are for the time being held by or for the benefit of the Issuer or its Subsidiaries or any Guarantor;

- 13.1.10 Forged Notes:** the Trustee shall not be liable to the Issuer, any Guarantor or any Noteholder or Couponholder by reason of having accepted as valid or not having rejected any Note or Coupon as such and subsequently found to be forged or not authentic;
- 13.1.11 Events of Default:** the Trustee shall not be bound to give notice to any person of the execution of this Trust Deed or to take any steps to ascertain whether any Event of Default, Potential Event of Default, Put Option or Change of Control has happened and, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default, or Potential Event of Default, Put Option or Change of Control has happened and that the Issuer and each Guarantor is observing and performing all the obligations on its part contained in the Notes and Coupons and under this Trust Deed and no event has happened as a consequence of which any of the Notes may become repayable;
- 13.1.12 Legal Opinions:** the Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to any Notes or for checking or commenting upon the content of any such legal opinion and shall not be responsible for any Liability incurred thereby;
- 13.1.13 Authorised Amount:** the Trustee shall not be concerned, and need not enquire, as to whether or not any Notes are issued in breach of the Authorised Amount;
- 13.1.14 Trustee not Responsible:** the Trustee shall not be responsible for the execution and delivery by any other person other than itself of the Trust Deed or any other document relating thereto, nor for the legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of this Trust Deed or any other document relating thereto and shall not be liable for any failure to obtain any rating of Notes (where required), any licence, consent or other authority for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Trust Deed or any other document relating thereto;
- 13.1.15 Freedom to Refrain:** notwithstanding anything else herein contained, the Trustee may refrain from doing anything which would or might in its opinion be contrary to any law of any jurisdiction or any directive or regulation of any agency or any state of which would or might otherwise render it liable to any person and may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation;
- 13.1.16 Right to Deduct or Withhold:** notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to

time representing the same, including any income or gains arising therefrom or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed; and

13.1.17 Reliance by Trustee: any certificate or report of the Auditors or any other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of this Trust Deed may be relied upon by the 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 Trustee in connection therewith contains a monetary or other limit on the liability of the Auditors or such other person in respect thereof and notwithstanding that the scope and/or basis of such certificate or report may be limited by any engagement or similar letter or by the terms of the certificate or report itself.

13.2 Trustee's powers and duties

13.2.1 Trustee's determination: the Trustee may determine whether or not a default in the performance or observance by the Issuer or any Guarantor of any obligation under the provisions of this Trust Deed or contained in the Notes or Coupons is capable of remedy and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy such certificate shall be conclusive and binding upon the Issuer, the Guarantors, the Noteholders and the Couponholders;

13.2.2 Determination of questions: the Trustee as between itself and the Noteholders and the Couponholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Trust Deed and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee, the Noteholders and the Couponholders;

13.2.3 Trustee's discretion: the Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Trust Deed or by operation of law have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof but, whenever the Trustee is under the provisions of this Trust Deed bound to act at the request or direction of the Noteholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all Liabilities which it may incur by so doing;

13.2.4 Trustee's consent: any consent or approval given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require. The Trustee may give any consent or approval, exercise any power, authority or discretion or take any similar action (whether or not such consent, approval, power, authority, discretion or action is specifically referred to in this Trust Deed) if it is satisfied that the interests of the Noteholders

will not be materially prejudiced thereby. For any avoidance of doubt, the Trustee shall not have any duty to the Noteholders in relation to such matters other than that which is contained in the preceding sentence;

- 13.2.5 Conversion of currency:** where it is necessary or desirable for any purpose in connection with this Trust Deed to convert any sum from one currency to another it shall (unless otherwise provided by this Trust Deed or required by law) be converted at such rate(s) of exchange, in accordance with such method and as at such date for the determination of such rate(s) of exchange as may be specified by the Trustee in its discretion following consultation with the Issuer or the Guarantors if practicable as relevant and any rate of exchange, method and date so specified shall be binding on the Issuer, the Guarantors, the Noteholders and the Couponholders;
- 13.2.6 Application of proceeds:** the Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, the exchange of any Temporary Global Note for any Permanent Global Note or Notes in definitive form, the exchange of any Permanent Global Note for Notes in definitive form or the delivery of any Note or Coupon to the persons entitled to them;
- 13.2.7 Error of judgment:** the Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters;
- 13.2.8 Agents:** the Trustee may, in the conduct of the trusts of this Trust Deed instead of acting personally, employ and pay an agent on any terms, whether or not 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 by the Trustee (including the receipt and payment of money) and the Trustee shall not be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person;
- 13.2.9 Merger:** subject to the requirements, if any, of the relevant stock exchange any corporation into which the Trustee shall be merged or with which it shall be consolidated or any company resulting from any such merger or consolidation shall be a party hereto and shall be the Trustee under this Trust Deed without executing or filing any paper or document or any further act on the part of the parties thereto;
- 13.2.10 Delegation:** the Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed, act by responsible officer(s) for the time being of the Trustee and the Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person(s) or fluctuating body of persons (whether being a joint trustee of this Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Noteholders and the Trustee shall not be bound to supervise the proceedings or acts of and shall not in any way or to any extent be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate;

- 13.2.11 Custodians and nominees:** the Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trust as the Trustee may determine, including for the purpose of depositing with a custodian this Trust Deed or any document relating to the trust created hereunder and the Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person; the Trustee is not obliged to appoint a custodian if the Trustee invests in securities payable to bearer;
- 13.2.12 Maintenance of ratings:** the Trustee shall have no responsibility whatsoever to the Issuer, the Guarantors, any Noteholder or Couponholder or any other person for the maintenance of or failure to maintain any rating of any of the Notes by any rating agency;
- 13.2.13 Confidential information:** the Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Noteholder or Couponholder confidential information or other information made available to the Trustee by the Issuer or any Guarantor in connection with this Trust Deed and no Noteholder or Couponholder shall be entitled to take any action to obtain from the Trustee any such information; and
- 13.2.14 Responsibility for loss:** the Trustee shall not be liable or responsible for any Liabilities or inconvenience which may result from anything properly done or omitted to be done by it in accordance with the provisions of this Trust Deed.

13.3 Financial matters

- 13.3.1 Professional charges:** any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of this Trust Deed and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Trust Deed;
- 13.3.2 Expenditure by the Trustee:** nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it; and
- 13.3.3 Trustee may enter into financial transactions with the Issuer and the Guarantors:** no Trustee and no director or officer of any corporation being a Trustee hereof shall by reason of the fiduciary position of such Trustee be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Issuer, any Guarantor or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer, any Guarantor, or any Subsidiary, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Issuer or any Subsidiary, any Guarantor or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, and neither the Trustee nor any such director or officer

shall be accountable to the Noteholders, the Couponholders, the Issuer, any Guarantor or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer, any Guarantor or any Subsidiary, for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit.

13.4 Disapplication

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by this Trust Deed. Where there are any inconsistencies between the Trustee Acts and the provisions of this Trust Deed, the provisions of this 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 Trust Deed shall constitute a restriction or exclusion for the purposes of that Act.

13.5 Trustee Liability

13.5.1 Nothing in this Trust Deed shall in any case in which the Trustee has failed to show the degree of care and diligence required of it as trustee having regard to the provisions of these presents conferring on it any trusts, powers, authorities or discretions exempt the Trustee from or indemnify it against any liability for negligence, wilful default or fraud of which it may be guilty in relation to its duties under this Trust Deed.

13.5.2 Notwithstanding any provision of this Trust Deed to the contrary, the Trustee shall not in any event be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits, goodwill, reputation, business opportunity or anticipated saving), whether or not foreseeable, even if the Trustee has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract, breach of trust or otherwise; provided however, that this clause shall not be deemed to apply in the event of a determination of fraud on the part of the Trustee in a judgment by a court having jurisdiction.

14 Costs and Expenses

14.1 Remuneration

14.1.1 Normal remuneration: The Issuer shall pay to the Trustee remuneration for its services as trustee as from the date of this Trust Deed, such remuneration to be at such rate as may from time to time be agreed between the Issuer and the Trustee. Such remuneration shall be payable in advance on the anniversary of the date hereof in each year and the first payment shall be made on the date hereof. Such remuneration shall accrue from day to day and be payable (in priority to payments to the Noteholders or Couponholders) up to and including the date when, all the Notes having become due for redemption, the redemption moneys and interest thereon to the date of redemption have been paid to the Principal Paying Agent or the Trustee, provided that if upon due presentation (if required pursuant to Condition 10) of any Note or Coupon or any cheque, payment of the moneys due in respect thereof is improperly withheld or refused, remuneration will be deemed

not to have ceased to accrue and will commence again to accrue until payment to such Noteholder or Couponholder is made.

14.1.2 Extra remuneration: In the event of the occurrence of an Event of Default, a Potential Event of Default, or a Change of Control or the Trustee considering it expedient or necessary or being requested by the Issuer or any Guarantor to undertake duties which the Trustee and the Issuer or such Guarantor agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, the Issuer shall pay to the Trustee such additional remuneration as shall be agreed between them.

14.1.3 Value added tax: The Issuer shall in addition pay to the Trustee an amount equal to the amount of any value added tax or similar tax chargeable in respect of its remuneration under this Trust Deed.

14.1.4 Failure to agree: In the event of the Trustee and the Issuer failing to agree:

- (i) (in a case to which sub-clause 14.1.1 applies) upon the amount of the remuneration; or
- (ii) (in a case to which sub-clause 14.1.2 applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, or upon such additional remuneration,

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

14.1.5 Expenses: The Issuer shall also pay or discharge all costs, charges and expenses properly incurred by the 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 Trust Deed, including but not limited to legal and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Trustee in connection with any action taken or contemplated by or on behalf of the Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Trust Deed, in each case against presentation of appropriate invoices.

14.1.6 Indemnity: Without prejudice to the right of indemnity by law given to trustees, the Issuer failing whom the Guarantors shall indemnify the 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 properly incurred by it or him in the preparation or execution or purported execution of any of its or his trusts, powers, authorities and discretions under this 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 the Trust Deed or any such appointment (including all Liabilities incurred in disputing or defending the foregoing), except where such Liabilities arise from the Trustee's or Appointee's negligence, wilful default or fraud.

14.1.7 Payment of amounts due: All amounts due and payable pursuant to sub clauses 14.1.5 (Expenses) and 14.1.6 (Indemnity) shall be payable by the Issuer on the date specified in a demand by the Trustee; the rate of interest applicable to such payments shall be one per cent. per annum above the base rate from time to time of Barclays Bank PLC and interest shall accrue:

- (i) in the case of payments made by the Trustee prior to the date of the demand, from the date on which the payment was made or such later date as specified in such demand;
- (ii) in the case of payments made by the Trustee on or after the date of the demand, from the date specified in such demand, which date shall not be a date earlier than the date such payments are made.

All remuneration payable to the Trustee shall carry interest at the rate specified in this Clause 14.1.7 (Payment of amounts due) from the due date thereof.

14.1.8 Apportionment of expenses: The Trustee shall apportion the costs, charges, expenses and liabilities incurred by the Trustee in the preparation and execution of the trusts of this Trust Deed (including remuneration of the Trustee) between the several Series of Notes in such manner and in such amounts as it shall, in its absolute discretion, consider appropriate.

14.1.9 Discharges: Unless otherwise specifically stated in any discharge of this Trust Deed the provisions of this Clause 14.1 (Remuneration) shall continue in full force and effect notwithstanding such discharge.

14.1.10 Payments: All payments to be made by the Issuer to the Trustee under this Trust Deed shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Taxing Jurisdiction (as defined in Condition 11) or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, (subject to Condition 11) the Issuer shall pay such additional amount as will, after such deduction or withholding has been made, leave the Trustee with the full amount which would have been received by it had no such withholding or deduction been required.

14.2 Stamp duties

The Issuer, failing whom the Guarantors, will pay all stamp duties, registration and documentary taxes in the United Kingdom, Belgium, Luxembourg or the country of each Contractual Currency and other similar duties or taxes (if any), including interest and penalties, payable on or in connection with (a) the constitution and issue of the Notes and Coupons, (b) the creation and delivery of the Notes, (c) any action taken by the Trustee (or any Noteholder or Couponholder where permitted or required under this Trust Deed so to do) to enforce the provisions of the Notes or this Trust Deed and (d) the execution and delivery of this Trust Deed. If the Trustee (or any Noteholder, or Couponholder where permitted under this Trust Deed so to do) shall take any proceedings against the Issuer in any jurisdiction and if for the purpose of any such proceedings this Trust Deed or any Note is taken into any such jurisdiction and any stamp duties or other duties or taxes become payable thereon in any such jurisdiction, the Issuer will pay (or reimburse the person making payment of) such stamp duties or other duties or taxes (including penalties).

14.3 Exchange rate indemnity

- 14.3.1 Currency of Account and Payment:** the Contractual Currency is the sole currency of account and payment for all sums payable by the Issuer and the Guarantors under or in connection with this Trust Deed, the Notes and the Coupons including damages;
- 14.3.2 Extent of Discharge:** an amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer or any Guarantor or otherwise) by the Trustee or any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer or any Guarantor will only discharge the Issuer or any Guarantor to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so);
- 14.3.3 Currency Indemnity:** if that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Trust Deed or the Notes or the Coupons, the Issuer and the Guarantor will indemnify the Trustee or any Noteholder or Couponholder against any Liability sustained by it as a result. In any event, the Issuer (failing whom, the Guarantors) will indemnify the recipient against the cost of making any such purchase; and
- 14.3.4 Deficiency:** the amount of any deficiency arising or resulting from any variation in rates of exchange between (i) the date as of which the local currency equivalent of the amounts due or contingently due under this Trust Deed (other than this Clause) is calculated for the purposes of any bankruptcy, insolvency or liquidation of the Issuer or, as the case may be, any Guarantor and (ii) the final date for ascertaining the amount of claims in such bankruptcy, insolvency or liquidation 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.

14.4 Indemnities separate

The indemnities in this Clause 14 (Costs and Expenses) constitute separate and independent obligations from the other obligations in this Trust Deed, will give rise to separate and independent causes of action, will apply irrespective of any indulgence granted by the Trustee and/or any Noteholder or Couponholder and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed or the Notes, the Receipts or the Coupons or any other judgment or order. Any such Liability as referred to in sub-clause 14.3(c) (Deficiency) shall be deemed to constitute a Liability suffered by the Trustee, the Noteholders and the Couponholders and no proof or evidence of any actual Liability shall be required by the Issuer or any Guarantor or its liquidator or liquidators.

15 Appointment and Retirement

15.1 Appointment of Trustees

The power of appointing new trustees of this Trust Deed shall be vested in the Issuer but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution of the Noteholders. A Trust Corporation may be appointed sole trustee hereof but subject thereto there shall be at least two trustees hereof one at least of which shall be a Trust Corporation. Any appointment of a new trustee hereof shall as soon as practicable thereafter be notified by the Issuer to the Agents and the Noteholders. The Noteholders shall together have the power, exercisable by Extraordinary Resolution, to remove any trustee or trustees for the time being hereof. The removal of any trustee shall not become effective unless there remains a trustee hereof (being a Trust Corporation) in office after such removal. If, in such circumstances, no appointment of such a new trustee has become effective within 60 days of the date of such Extraordinary Resolution, the Trustee shall be entitled to appoint a Trust Corporation as trustee of this Trust Deed, but no such appointment shall take effect unless previously approved by an Extraordinary Resolution.

15.2 Co-trustees

Notwithstanding the provisions of Clause 15.1 (Appointment of Trustees), the Trustee may, upon giving prior written notice to the Issuer and the Guarantors but without the consent of the Issuer or the Guarantors or the Noteholders or the Couponholders, appoint any person established or resident in any jurisdiction (whether a Trust Corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Trustee:

15.2.1 if the Trustee considers such appointment to be in the interests of the Noteholders or the Couponholders; or for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts are to be performed; or

15.2.2 for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction either of a judgment already obtained or of this Trust Deed.

15.3 Attorneys

The Issuer and each Guarantor hereby irrevocably appoints the Trustee to be its attorney in its name and on its behalf to execute an instrument of appointment for the purposes of Clause 15.2. Such a person shall (subject always to the provisions of this Trust Deed) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Trustee by this Trust Deed) and such duties and obligations as shall be conferred on such person or imposed by the instrument of appointment. The Trustee shall have power in like manner to remove any such person. Such remuneration as the 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 Trust Deed be treated as Liabilities incurred by the Trustee.

15.4 Retirement of Trustees

Any Trustee for the time being of this Trust Deed may retire at any time upon giving not less than 60 days notice in writing to the Issuer without assigning any reason therefor and without being responsible for any Liabilities occasioned by such retirement. The retirement

of any Trustee shall not become effective unless there remains a trustee hereof (being a Trust Corporation) in office after such retirement. The Issuer hereby covenants that in the event of the only trustee hereof which is a Trust Corporation giving notice under this Clause it shall use its reasonable endeavours to procure a new trustee, being a Trust Corporation, to be appointed and if the Issuer has not procured the appointment of a new trustee within 30 days of the expiry of the Trustee notice referred to in this Clause 15.4, the Trustee shall be entitled to procure forthwith a new trustee.

15.5 Competence of a majority of Trustees

Whenever there shall be more than two trustees hereof the majority of such trustees shall (provided such majority includes a Trust Corporation) be competent to execute and exercise all the trusts, powers, authorities and discretions vested by this Trust Deed in the Trustee generally.

15.6 Powers additional

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

16 Notices

16.1 Addresses for notices

Any communication shall be by letter, fax or electronic communication:

16.1.1 Issuer: if to the Issuer, to it at:

National Express Group PLC
National Express House
Mill Lane
Digbeth
Birmingham B5 6DD

Email: kate.wall@nationalexpress.com
Attention: Kate Wall

16.1.2 Guarantors: if to the Guarantors, to them c/o the Issuer

16.1.3 Trustee: if to the Trustee, to it at:

BNY Mellon Corporate Trustee Services Limited
One Canada Square
London
E14 5AL

Fax: + 44 20 7964 2509
Attention: Trustee Administration Manager
Email: TRUSTEE.ADMIN@bnymellon.com

16.2 Effectiveness

Any communication from any party to any other under this Trust Deed shall be effective, (if by fax) when the relevant delivery receipt is received by the sender, (if in writing) when delivered and (if by electronic communication) 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; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) outside business hours or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any party under this Trust Deed which is to be sent by fax or electronic communication will be written legal evidence. No Notice to Couponholders.

Neither the Trustee nor the Issuer nor any Guarantor shall be required to give any notice to the Couponholders for any purpose under this Trust Deed and the Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with Condition 18.

17 Law and Jurisdiction

17.1 Governing law

This Trust Deed and the Notes, and any non-contractual obligations arising out of or in connection with this Trust Deed and the Notes, are governed by English law.

17.2 English courts

The courts of England have exclusive jurisdiction to settle any dispute (a “**Dispute**”), arising out of or in connection with this Trust Deed and the Notes, (including a dispute regarding the existence, validity or termination of this Trust Deed and the Notes or any non-contractual obligation arising out of or in connection with this Trust Deed and the Notes) and accordingly any legal action or proceedings arising out of or in connection with this Trust Deed and the Notes (“**Proceedings**”) may be brought in such courts. Each of the Issuer and the Guarantors irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

These submissions are made for the benefit of the Trustee and shall not affect the right of it to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

18 Severability

In case any provision in or obligation under this Trust Deed shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

19 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any provision of this Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

20 Counterparts

This Trust Deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original document and all counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart signature page of this Trust Deed by e-mail (PDF) shall be as effective as delivery of a manually executed counterpart of this Trust Deed. **In witness** whereof this Trust Deed has been executed as a deed by the parties hereto and is intended to be and is hereby delivered on the date first before written.

Schedule 1

Terms and Conditions of the Notes

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.

1. Introduction

(a) Programme:

National Express Group PLC (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to £1,000,000,000 in aggregate principal amount of notes (the "**Notes**") unconditionally and irrevocably guaranteed by West Midlands Travel Limited (the "**Guarantor**").

(b) Final Terms:

Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms (the "**Final Terms**") which completes these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

(c) Trust Deed:

The Notes are constituted by, have the benefit of and are in all respects subject to a trust deed dated 2 October 2015 (the "**Trust Deed**") between the Issuer, the Guarantor and BNY Mellon Corporate Trustee Services Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below).

(d) Agency Agreement:

The Notes are the subject of an issue and paying agency agreement dated 2 October 2015 (the "**Agency Agreement**") between the Issuer, the Guarantor, the Trustee, The Bank of New York Mellon 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 Notes) and the other agents appointed by the Issuer from time to time (together with the Principal Paying Agent, the "**Paying Agents**" which expression shall include any additional or successor paying agents).

(e) Guarantee:

The Guarantor has in the Trust Deed given an unconditional and irrevocable guarantee (a "**Guarantee**") for the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the Coupons, subject to the provisions of Condition 4 (*Status of the Notes and Guarantee*).

(f) The Notes:

All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for

viewing during normal business hours and copies may be obtained from the Specified Office(s) of the Paying Agent(s), the initial Specified Office of the Principal Paying Agent being set out at the end of these Conditions.

The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or a combination of any of the foregoing, depending upon the Interest Basis shown in the relevant Final Terms.

(g) Summaries:

Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and are subject to their detailed provisions. The holders of the Notes (the “**Noteholders**”), the holders of the related interest coupons (the “**Coupons**”), and, where applicable, talons for further coupons (the “**Talons**”) (the “**Couponholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. Copies of the Trust Deed and the Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Office(s) of the Paying Agent(s).

2. Interpretation

(a) Definitions:

In these Conditions the following expressions have the following meanings:

“**Accrual Yield**” has the meaning given in the relevant Final Terms;

“**Additional Business Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Financial Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Business Day**” means:

(a) 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 each (if any) Additional Business Centre; and

(b) 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 and in each (if any) Additional Business Centre;

“**Business Day Convention**”, in relation to any particular date, means the convention specified in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

“**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;

“**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

“**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

“Floating Rate Convention” means that the relevant date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment;

“No Adjustment” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“Calculation Agent” means the Principal Paying Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

“Calculation Amount” has the meaning given in the relevant Final Terms;

a **“Change of Control”** will be deemed to have occurred if:

- (a) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006) whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Issuer or any direct or indirect holding company of the Issuer, shall become interested (within the meaning of Part 22 of the Companies Act 2006) in (i) more than 50 per cent. of the issued or allotted ordinary share capital of the Issuer or (ii) shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Issuer; or
- (b) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006) whose shareholders are or are to be substantially similar to the pre-existing shareholders of any direct or indirect holding company of the Issuer, shall become interested (within the meaning of Part 22 of the Companies Act 2006) in (i) more than 50 per cent. of the issued or allotted ordinary share capital of any direct or indirect holding company of the Issuer or (ii) shares in the capital of any direct or indirect holding company of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of any such direct or indirect holding company of the Issuer;

“Change of Control Optional Redemption Amount” means, in respect of any Note, the amount as specified in the relevant Final Terms;

“Change of Control Optional Redemption Date” has the meaning stated in paragraph (c) of the definition of Change of Control Put Event Notice;

“Change of Control Period” means the period commencing on the date that is one business day in London prior to the Relevant Announcement Date and ending 90 days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 90 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration);

a **“Change of Control Put Event”** will be deemed to occur if while any of the Notes remain outstanding a Change of Control has occurred and on the Relevant Announcement Date, either:

- (a) the Notes are unrated or do not have an Investment Grade rating from at least one of the Rating Agencies; or

- (b) the Notes have an Investment Grade rating from at least one of the Rating Agencies and at any time during the Change of Control Period any such Rating Agency rates the Notes as Non-Investment Grade and such rating is not within the Change of Control Period restored to an Investment Grade rating by any such Rating Agency or replaced by an Investment Grade rating of another Rating Agency, or any such Rating Agency withdraws its rating of the Notes and the rating of such Rating Agency is not within the Change of Control Period restored by such Rating Agency or replaced by an Investment Grade rating of another Rating Agency and in each case such Rating Agency announces or publicly confirms or informs the Trustee in writing that the assignment of such Non-Investment Grade rating or withdrawal of rating was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control (whether or not the Change of Control shall have occurred at the time such rating is given or rating is withdrawn);

“Change of Control Put Event Notice” means the notice to be given pursuant to the Change of Control Put Option by the Issuer or, as the case may be, the Trustee to the Noteholders in accordance with Condition 18 (*Notices*) stating:

- (a) that a Change of Control Put Event has occurred and that each Noteholder is entitled to require the Issuer to redeem or purchase the Notes of such holder pursuant to the Change of Control Put Option;
- (b) the circumstances and relevant facts regarding such Change of Control Put Event;
- (c) the Change of Control Optional Redemption Amount and the redemption or purchase date (which shall be the date falling seven days after the expiry of the Change of Control Period (the **“Change of Control Optional Redemption Date”**)); and
- (d) the procedures for exercising the Change of Control Put Option;

“Change of Control Put Option Receipt” means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note pursuant to Condition 9(f) (*Change of control redemption*);

“Change of Control Put Period” means the period of 45 days after a Change of Control Put Event Notice is given;

“Coupon Sheet” means, in respect of a Note, a coupon sheet relating to the Note;

“Day Count Fraction” means, in respect of the calculation of an amount for any period of time (the **“Calculation Period”**), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (a) if **“Actual/Actual (ICMA)”** is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of: (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the

actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

- (b) if “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**” is so 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;

- (f) if “**30E/360**” or “**Eurobond Basis**” is so 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; and

- (g) if “**30E/360 (ISDA)**” is so 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,

PROVIDED, HOWEVER, THAT in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

“**Determination Date**” has the meaning given in the relevant Final Terms;

“**Determination Time**” has the meaning given in the relevant Final Terms;

“**Early Redemption Amount (Tax)**” means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

“Early Termination Amount” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“Exercise Notice” means a notice in the form obtainable from the Specified Office of any Paying Agent, which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder pursuant to Condition 9(f) (*Change of control redemption*);

“Extraordinary Resolution” has the meaning given in the Trust Deed;

“Final Redemption Amount” means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

“Financial Adviser” has the meaning has the meaning stated in Condition 9(c) (*Redemption at the option of the Issuer*);

“Financial Indebtedness” means in respect of any Person (without double-counting):

- (a) any indebtedness for or in respect of moneys borrowed;
- (b) any acceptance credit (including any dematerialised equivalent);
- (c) the principal amount of and any premium in relation to any bond, note, debenture, loan stock or other similar instrument for the payment of which such Person is responsible;
- (d) any redeemable preference share which can be redeemed on or before the maturity date of the relevant Notes outstanding under the Programme;
- (e) any agreement treated as a finance or capital lease in accordance with generally accepted accounting principles in England;
- (f) receivables sold or discounted (otherwise than on a non-recourse basis, and for these purposes recourse does not include claims for breach of contract in respect of warranties given as to the existence, quality or status of the relevant receivables at the time of sale);
- (g) the acquisition cost of any asset to the extent payable after its acquisition or possession by the party liable where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;
- (h) any other transaction (including any forward sale or purchase agreement) which has (primarily and not incidentally) the commercial effect of a borrowing;
- (i) any counter-indemnity obligation in respect of any guarantee, indemnity, bond, letter of credit or any other instrument issued by a bank or financial institution; or
- (j) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any item referred to in the above paragraphs;

“First Interest Payment Date” means the date specified in the relevant Final Terms;

“Fitch” means Fitch Ratings Ltd;

“Fixed Coupon Amount” has the meaning given in the relevant Final Terms;

“Fixed Rate Note” means a Note specified as such in the relevant Final Terms;

“Floating Rate Note” means a Note specified as such in the relevant Final Terms;

“Gross Redemption Yield” means a yield calculated in accordance with generally accepted market practice at such time, as advised to the Trustee by the Financial Adviser;

“Group” means the Issuer and its Subsidiaries for the time being;

“Guarantee” has the meaning stated in Condition 1(e) (*Guarantee*);

“Guarantor” has the meaning stated in Condition 1(a) (*Programme*);

“Indebtedness for Borrowed Money” means any indebtedness (whether being principal, premium or interest) for or in respect of any notes, bonds, debenture stock, loan stock or other securities or any indebtedness for borrowed money or any liability under or in respect of any acceptance or acceptance credit;

“Initial Step Up Event” means that the Notes have not been publicly assigned an Investment Grade credit rating by at least two of the Rating Agencies or have been publicly assigned a Non-Investment Grade rating by any Rating Agency as at the First Interest Payment Date;

“Interest Amount” means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

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

“Interest Determination Date” shall mean the date specified as such in the Final Terms or if none is so specified:

- (i) if the Reference Rate is the London interbank offered rate (“**LIBOR**”) (other than Sterling or Euro LIBOR), the second London business day prior to the start of each Interest Period;
- (ii) if the Reference Rate is Sterling LIBOR, the first day of each Interest Period; and
- (iii) if the Reference Rate is Euro LIBOR or the Euro-zone interbank offered rate (“**EURIBOR**”), the second day on which the TARGET2 System is open prior to the start of each Interest Period;

“Interest Payment Date” means the First Interest Payment Date and any date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms as the same may be adjusted in accordance with the relevant Business Day Convention;

“Interest Period” means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“Investment Grade” means a credit rating of BBB– by Fitch, Baa3 by Moody’s or BBB– by S&P, or equivalent, or higher;

“ISDA Definitions” means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

“Issue Date” has the meaning given in the relevant Final Terms;

“Issuer Maturity Par Call Redemption Date” has the meaning stated in Condition 9(c) (*Redemption at the option of the Issuer*);

“Margin” has the meaning given in the relevant Final Terms;

“Material Subsidiary” means, at any time, any Subsidiary of the Issuer whose gross assets or pre-tax profits (excluding intra-Group items) then equal or exceed 10 per cent. of the gross assets or pre-tax profits of the Group, but excluding any Subsidiary (an **“Excluded Subsidiary”**) that is a single-purpose company whose principal assets are constituted by one or more projects or contracts, none of whose Indebtedness for Borrowed Money is the subject of security, a guarantee or indemnity from the Issuer or any Material Subsidiary, and which the Issuer has designated as such for the time-being by written notice to the Trustee.

For this purpose:

- (a) the gross assets or pre-tax profits of a Subsidiary of the Issuer (excluding intra-Group items) will be determined from its financial statements (unconsolidated if it has Subsidiaries) upon which the latest audited financial statements of the Group have been based;
- (b) if a Subsidiary of the Issuer becomes a member of the Group after the date on which the latest audited financial statements of the Group have been prepared, the gross assets or pre-tax profits (excluding intra-Group items) of that Subsidiary will be determined from its latest financial statements;
- (c) the gross assets or pre-tax profits (excluding intra-Group items) of the Group will be determined from its latest audited financial statements, adjusted (where appropriate) to reflect the gross assets or pre-tax profits (excluding intra-Group items) of any company or business subsequently acquired or disposed of; and
- (d) if a Material Subsidiary disposes of all or substantially all of its assets to another Subsidiary of the Issuer, it will immediately cease to be a Material Subsidiary and the other Subsidiary (if it is not already) will immediately become a Material Subsidiary; the subsequent financial statements of those Subsidiaries and the Group will be used to determine whether those Subsidiaries are Material Subsidiaries or not.

If there is a dispute as to whether or not a member of the Group is a Material Subsidiary, a certificate of the auditors of the Issuer will be, in the absence of manifest error, conclusive;

“Maturity Date” has the meaning given in the relevant Final Terms;

“Maximum Redemption Amount” has the meaning given in the relevant Final Terms;

“Minimum Rating Requirement” means that the Notes have been publicly assigned an Investment Grade credit rating by at least two of the Rating Agencies and have not been publicly assigned a Non-Investment Grade rating by any Rating Agency as at any particular time except that any credit rating assigned and published by a Rating Agency on an unsolicited basis shall not be deemed to be “publicly assigned” for the purposes of this definition;

“Minimum Redemption Amount” has the meaning given in the relevant Final Terms;

“Moody’s” means Moody’s Investors Service Ltd.;

“Non-Investment Grade” means a credit rating of BB+ by Fitch, Ba1 by Moody’s or BB+ by S&P, or equivalent, or lower;

“Non-Recourse Debt” means any Financial Indebtedness incurred by a project company in connection with a project where the relevant project assets comprise all of the business of that project company and where the provider of the Financial Indebtedness has no recourse against any member of the Group or its assets except for recourse to:

- (a) the project assets;
- (b) the project company for the purpose of enforcing a Security Interest against it, so long as the recourse is limited to recoveries in respect of the project assets;
- (c) a member of the Group to the extent of its shareholding or other interest in the relevant project company;
- (d) a member of the Group under any form of assurance, undertaking or support, where:
 - (i) the recourse is limited to a claim for damages (not being liquidated damages or damages required to be calculated in a specified way) for breach of an obligation; and
 - (ii) the obligation is not in any way a guarantee, indemnity or other assurance against financial loss or an obligation to ensure compliance by another with a financial ratio or other test of financial condition.

For the purposes of this definition: “project” means any particular project of a member of the Group for the ownership, creation, development or exploitation of any of its assets; “project assets” means any assets used in connection with that project; and “project company” means the member of the Group which owns the project assets;

“Optional Redemption Amount (Call)” means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

“Optional Redemption Amount (Put)” means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

“Optional Redemption Amount (Make Whole Call)” has the meaning stated in Condition 9(c) (*Redemption at the option of the Issuer*);

“Optional Redemption Date (Call)” has the meaning given in the relevant Final Terms;

“Optional Redemption Date (Put)” has the meaning given in the relevant Final Terms;

“Participating Member State” means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

“Paying Agents” has the meaning stated in Condition 1(d) (*Agency Agreement*) and a “Paying Agent” means any of them;

“Payment Business Day” means:

- (a) if the currency of payment is euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for payment of bearer debt securities and for dealings in foreign currencies; and

- (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

“Permitted Security” means:

- (a) any Security Interest existing at 19 November 2012;
- (b) any Security Interest over project assets or a project company securing Non-Recourse Debt;
- (c) any Security Interest comprising a netting or set-off arrangement entered into by a member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (d) any lien arising by operation of law and in the ordinary course of trading;
- (e) any Security Interest on an asset, or an asset of any person, acquired by a member of the Group after 19 November 2012 provided that the principal amount secured by that Security Interest has not been incurred or increased in contemplation of, or since, the acquisition;
- (f) Security Interests granted pursuant to the requirements of the Strategic Rail Authority and/or the Railways Act 1993 including those granted in connection with season ticket bonds;
- (g) any Security Interest arising as a result of the cash collateralisation of season ticket bonds but only up to a maximum aggregate amount of £100,000,000 or its equivalent at any time;
- (h) Security Interests over cash deposited by members of the Group with the issuing bank to cash collateralise the counter-indemnity obligations of members of the Group in respect of performance or other similar bonds issued by banks on behalf of members of the Group;
- (i) any Security Interest over goods and products or over the documents of title or insurance policies relating to such goods and products, arising in the ordinary course of trading in connection with letters of credit and similar transactions, provided such Security Interest secures only so much of the acquisition cost or selling price (and amounts incidental thereto) of these goods and products which is required to be paid within six months after the date upon which the same was first incurred;
- (j) set-off rights on market standard terms contained in any hedging agreement;
- (k) set-off rights in the ordinary course of trading;
- (l) any Security Interest created in substitution for any of the above Security Interests but only:

- (i) if the Security Interest is over the same asset;
 - (ii) if the principal amount secured does not exceed the principal amount secured by the Security Interest which it replaced; and
 - (iii) if the Security Interest which is replaced was only permitted to be outstanding for a certain period of time, to the extent the new Security Interest is not outstanding beyond a date which is after the date until which the original Security Interest was permitted to subsist; and
- (m) any Security Interest securing Financial Indebtedness the amount of which (when aggregated with the amount of any other Financial Indebtedness which has the benefit of a Security Interest not allowed under the preceding subparagraphs) does not exceed £25,000,000 or its equivalent at any time;

“Person” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“Principal Financial Centre” means, in relation to any currency, the principal financial centre for that currency;

“Put Option Notice” means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder pursuant to Condition 9(e) (*Redemption at the option of Noteholders*);

“Put Option Receipt” means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

“Rate of Interest” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

“Rating Agency” means each of Fitch, Moody’s and S&P or any of their respective successors or any Substitute Rating Agency;

“Redemption Amount” means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Make Whole Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

“Reference Banks” means in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank, in each case, as selected by the Calculation Agent;

“Reference Price” has the meaning given in the relevant Final Terms;

“Reference Rate” shall mean LIBOR or EURIBOR in each case for the relevant period, as specified in the relevant Final Terms;

“Reference Stock” has the meaning given in the relevant Final Terms;

“Regular Period” means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“**Relevant Announcement Date**” means the date that is the earlier of (a) the date of the first public announcement of the relevant Change of Control and (b) the date of the earliest Relevant Potential Change of Control Announcement (if any);

“**Relevant Date**” means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Principal Paying Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

“**Relevant Financial Centre**” shall mean London, in the case of a determination of LIBOR and Brussels, in the case of a determination of EURIBOR;

“**Relevant Period**” means:

- (a) each financial year of the Issuer; and
- (b) each period beginning on the first day of the second half of a financial year of the Issuer and ending on the last day of the first half of its next financial year;

“**Relevant Potential Change of Control Announcement**” means any public announcement or statement by or on behalf of the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs;

“**Relevant Screen Page**” means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“**Relevant Time**” shall mean in the case of LIBOR, 11.00 a.m. and in the case of EURIBOR, 11.00 a.m. in each case in the Relevant Financial Centre ;

“**Reserved Matter**” means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect

of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity;

- (b) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed (other than as permitted under Clause 7.3 of the Trust Deed);
- (c) to change the currency in which amounts due in respect of the Notes are payable;
- (d) to change the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution; or
- (e) to amend this definition;

“S&P” means Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies Inc.;

“Security” means a mortgage, charge, pledge, lien (other than a lien arising by operation of law), assignment, hypothecation, security interest or other charge or encumbrance entered into for the purpose of securing any obligation of any person;

“Security Interest” means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect;

“Specified Currency” has the meaning given in the relevant Final Terms;

“Specified Denomination(s)” has the meaning given in the relevant Final Terms;

“Specified Office” has the meaning given in the Agency Agreement;

“Sterling Make Whole Call Option” has the meaning given in the relevant Final Terms;

“Sterling Make Whole Optional Redemption Date” has the meaning given in the relevant Final Terms;

“Step Down Rating Change” means the reinstatement of the Minimum Rating Requirement following the occurrence of a Step Up Rating Change or an Initial Step Up Event;

“Step Up Rating Change” means (i) an Initial Step Up Event or (ii) a failure to meet the Minimum Rating Requirement at any time after the First Interest Payment Date;

“Step Up Margin” means a rate of 1.25 per cent. per annum.;

“Subsidiary” means any company where the Issuer:

- (a) holds a majority of the voting rights in the company or
- (b) is a member of the company and has the right to appoint or remove a majority of its board of directors, or
- (c) is a member of the company and controls alone, pursuant to an agreement with other members, a majority of the voting rights in it,

or if the company is a Subsidiary of a company that is itself a Subsidiary of the Issuer;

“**Substitute Rating Agency**” means any international recognised securities rating agency or agencies substituted for a Rating Agency by the Issuer from time to time with the prior written approval of the Trustee, such approval not to be unreasonably withheld or delayed;

“**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

“**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euro;

“**Treaty**” means the Treaty establishing the European Communities, as amended; and

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms.

(b) Interpretation:

In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 11 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 11 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being “outstanding” shall be construed in accordance with the Trust Deed;
- (vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes; and
- (viii) any reference to the Agency Agreement or the Trust Deed shall be construed as a reference to the Agency Agreement or the Trust Deed, as the case may be, as amended, supplemented and/or restated from time to time up to and including the Issue Date of the Notes.

3. Form, Denomination and Title

The Notes are in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Notes with more than one Specified Denomination, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination.

Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Title to the Notes, Coupons and Talons will pass by delivery. The holder of any Note, Coupon or Talon shall (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 other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No person shall have any right to enforce any term or condition of any Note or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

4. Status of the Notes and Guarantee

(a) Status of the Notes:

The Notes and Coupons constitute direct, unconditional and (subject to the provisions of Condition 5 (*Negative Pledge*)) unsecured obligations of the Issuer which will rank *pari passu* among themselves and (subject as aforesaid) at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(b) Status of the Guarantee:

The payment obligations of the Guarantor constitute direct, unconditional and (subject to the provisions of Condition 5 (*Negative Pledge*)) unsecured obligations of the Guarantor and (subject as provided above) will rank *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(c) Release of a Guarantor:

The Issuer may by written notice to the Trustee signed by two Directors of the Issuer request that a Guarantor cease to be a guarantor in respect of any Tranche of Notes if a Guarantor is no longer providing a guarantee in respect of any Indebtedness for Borrowed Money of the Issuer. Upon the Trustee's receipt of such notice (receipt of such notice to be confirmed to the Issuer by the Trustee as soon as possible), a Guarantor shall irrevocably be released and relieved of any obligation under the Guarantee of these Notes. Such notice must also contain the following certifications:

- (i) no Event of Default is continuing or will result from the release of a Guarantor;
- (ii) no sums advanced pursuant to any Indebtedness for Borrowed Money in respect of which a Guarantor is or was providing a guarantee is at that time due and payable but unpaid; and
- (iii) a Guarantor is not (or will cease to be simultaneously with such release) providing a guarantee in respect of any other Indebtedness for Borrowed Money of the Issuer.

If a Guarantor provides a Guarantee in respect of any other Indebtedness for Borrowed Money of the Issuer at any time subsequent to the date on which it is released from the Guarantee of these Notes as described above, such Guarantor will be required to provide a guarantee as described in paragraph (d) below.

(d) Additional Guarantors:

If at any time after the Issue Date, any subsidiary of the Issuer, direct or indirect holding company of the Issuer (a "Holdco") or any subsidiary of a Holdco (each, a "Guarantee

Entity) provides or at the time it becomes a subsidiary is providing a guarantee in respect of any Indebtedness for Borrowed Money of the Issuer, the Issuer has covenanted in the Trust Deed that it shall procure that such Guarantee Entity shall at or prior to the date of the giving of such guarantee or at the time it so becomes a Guarantee Entity and is providing such a guarantee execute and deliver a supplemental trust deed to the Trustee, such supplemental trust deed to be in a form and with substance reasonably satisfactory to the Trustee, and accompanied by such opinion(s) as the Trustee shall require pursuant to which such Guarantee Entity shall guarantee the obligations of the Issuer in respect of the outstanding Notes, the Coupons and the Trust Deed on terms mutatis mutandis as the Guarantee including, but not limited to, such guarantee being joint and several (if there is more than one Guarantor). Each other Guarantor (an **“Existing Guarantor”**) has in the Trust Deed confirmed that it has consented to any such entity becoming a Guarantor as aforesaid without any need for such Existing Guarantor to execute any supplemental trust deed.

(e) Change of Guarantors:

Notice of any release of a Guarantor or addition of a Guarantor pursuant to this provision will be given to the Noteholders in accordance with Condition 18 (*Notices*). Following the release of a Guarantor pursuant to Condition 4(c) (*Release of a Guarantor*) or the addition of a Guarantee Entity pursuant to Condition 4(d) (*Additional Guarantors*), the terms **“Guarantor”** and **“Guarantee”** shall be construed accordingly.

5. Negative Pledge

So long as any of the Notes or Coupons remains outstanding (as defined in the Trust Deed), each of the Issuer and the Guarantor shall not, and the Issuer shall procure that no other Material Subsidiary shall, create, assume or permit to subsist, as security for any Financial Indebtedness, any Security other than any Permitted Security upon the whole or any part of its present or future revenues or assets unless, in any such case, the Issuer and/or the Guarantor and/or the other Material Subsidiary, as the case may be, shall simultaneously with, or prior to, the creation or assumption of such Security and, in any other case, promptly, take any and all action necessary to procure that all amounts payable in respect of the Notes and Coupons by the Issuer and by the Guarantor in respect of the Guarantee of the Notes, are secured equally and rateably with the Financial Indebtedness secured by such Security to the satisfaction of the Trustee or that such other Security is provided or such other arrangement (whether or not including the giving of Security) is made as the Trustee shall, in its absolute discretion, deem not materially less beneficial to the interests of the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

6. Fixed Rate Note Provisions

(a) Application:

This Condition 6 is applicable to the Notes only if the Fixed Rate Note provisions are specified in the relevant Final Terms as being applicable.

(b) Accrual of interest:

The Notes bear interest at their principal amount from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (after as well as before any judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it

has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) Fixed Coupon Amount:

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(d) Calculation of Interest Amount:

The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

7. Floating Rate Note Provisions

(a) Application:

This Condition 7 is applicable to the Notes only if the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable.

(b) Accrual of interest:

The Notes bear interest at their principal amount from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) Screen Rate Determination:

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

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

(expressed as a percentage rate per annum), for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at the Relevant Time on the Interest Determination Date in question plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more offered quotations are available on the Relevant Screen Page, the highest (or, if there is

more than one highest quotation, one only of those quotations) and the lowest (or, if there is more than one lowest quotation, one only of those quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of the offered quotations.

If the Relevant Screen Page is not available or if, in the case of (i) above, no offered quotation appears or, in the case of (ii) above, fewer than three offered quotations appear, in each case as at the Relevant Time, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Relevant Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for the purpose) inform the Calculation Agent it is/they are quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(d) ISDA Determination:

If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes 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 Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;

- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is a date specified in the relevant Final Terms.

(e) *Linear Interpolation:*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent (or if the Principal Paying Agent is not the Calculation Agent, the Calculation Agent specified in the applicable Final Terms) by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Applicable Maturity (as defined below) were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period, provided however, that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent (or if the Principal Paying Agent is not the Calculation Agent, the Calculation Agent specified in the applicable Final Terms) shall determine such rate at such time and by reference to such sources as it determines appropriate.

“Applicable Maturity” means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(f) *Maximum or Minimum Rate of Interest:*

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified. Unless otherwise stated in the relevant Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(g) *Calculation of Interest Amount:*

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a **“sub-unit”** means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

(h) *Calculation of other amounts:*

If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.

(i) Publication:

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent 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 Note having the minimum Specified Denomination.

(j) Notifications etc.:

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Trustee, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(k) Determination or Calculation by Trustee:

If the Calculation Agent fails at any time to determine a Rate of Interest or to calculate an Interest Amount, the Trustee (or a person appointed by the Trustee for the purpose) will determine such Rate of Interest and make such determination or calculation which shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee (or a person appointed by the Trustee for the purpose) shall apply all of the provisions of these Conditions with any necessary consequential amendments to the extent that, in its sole opinion and with absolute discretion, it can do so and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and will not be liable for any loss, liability, cost, charge or expense which may arise as a result thereof. Any such determination or calculation made by the Trustee shall be binding on the Issuer, the Guarantor, the Noteholders and the Couponholders.

8. Zero Coupon Note Provisions

(a) Application:

This Condition 8 is applicable to the Notes only if the Zero Coupon Note provisions are specified in the relevant Final Terms as being applicable.

(b) Late payment on Zero Coupon Notes:

If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter 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 on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day

on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or, as the case may be, the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. Redemption and Purchase

(a) *Scheduled redemption:*

Unless previously redeemed, or purchased and cancelled in accordance with Condition 9(j) (*Cancellation*), the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 10 (*Payments*).

(b) *Redemption for tax reasons:*

The Notes may be redeemed at the option of the Issuer in whole, but not in part:

- (i) at any time (if the Floating Rate Note provisions are specified in the relevant Final Terms as being not applicable); or
- (ii) on any Interest Payment Date (if the Floating Rate Note provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 18 (*Notices*) (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if the Issuer satisfies the Trustee immediately prior to the giving of such notice that:

- (A) on the occasion of the next payment due under the Notes the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 11 (*Taxation*), or the Guarantor would be unable (or unable without incurring a material tax expense) for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay additional amounts as provided or referred to in Condition 11 (*Taxation*), in each case as a result of any change in, or amendment to, the tax laws or regulations of a Tax Jurisdiction (as defined in Condition 11(b) (*Taxing Jurisdiction*)), or any change in the published application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective (a) on or after the date on which agreement is reached to issue the first Tranche of a Series of the Notes or (b) in the case of any Subsidiary which becomes a Guarantor after the Issue Date of a relevant Tranche of Notes, the first day after such Subsidiary becomes a Guarantor pursuant to Condition 4(d) (*Additional Guarantors*); and
- (B) such obligation cannot be avoided by the Issuer and/or the Guarantor, as the case may be, taking reasonable measures available to it or them, as the case may be,

PROVIDED, HOWEVER, THAT no such notice of redemption shall be given earlier than:

- (I) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer and/or the Guarantor, as the

case may be, would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or

- (II) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer and/or the Guarantor, as the case may be, would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee (i) if the Trustee so requests, an opinion of independent legal advisers of recognised standing to the effect that the Issuer and/or the Guarantor, as the case may be, has or will become obliged to pay such additional amounts as a result of such change or amendment and (ii) a certificate signed by two authorised officers of the Issuer and/or the Guarantor, as the case may be, stating that the obligation referred to in (A) above cannot be avoided by the Issuer and/or the Guarantor, as the case may be, taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in (B) above in which event it shall be conclusive and binding on the Noteholders and Couponholders.

(c) Redemption at the option of the Issuer:

The Notes may be redeemed at the option of the Issuer:

- (i) in whole or, if so specified in the relevant Final Terms, in part if Call Option is specified in the relevant Final Terms as being applicable, on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice (or such other notice period as may be specified in the relevant Final Terms) to the Noteholders and the Trustee (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).
- (ii) in whole or, if so specified in the relevant Final Terms, in part if Sterling Make Whole Call Option is specified in the relevant Final Terms as being applicable, on giving not less than 30 nor more than 60 days' notice (or such other notice period as may be specified in the relevant Final Terms) to the Noteholders and the Trustee (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes on the Sterling Make Whole Optional Redemption Date at a redemption price per Note equal to the higher of the following (the "**Optional Redemption Amount (Make Whole Call)**"), in each case plus accrued interest (if any) to the Sterling Make Whole Optional Redemption Date):
 - (A) the nominal amount of the Note; and

- (B) the nominal amount of the Note multiplied by the price (as reported in writing to the Issuer and the Trustee by a financial adviser (the “**Financial Adviser**”) appointed by the Issuer and approved by the Trustee) expressed as a percentage (rounded to four decimal places, 0.00005 being rounded upwards) at which the Gross Redemption Yield on the Notes on the Determination Date is equal to the Gross Redemption Yield at the Determination Time specified in the relevant Final Terms on the Determination Date specified in the relevant Final Terms of the Reference Stock specified in the relevant Final Terms (or, where the Financial Adviser advises the Issuer that, for reasons of illiquidity or otherwise, such Reference Stock is not appropriate for such purpose, such other government stock as such Financial Adviser may recommend) plus any applicable Margin specified in the relevant Final Terms.
- (iii) in whole or, if so specified in the relevant Final Terms, in part if Issuer Maturity Par Call Option is specified in the relevant Final Terms as being applicable, on giving not less than 30 nor more than 60 days’ notice (or such other period of notice as is specified in the relevant Final Terms as being applicable) to the Noteholders and the Trustee (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes on the Issuer Maturity Par Call Redemption Date, which date shall be at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date (the “**Issuer Maturity Par Call Redemption Date**”) at the Final Redemption Amount plus accrued interest (if any) to the Issuer Maturity Par Call Redemption Date.

(d) Partial redemption:

If the Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place and in such manner as the Trustee approves, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 9(c) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

(e) Redemption at the option of Noteholders:

If Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to (but excluding) such date. In order to exercise the option contained in this Condition 9(e), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other notice period as may be specified in the relevant Final Terms), deposit with any Paying Agent such Note together with all unmatured Coupons and unexchanged Talons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which such Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 9(e), may be withdrawn; **PROVIDED, HOWEVER, THAT** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the

relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 9(e), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

(f) Change of control redemption:

If "Change of Control Put Option" is specified in the relevant Final Terms to be applicable and a Change of Control Put Event occurs, the holder of each Note will have the option (unless prior to the giving of the relevant Change of Control Put Event Notice the Issuer has given notice of redemption under Condition 9(b) (*Redemption for tax reasons*) or Condition 9(c) (*Redemption at the option of the Issuer*), if applicable) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Change of Control Optional Redemption Date at its Change of Control Optional Redemption Amount together with interest accrued to (but excluding) the Change of Control Optional Redemption Date (the "**Change of Control Put Option**").

As soon as practicable upon, and in any event within 30 days after, the Issuer becoming aware that a Change of Control Put Event has occurred the Issuer shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders, shall, (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) give the Change of Control Put Event Notice to the Noteholders.

To exercise the Change of Control Put Option in respect of a Note, the holder of the Note must deliver such Note to the Specified Office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the Change of Control Put Period, accompanied by a duly signed and completed Exercise Notice in which the holder may specify a bank account (in the currency of the Note) to which payment is to be made under this Condition 9(f). If the relevant Final Terms specifies that Fixed Rate Note provisions are applicable, the Note should be delivered together with all Coupons and unexchanged Talons appertaining thereto maturing after the Change of Control Optional Redemption Date, failing which Condition 10(e) (*Deductions for unmatured Coupons and unexchanged Talons*) shall apply. The Paying Agent with which such Note is so deposited shall deliver a duly completed Change of Control Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Exercise Notice in accordance with this Condition 9(f), may be withdrawn; **PROVIDED, HOWEVER, THAT** if, prior to the relevant Change of Control Optional Redemption Date, any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Change of Control Optional Redemption Date, payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Exercise Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Change of Control Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 9(f), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Exercise Notice to which payment is to be made, on the Change of Control Optional Redemption Date by transfer to that bank account and, in every other case, on or after the Change of Control Optional Redemption Date against presentation and surrender or (as the case may be) endorsement of such receipt at the Specified Office of any Paying Agent. For the purposes of the Conditions, Change of Control Put Option Receipts issued pursuant to this Condition 9(f) shall be treated as if they were Notes. The Issuer shall redeem or purchase (or procure the purchase of) the Notes in respect of which the Change of Control Put Option has been validly exercised in accordance with the

provisions of this Condition 9(f) on the Change of Control Optional Redemption Date unless previously redeemed (or purchased) and cancelled.

If 80 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 9(f), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (such notice being given within 30 days after the Change of Control Optional Redemption Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at the Change of Control Optional Redemption Amount, together with interest accrued to (but excluding) the date fixed for such redemption or purchase.

If the rating designations employed by any Rating Agency are changed from those which are described in paragraph (a) or (b) of the definition of "Change of Control Put Event", "Non-Investment Grade Rating" or "Investment Grade Rating", or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine, with the agreement of the Trustee, the rating designations of such Rating Agency or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of the relevant Rating Agency, and this Condition 9(f) shall be construed accordingly.

The Trustee is under no obligation to ascertain whether a Change of Control Put Event or Change of Control or any event which could lead to the occurrence of or could constitute a Change of Control Put Event or Change of Control has occurred, and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or Change of Control or other such event has occurred.

(g) No other redemption:

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 9(a) (*Scheduled redemption*) to 9(f) (*Change of control redemption*) above.

(h) Early redemption of Zero Coupon Notes:

Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note 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 Note 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 9(h) or, if none is so specified, a Day Count Fraction of 30E/360.

(i) Purchase:

The Issuer, the Guarantor or any Subsidiary may at any time purchase Notes in the open market or otherwise and at any price, and in any manner **PROVIDED THAT** all unmatured Coupons and unexchanged Talons appertaining thereto are purchased therewith. Such Notes may be held, reissued, resold or, at the option of the Issuer, the Guarantor or Subsidiary, as the case may be, surrendered to the Principal Paying Agent for cancellation.

(j) **Cancellation:**

All Notes redeemed by the Issuer will be cancelled or held for cancellation and may not be reissued or resold. Notes purchased by the Issuer, the Guarantor or any Subsidiary and any unmatured Coupons and unexchanged Talons attached to or surrendered with them may, at the option of the Issuer, the Guarantor or the Subsidiary, as the case may be, be cancelled or may be held, reissued or resold.

10. **Payments**

(a) **Principal:**

Payments of principal shall be made only against presentation and (**PROVIDED THAT** payment is made in full) surrender of Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.

(b) **Interest:**

Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**PROVIDED THAT** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.

(c) **Payments in New York City:**

Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City only if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law, without involving, in the reasonable opinion of the Issuer, adverse tax consequences to the Issuer.

(d) **Payments subject to fiscal laws:**

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) **Deductions for unmatured Coupons and unexchanged Talons:**

If the relevant Final Terms specifies that the Fixed Rate Note provisions are applicable and a Note is presented without all unmatured Coupons relating thereto:

- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **PROVIDED, HOWEVER, THAT** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the “**Relevant Coupons**”) being equal to the amount of principal due for payment; **PROVIDED, HOWEVER, THAT** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **PROVIDED, HOWEVER, THAT**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (i) above against presentation and (**PROVIDED THAT** payment is made in full) surrender of the relevant missing Coupons.

(f) *Unmatured Coupons void:*

If the relevant Final Terms specifies that the Floating Rate Note provisions are applicable, on the due date for final redemption of any Note or early redemption of such Note pursuant to Condition 9(b) (*Redemption for tax reasons*), Condition 9(e) (*Redemption at the option of Noteholders*), Condition 9(f) (*Change of control redemption*), Condition 9(c) (*Redemption at the option of the Issuer*) or Condition 12 (*Events of Default*), all unmaturing Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(g) *Payments on business days:*

If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) *Payments other than in respect of matured Coupons:*

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).

(i) *Partial payments:*

If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

(k) *Exchange of Talons:*

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Principal Paying Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in

respect of which claims have already become void pursuant to Condition 13 (*Prescription*). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

11. Taxation

(a) *Gross up:*

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or the Guarantor shall be made free and clear of, and without withholding or deduction 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 or on behalf of a Tax Jurisdiction (as defined in Condition 11(b) (*Taxing Jurisdiction*)), unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer or, as the case may be, the Guarantor, shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

- (i) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the Tax Jurisdiction (as defined in Condition 11(b) (*Taxing Jurisdiction*)) by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
- (ii) where such withholding or deduction is imposed on a payment to or for an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law of the EU or a non-Member State implementing or complying with, or introduced in order to conform to, such Directive; or
- (iii) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent (if any) in a Member State of the European Union; or
- (iv) more than 30 days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days.

Notwithstanding any other provision of the Terms and Conditions, any amounts to be paid on the Notes and the Coupons by or on behalf of the Issuer or the Guarantor, will be paid net of any deduction or withholding imposed or 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 (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) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

(b) Taxing Jurisdiction:

As used herein, Tax Jurisdiction means the United Kingdom and any political subdivision and any authority therein or thereof having the power to tax, and/or any other jurisdiction (and in each case any political subdivision and any authority therein or thereof having the power to tax) in which the Issuer and/or the Guarantor is incorporated, organised, or otherwise resident for tax purposes.

12. Events of Default

If any of the following events occurs and is continuing:

(a) Non-payment:

the Issuer or the Guarantor fails to pay any amount of principal or interest in respect of the Notes within seven days of the due date for payment thereof; or

(b) Breach of other obligations:

the Issuer or the Guarantor does not perform or comply in all material respects with any one or more of their other obligations under or in respect of the Notes or the Trust Deed (other than any obligation for the payment of principal or interest in respect of the Notes) and (except in any case where, in the opinion of the Trustee, such failure is incapable of remedy in which case no continuation or notice as is hereinafter provided will be required) such failure to comply continues unremedied for 30 days (or such longer period as the Trustee may permit) after written notice thereof requiring such default to be remedied has been delivered by the Trustee to the Issuer or the Guarantor, as the case may be; or

(c) Cross Default:

- (i) any other present or future Indebtedness for Borrowed Money (other than Non-Recourse Debt) of the Issuer, the Guarantor or a Material Subsidiary becomes due and repayable prior to its stated maturity by reason of any actual or potential event of default or the like (however described);
- (ii) the Issuer or the Guarantor or a Material Subsidiary fails to make any payment in respect of any Indebtedness for Borrowed Money (other than Non-Recourse Debt) on the due date for payment or, as the case may be, within any applicable grace period as originally provided; or
- (iii) default is made by the Issuer or the Guarantor or a Material Subsidiary in making any payment due under any present or future guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money (other than Non-Recourse Debt) of any other person on the due date for payment or, as the case may be, within any applicable grace period as originally provided;

provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 12(c) have occurred equals or exceeds (without duplication) £25,000,000 or its equivalent in any other currency (as reasonably determined by the Trustee); or

(d) Security enforced:

any Security, present or future, created or assumed by the Issuer, the Guarantor or a Material Subsidiary becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person) unless such step taken to enforce such Security is discharged within 60 days of such step being taken and provided that the

aggregate amount of such Security being enforced equals or exceeds (without duplication) £25,000,000 or its equivalent in any other currency; or

(e) Creditor's process:

any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Issuer, the Guarantor or a Material Subsidiary and is not discharged within 30 days; or

(f) Insolvency etc.:

(i) the Issuer, the Guarantor or any Material Subsidiary is (or is, or could be deemed by law or a court to be) insolvent or bankrupt or is unable to pay its debts (within the meaning of Section 123(1)(e) and (2) of the Insolvency Act 1986) as they fall due, or stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts;

(ii) an administrative receiver, receiver, administrator, manager or other similar person is appointed in respect of the Issuer, the Guarantor or any Material Subsidiary or in respect of all or substantially all of the undertaking, assets and revenues of the Issuer, the Guarantor or such Material Subsidiary (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent on terms previously approved in writing by the Trustee or by an Extraordinary Resolution); or

(iii) the Issuer, the Guarantor or any Material Subsidiary proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally or declares a moratorium in respect of any of its Indebtedness for Borrowed Money; or

(iv) a person presents a petition for the winding up, liquidation, dissolution, administration or suspension of payments of the Issuer, the Guarantor or any Material Subsidiary and such petition is not discharged within 60 days; or

(g) Winding up etc.:

a final order is made or an effective resolution is passed for the winding up, liquidation, administration or dissolution of the Issuer, the Guarantor or any Material Subsidiary and where possible, not discharged or stayed within a period of 60 days (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring neither involving nor arising out of the insolvency of the Issuer or, as the case may be, the Guarantor or Material Subsidiary on terms previously approved in writing by the Trustee or by an Extraordinary Resolution or for a voluntary solvent winding-up of a Material Subsidiary where surplus assets are available for distribution and are distributed to the Issuer, the Guarantor and/or a Material Subsidiary); or

(h) Cessation of business etc.:

the Issuer, the Guarantor or any Material Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring neither involving nor arising out of the insolvency of the Issuer or, as the case may be, the Guarantor or Material Subsidiary on terms previously approved in writing by the Trustee or by an Extraordinary Resolution or in the case of a Material Subsidiary, where assets of that Material Subsidiary are distributed to the Issuer, the Guarantor or any Subsidiary of the Issuer which as a result of the distribution of such assets becomes a Material Subsidiary); or

(i) Illegality:

it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of its obligations under any of the Notes or the Trust Deed; or

(j) Analogous Events:

any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs; or

(k) Guarantee etc.:

the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect (other than in accordance with Condition 4(c) (*Release of the Guarantor*)),

then the Trustee may at its discretion and shall, if so requested in writing by the holders of at least one fourth of the aggregate principal amount of the outstanding Notes, or if so directed by an Extraordinary Resolution (subject to the Trustee having been indemnified and/or secured and/or prefunded to its satisfaction, and, in the case of the happening of any of the events described in sub-paragraphs (b), (e), (h) and (j) (provided that for the purpose of this Trustee certification only, the analogous events referred to in sub-paragraph (j) relate only to the events described in sub-paragraphs (b), (e) and (h) above), only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders) by written notice addressed and delivered to the Issuer, declare the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Termination Amount together with accrued interest (if any) without further action or formality. Notice of any such declaration shall promptly be given to the Noteholders.

13. Prescription

Claims against the Issuer and/or the Guarantor for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims against the Issuer and/or the Guarantor for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

14. Replacement of Notes, Coupons and Talons

If any Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, a Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, 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 and the Guarantor may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

15. Trustee and Agents

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from any obligation to take proceedings to enforce repayment unless indemnified and/or secured and/or prefunded to its satisfaction and to be paid its costs and expenses in priority to the claims of Noteholders. The Trust Deed also contains provisions pursuant to which the Trustee is entitled, inter alia, (i) to enter into business transactions with the Issuer, the Guarantor and/or any of its Subsidiaries and/or any related entity thereof and to act as trustee for the holders of any other securities issued or guaranteed by or relating to the Issuer, the Guarantor or any of its Subsidiaries, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or,

as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

In the exercise of its powers and discretions under these Conditions and/or the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequences for individual holders of Notes, Coupons or Talons as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Agency Agreement and in connection with the Notes and the Coupons and Talons, the Paying Agents and the Calculation Agent (if any) act solely as agents of the Issuer or, following the occurrence of an Event of Default, the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The Principal Paying Agent and its initial Specified Office is set out below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time, with the prior written consent of the Trustee, to vary or terminate the appointment of any Paying Agent or Calculation Agent and to appoint a successor principal paying agent or calculation agent and additional or successor paying agents;

PROVIDED, HOWEVER, THAT:

- (a) the Issuer shall at all times maintain a Principal Paying Agent; and
- (b) the Issuer shall at all times maintain a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000; and
- (c) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (d) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any appointment of, or change in, any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

16. Meetings of Noteholders; Modification and Waiver

(a) Meetings of Noteholders:

The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **PROVIDED, HOWEVER, THAT** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than one quarter of the aggregate principal amount of the outstanding Notes

form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of at least 90 per cent. of the Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the 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 Noteholders.

(b) Modification and waiver:

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of these Conditions or the Trust Deed (other than in respect of a Reserved Matter) which is, in the opinion of the Trustee, proper to make if, in the opinion of the Trustee, such modification will not be materially prejudicial to the interests of Noteholders, (ii) any modification of these Conditions and the Notes or the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or to correct an error which, in the opinion of the Trustee, is proven, and (iii) any waiver or authorisation of any breach or proposed breach, of any of the provisions of these Conditions or the Trust Deed (other than a proposed breach or breach relating to the subject of a Reserved Matter) that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification, authorisation or waiver shall be notified to the Noteholders as soon as practicable in accordance with Condition 18 (*Notices*).

(c) Substitution:

The Trust Deed contains provisions under which any Subsidiary of the Issuer or its successor in business or the Guarantor or its successor in business may, without the consent of the Noteholders or Couponholders, assume the obligations of the Issuer (or of any previous substitute under this Condition 16(c)) as principal debtor under the Trust Deed and the Notes. If the Issuer shall determine that any Subsidiary of the Issuer or its successor in business or the Guarantor or its successor in business shall become the principal debtor (in such capacity, the "**Substituted Debtor**"), the Issuer shall give not less than 30 nor more than 45 days' notice, in accordance with Condition 18 (*Notices*), to the Noteholders of such event and, immediately on the expiry of such notice, the Substituted Debtor shall become the principal debtor in respect of the Notes and the Coupons in place of the Issuer and the Noteholders and the Couponholders shall thereupon cease to have any rights or claims whatsoever against the Issuer in its capacity as Issuer of the Notes **PROVIDED THAT:**

- (i) the Trustee is satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution,
- (ii) the Issuer and the Guarantor (unless the Guarantor or its successor in business is the Substituted Debtor) shall have entered into an unconditional and irrevocable guarantee substantially in the form of the Guarantee in respect of the obligations of such Substituted Debtor; and
- (iii) certain conditions specified in the Trust Deed are fulfilled.

No Noteholder or Couponholder shall, in connection with any substitution, be entitled to claim any indemnification or payment in respect of any tax consequence thereof for such Noteholder or (as the case may be) Couponholder except to the extent provided for in Condition 11 (*Taxation*) (or any undertaking given in addition to or substitution for it pursuant to the provisions of the Trust Deed).

In the event of such substitution as is referred to in this Condition 16(c), references in these Conditions to the Issuer shall be read as references to the Substituted Debtor.

17. Enforcement

The Trustee may, at any time, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it thinks fit to enforce any obligation, condition or provision binding on the Issuer and/or the Guarantor under these Conditions or under the Trust Deed in respect of the Notes, but shall not be bound to do so unless:

- (a) it has been so directed by an Extraordinary Resolution or it has been so requested in writing by the holders of at least one fourth of the aggregate principal amount of the outstanding Notes; and
- (b) it has been indemnified and/or secured and/or prefunded to its satisfaction.

No Noteholder or Couponholder shall be entitled to institute proceedings directly against the Issuer unless the Trustee, having become bound to proceed as aforesaid, fails to do so within a reasonable time and such failure is continuing.

18. Notices

(a) **Valid Notices:**

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

(b) **Other Methods:**

Notwithstanding paragraph (a) above, the Trustee may approve some other method of giving notice to the Noteholders if, in its opinion, that other method is reasonable having regard to market practice then prevailing and to the requirements of any stock exchange on which Notes are then listed and **PROVIDED THAT** notice of that other method is given to the Noteholders in the manner required by the Trustee.

(c) **Couponholders:**

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

19. Rounding

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

20. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

21. Governing Law and Jurisdiction

(a) *Governing law:*

The Notes, the Trust Deed, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them, are governed by, and construed in accordance with, English law.

(b) *English courts:*

The courts of England have exclusive jurisdiction to settle any dispute (a “**Dispute**”) arising out of or in connection with the Notes, the Trust Deed, Coupons or Talons (including a dispute relating to the existence, validity or cancellation of the Notes or any non-contractual obligation arising out of or in connection with the Notes, the Trust Deed, Coupons or Talons) or the consequences of their nullity.

(c) *Appropriate forum:*

Each of the Issuer and the Guarantor agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.

22. Adjustment of Rate of Interest for Fixed Rate Notes and Floating Rate Notes

Where Step Up Rating Change and/or Step Down Rating Change is specified as applicable in the relevant Final Terms, the following terms relating to the Rate of Interest for the Notes shall apply:

(i) The Rate of Interest payable on the Notes will be subject to adjustment in the event of a Step Up Rating Change or a Step Down Rating Change, as the case may be.

(ii) Subject to paragraphs (iv) and (vii) below, from and including the first Interest Payment Date following the date of a Step Up Rating Change, if any, the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) shall be increased by the Step Up Margin.

(iii) Subject to paragraphs (iv) and (vii) below, in the event of a Step Down Rating Change following a Step Up Rating Change, with effect from and including the first Interest Payment Date following the date of such Step Down Rating Change, the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) shall be decreased by the Step Up Margin back to the initial Rate of Interest (in the case of Fixed Rate Notes) or the initial Margin (in the case of Floating Rate Notes).

(iv) If a Step Up Rating Change and, subsequently, a Step Down Rating Change occur during the same Interest Period, the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) shall be neither increased nor decreased as a result of either such event.

(v) If the rating designations employed by any Rating Agency are changed from those which are described in the definition of "Investment Grade", or of "Non-Investment Grade" or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine, with the agreement of the Trustee, the rating designations of such Rating Agency or Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of the relevant Rating Agency and this provision shall be construed accordingly.

(vi) The Issuer will cause the occurrence of a Step Up Rating Change or a Step Down Rating Change giving rise to an adjustment to the Rate of Interest payable on the Notes pursuant to this Condition to be notified to the Trustee and the Principal Paying Agent and notice thereof to be published in accordance with Condition 18 (Notices) as soon as reasonably practicable after the occurrence of such Step Up Rating Change or Step Down Rating Change, but in no event later than the fifth London Business Day thereafter.

(vii) Only the first Step Up Rating Change (if any) and the first Step Down Rating Change (if any) shall give rise to an adjustment to the Rate of Interest (in the case of Fixed Rate Notes) or Margin (in the case of Floating Rate Notes) payable on the Notes.

**Schedule 2
Form of Notes**

**Part A
Form of Temporary Global Note**

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]¹

NATIONAL EXPRESS GROUP PLC
(incorporated in England and Wales with company number 2590560)

**[Aggregate principal amount of Series]
[Title of Notes]**

unconditionally and irrevocably guaranteed by

WEST MIDLANDS TRAVEL LIMITED
(incorporated in England and Wales with company number 2652253)

TEMPORARY GLOBAL NOTE

1 Introduction

1.1 The Notes

This Temporary Global Note is issued in respect of the notes (the “**Notes**”) of National Express Group PLC (the “**Issuer**”) and guaranteed by West Midlands Travel Limited (the “**Guarantor**”) described in the final terms (the “**Final Terms**”) or drawdown prospectus (the “**Drawdown Prospectus**”) a copy of which is annexed hereto. If a Drawdown Prospectus is annexed hereto, each reference in this Temporary Global Note to “**Final Terms**” shall be read and construed as a reference to the final terms of the Notes set out in such Drawdown Prospectus. The Notes:

- (a) **Trust Deed:** (insofar as they are represented by this Temporary Global Note) are subject to and have the benefit of an amended and restated trust deed made on 2 October 2015 (as further amended, supplemented or restated from time to time, the “**Trust Deed**”) made between the Issuer, the Guarantor and BNY Mellon Corporate Trustee Services Limited as trustee (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees appointed under the Trust Deed); and
- (b) **Agency Agreement:** are the subject of an amended and restated agency agreement dated 2 October 2015 (as amended, supplemented and/or restated from time to time, the “**Agency Agreement**”) made between the Issuer, the Guarantor, the Trustee and The Bank of New York Mellon as principal paying agent (the “**Principal Paying Agent**”, which expression includes any successor or

¹ If issued under TEFRA D.

additional principal paying agent appointed from time to time in connection with the Notes, and together with any additional or successor paying agents appointed from time to time in connection with the Notes, the “**Paying Agents**”).

1.2 Construction

All references in this Temporary Global Note to an agreement, instrument or other document (including the Agency Agreement and the Trust Deed) 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 and the Trust Deed. Headings and sub-headings are for ease of reference only and shall not affect the construction of this Temporary Global Note.

1.3 References to Conditions

Any reference herein to the Conditions is to the Conditions as defined in the Trust Deed, as completed by the Final Terms and any reference to a numbered Condition is to the correspondingly numbered provision thereof. Words and expressions defined in Condition 2(a) shall have the same meanings when used in this Temporary Global Note.

2 Promise to Pay

2.1 Pay to bearer

The Issuer, for value received, promises to pay to the bearer of this Temporary Global Note on the Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions, the Final Redemption Amount or such lesser amount as is repayable upon any such redemption (or to pay such other amounts of principal on such dates as may be specified in the Final Terms), and to pay interest (if any) on the nominal amount of this Temporary Global Note on the dates and in the manner specified in the Conditions, 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:

- (a) **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 S.A./N.V. (“**Euroclear**”) and/or Clearstream Banking, *société anonyme* (“**Clearstream**”, “**Luxembourg**” and, together with Euroclear, the international central securities depositories or “**ICSDs**”) 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
- (b) **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 note of that portion of this Temporary Global Note in respect of which such interest has accrued (save in respect of any failure to exchange that arises as a result of a failure by the accountholder to provide the certification required pursuant to Schedule 2 hereto).

2.2 NGN Principal Amount

If the Final Terms specify that the New Global Note form is applicable, this Temporary Global Note shall be a “New Global Note” or “NGN” and the principal amount of Notes represented by this Temporary Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression in this Temporary Global Note means the records that each ICSD holds for its customers which reflect the amount of such customers’ interests in the Notes (but excluding any interest in any Notes of one ICSD shown in the records of another ICSD)) shall be conclusive evidence of the principal amount of Notes represented by this Temporary Global Note and, for these purposes, a statement issued by an ICSD (which statement shall be made available to the bearer upon request) stating the principal amount of Notes represented by this Temporary Global Note at any time shall be conclusive evidence of the records of the ICSD at that time.

2.3 CGN Principal Amount

If the Final Terms specify that the New Global Note form is not applicable, this Temporary Global Note shall be a “Classic Global Note” or “CGN” and the principal amount of Notes represented by this Temporary Global Note shall be the amount stated in the Final Terms or, if lower, the principal amount most recently entered by or on behalf of the Issuer in the relevant column in Schedule 1 (Payments, Exchange and Cancellation of Notes).

3 Negotiability

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

4 Exchange

Permanent Global Note

If the Final Terms specify the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note”, then on or after the day following the expiry of 40 days after the date of issue of this Temporary Global Note (the “**Exchange Date**”), the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note (which expression has the meaning given in the Trust Deed) in accordance with the Agency Agreement to the bearer of this Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (a) Presentation and surrender: presentation and (in the case of final exchange) surrender of this Temporary Global Note to or to the order of the Principal Paying Agent; and
- (b) Certification: receipt by the Issuer, or the Principal Paying Agent on its behalf, 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 principal amount of Notes represented by the Permanent Global Note 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 Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by this Temporary Global Note.

5 Delivery of Permanent Global or Definitive Notes

Permanent Global Note

Whenever any interest in this Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated, to the bearer of this Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of Notes represented by such Permanent Global Note 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 Note to or to the order of the Principal Paying Agent within 7 days of the bearer requesting such exchange.

6 Writing Down

On each occasion on which:

- 6.1** Permanent Global Note: the Permanent Global Note is delivered or the principal amount of Notes represented thereby is increased in accordance with its terms in exchange for a further portion of this Temporary Global Note; or
- 6.2** Cancellation: Notes represented by this Temporary Global Note are to be cancelled in accordance with Condition 9(j) (Redemption and Purchase - Cancellation),

the Issuer shall procure that:

- (a) if the Final Terms specify that the New Global Note form is not applicable, (i) the principal amount of the Permanent Global Note, the principal amount of such increase or (as the case may be) the aggregate principal amount of such Notes and (ii) the remaining principal amount of this Temporary Global Note (which shall be the previous principal amount of this Temporary Global Note less the aggregate of the amounts referred to in (i) above) are entered in Schedule 1 (Payments, Exchange and Cancellation of Notes) hereto, whereupon the principal amount of this Temporary Global Note shall for all purposes be as most recently so entered; and
- (b) if the Final Terms specify that the New Global Note form is applicable, details of the exchange or cancellation shall be entered pro rata in the records of the ICSDs.

7 Payments

7.1 Recording of Payments

Upon any payment being made in respect of the Notes represented by this Temporary Global Note, the Issuer shall procure that:

- (a) CGN: if the Final Terms specify that the New Global Note form is not applicable, details of such payment shall be entered in Schedule 1 (Payments, Exchange and Cancellation of Notes) hereto and, in the case of any payment of principal, the principal amount of this Temporary Global Note shall be reduced by the principal amount so paid; and
- (b) NGN: if the Final Terms specify that the New Global Note form is applicable, details of such payment shall be entered pro rata in the records of the ICSDs and, in the case of any payment of principal, the principal amount of the Notes entered in the records of ICSDs and represented by this Temporary Global Note shall be reduced by the principal amount so paid.

7.2 Discharge of Issuer's obligations

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

For the purposes of any payments made in respect of this Temporary Global Note, the words "in the relevant place of presentation" shall not apply in the definition of "**Payment Business Day**" in Condition 2(a).

8 Conditions Apply

Until this Temporary Global Note has been exchanged as provided herein or cancelled in accordance with the Agency Agreement, the bearer of this Temporary Global Note shall be subject to the Conditions and the Trust Deed and, subject as otherwise provided herein, shall be entitled to the same rights and benefits under the Conditions and the Trust Deed as if the bearer were the holder of Definitive Notes and any related Coupons and Talons in the smallest Specified Denomination for which it may be exchanged and in an aggregate principal amount equal to the principal amount of this Temporary Global Note.

9 Notices

Notwithstanding Condition 18 (Notices), while all the Notes are represented by this Temporary Global Note (or by this Temporary Global Note and the Permanent Global Note) and this Temporary Global Note is (or this Temporary Global Note and the Permanent Global Note are) deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a Common Safekeeper (which expression has the meaning given in the Agency Agreement), notices to Noteholders 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 Noteholders in accordance with the Condition 18 (Notices) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system; provided, however, that, so long as the Notes are listed on the London Stock Exchange and its rules so require, notices will also be published in a leading newspaper having general circulation in London (which is expected to be the Financial Times).

10 Meetings

For the purposes of any meeting of the Noteholders, the holder of this Temporary Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

11 Trustee's Powers

In considering the interests of Noteholders while this Temporary Global Note is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by any such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to this Temporary Global Note and may consider such interests as if such accountholders were the holders of this Temporary Global Note.

12 Authentication

This Temporary Global Note shall not be valid for any purpose until it has been authenticated by and on behalf of The Bank of New York Mellon as principal paying agent.

13 Effectuation

If the Final Terms specify that the New Global Note form is applicable, this Temporary Global Note shall not be valid for any purpose until it has been effectuated for and on behalf of the entity appointed as common safekeeper by the ICSDs.

14 Governing Law

This Temporary Global Note and any non-contractual obligations arising out of or in connection with it are governed by English law.

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

**NATIONAL EXPRESS GROUP
PLC**

}

By:

(duly authorised)

ISSUED on the Issue Date
AUTHENTICATED by and on
behalf of **THE BANK OF NEW
YORK MELLON** as principal
paying agent without recourse,
warranty or liability

}

By:

(duly authorised)

²**EFFECTUATED** for and on
behalf of **EUROCLEAR BANK
S.A./N.V.** as common
safekeeper without recourse,
warranty or liability

}

By:

(duly authorised)

² This should only be completed where the Final Terms indicate that the New Global Note form is applicable.

Schedule 2
To the Temporary Global Note

Form of Accountholder's Certification

NATIONAL EXPRESS GROUP PLC

(incorporated in England and Wales with company number 2590560)

[Aggregate principal amount of Series]

[Title of Notes]

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)), and 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 electronic transmission 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 or official enquiries 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: [●]

[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
To the Temporary Global Note Form of Euroclear/Clearstream,
Luxembourg Certification

NATIONAL EXPRESS GROUP PLC

(incorporated in England and Wales with company number 2590560)

[Aggregate principal amount of Series]

[Title of Notes]

This is to certify that, based solely on certifications we have received in writing, 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 note 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 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 note issued in respect of the Securities.

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 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 except as set forth herein 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 or official enquiries 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: [●]

Euroclear Bank S.A./N.V.

or

Clearstream Banking, *société anonyme*

By:
Authorised signatory

Schedule 4

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Schedule.]

Part B
Form of Permanent Global Note

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]⁴

NATIONAL EXPRESS GROUP PLC

(incorporated in England and Wales with company number 2590560)

[Aggregate principal amount of Series]

[Title of Notes]

unconditionally and irrevocably guaranteed by

WEST MIDLANDS TRAVEL LIMITED

(incorporated in England and Wales with company number 2652253)

PERMANENT GLOBAL NOTE

1 Introduction

1.1 The Notes

This Permanent Global Note is issued in respect of the notes (the “**Notes**”) of National Express Group PLC (the “**Issuer**”) and guaranteed by West Midlands Travel Limited (the “**Guarantor**”) described in the final terms (the “**Final Terms**”) or drawdown prospectus (“**Drawdown Prospectus**”) a copy of which is annexed hereto. If a Drawdown Prospectus is annexed hereto, each reference in this Global Note to “**Final Terms**” shall be read and construed as a reference to the final terms of the Notes set out in such Drawdown Prospectus. The Notes:

- (a) **Trust Deed:** (insofar as they are represented by this Permanent Global Note) are subject to and have the benefit of an amended and restated trust deed made 2 October 2015 (as further amended, supplemented or restated from time to time, the “**Trust Deed**”) made between the Issuer, the Guarantor and BNY Mellon Corporate Trustee Services Limited as trustee (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees appointed under the Trust Deed); and
- (b) **Agency Agreement:** are the subject of an amended and restated agency agreement dated 2 October 2015 (as amended supplemented and/or restated from time to time, the “**Agency Agreement**”) made between the Issuer, the Guarantor, the Trustee and The Bank of New York Mellon as principal paying agent (the “**Principal Paying Agent**”, which expression includes any successor or additional principal paying agent appointed from time to time in connection with the Notes, and, together with any additional or successor paying agents appointed from time to time in connection with the Notes, the “**Paying Agents**”).

⁴ If issued under TEFRA D.

1.2 Construction

All references in this Global Note to an agreement, instrument or other document (including the Agency Agreement and the Trust Deed) 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 and the Trust Deed. Headings and sub-headings are for ease of reference only and shall not affect the construction of this Global Note.

1.3 References to Conditions

Any reference herein to the Conditions is to the Conditions as defined in the Trust Deed, as completed by the Final Terms and any reference to a numbered Condition is to the correspondingly numbered provision thereof. Words and expressions defined in Condition 2(a) shall have the same meanings when used in this Permanent Global Note.

2 Promise to Pay

2.1 Pay to bearer

The Issuer, for value received, promises to pay to the bearer of this Global Note on the Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions, the Final Redemption Amount or such lesser amount as is repayable upon any such redemption (or to repay such other amounts of principal on such dates as may be specified in the Final Terms and to pay interest (if any) on the nominal amount of this Permanent Global Note on the dates and in the manner specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

2.2 NGN Principal Amount

If the Final Terms specify that the New Global Note form is applicable, this Permanent Global Note shall be a New Global Note or NGN and the principal amount of Notes represented by this Permanent Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression in this Permanent Global Note means the records that each ICSD holds for its customers which reflect the amount of such customers' interests in the Notes (but excluding any interest in any Notes of one ICSD shown in the records of another ICSD)) shall be conclusive evidence of the principal amount of Notes represented by this Permanent Global Note and, for these purposes, a statement issued by an ICSD (which statement shall be made available to the bearer upon request) stating the principal amount of Notes represented by this Permanent Global Note at any time shall be conclusive evidence of the records of the ICSD at that time.

2.3 CGN Principal Amount

If the Final Terms specify that the New Global Note form is not applicable, this Permanent Global Note shall be a "Classic Global Note" or "CGN" and the principal amount of Notes represented by this Permanent Global Note shall be the amount stated in the Final Terms or, if lower, the principal amount most recently entered by or on behalf of the Issuer in the relevant column in Schedule 1 (Payments, Exchange and Cancellation of Notes).

3 Negotiability

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

4 Exchange

This Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of this Permanent Global Note, for Definitive Notes (which expression has the meaning given in the Trust Deed) only if Euroclear Bank S.A./N.V. (“**Euroclear**”) or Clearstream Banking, *société anonyme* (“**Clearstream**”, “**Luxembourg**”) and, together with Euroclear, the international central securities depositaries or “**ICSDs**”) 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 and no successor clearing system approved by the Trustee is available.

5 Delivery of Definitive Notes

Whenever this Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by this Permanent Global Note to the bearer of this Permanent Global Note against the surrender of this Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

6 Writing Down

On each occasion on which:

6.1 Payment of principal: a payment of principal is made in respect of this Permanent Global Note;

6.2 Definitive Notes: Definitive Notes are delivered; or

6.3 Cancellation: Notes represented by this Permanent Global Note are to be cancelled in accordance with Condition 9(j) (Redemption and Purchase - Cancellation),

the Issuer shall procure that:

- (a) if the Final Terms specify that the New Global Note Form is not applicable, (i) the amount of such payment and the aggregate principal amount of such Notes; and (ii) the remaining principal amount of this Permanent Global Note (which shall be the previous principal amount hereof less the aggregate of the amounts referred to in (i) above) are entered in Schedule 1 (Payment, Exchanges against Temporary Global Notes, Delivery of Definitive Notes and Cancellation of Notes) hereto, whereupon the principal amount of this Permanent Global Note shall for all purposes be as most recently so entered; and
- (b) if the Final Terms specify that the New Global Note Form is applicable, details of the exchange or cancellation shall be entered pro rata in the records of the ISCDs.

7 Writing Up

7.1 Initial Exchange

If this Permanent Global Note was originally issued in exchange for part only of a temporary global note representing the Notes, then all references in this Permanent Global Note to the principal amount of Notes represented by this Permanent Global Note shall be construed as references to the principal amount of Notes represented by the part of the temporary global note in exchange for which this Permanent Global Note was originally issued which the Issuer shall procure:

- (a) CGN: if the Final Terms specify that the New Global Note form is not applicable, is entered in Schedule 1 (Payments, Exchanges against Temporary Global Note, Delivery of Definitive Notes and Cancellation of Notes) hereto, whereupon the principal amount of Notes represented by this Permanent Global Note shall for all purposes be as most recently so entered; and
- (b) NGN: if the Final Terms specify that the New Global Note form is applicable, is entered by the ICSDs in their records.

7.2 Subsequent Exchange

If at any subsequent time any further portion of such temporary global note is exchanged for an interest in this Permanent Global Note, the principal amount of Notes represented by this Permanent Global Note shall be increased by the amount of such further portion, and the Issuer shall procure that the principal amount of Notes represented by this Permanent Global Note (which shall be the previous principal amount of Notes represented by this Permanent Global Note plus the amount of such further portion) is:

- (a) CGN: if the Final Terms specify that the New Global Note form is not applicable, entered in Schedule 1 (Payments, Exchanges against Temporary Global Note, Delivery of Definitive Notes and Cancellation of Notes) hereto, whereupon the principal amount of this Permanent Global Note shall for all purposes be as most recently so entered; and
- (b) NGN: if the Final Terms specify that the New Global Note form is applicable, entered by the ICSDs in their records.

8 Payments

8.1 Recording of Payments

Upon any payment being made in respect of the Notes represented by this Permanent Global Note, the Issuer shall procure that:

- (a) CGN: if the Final Terms specify that the New Global Note form is not applicable, details of such payment shall be entered in Schedule 1 (Payments, Exchange and Cancellation of Notes) hereto and, in the case of any payment of principal, the principal amount of this Permanent Global Note shall be reduced by the principal amount so paid; and
- (b) NGN: if the Final Terms specify that the New Global Note form is applicable, details of such payment shall be entered pro rata in the records of the ICSDs and, in the case of any payment of principal, the principal amount of the Notes entered in the

records of ICSDs and represented by this Permanent Global Note shall be reduced by the principal amount so paid.

8.2 Discharge of Issuer's obligations

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

For the purposes of any payments made in respect of this Permanent Global Note, the words "in the relevant place of presentation" shall not apply in the definition of "**Payment Business Day**" in Condition 2 (Interpretation).

9 Conditions Apply

Until this Permanent Global Note has been exchanged as provided herein or cancelled in accordance with the Agency Agreement, the bearer of this Permanent Global Note 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 Notes and any related Coupons and Talons in the smallest Specified Denomination for which it may be exchanged and in an aggregate principal amount equal to the principal amount of this Permanent Global Note.

10 Exercise Of Put Option or Change of Control Put Option

For so long as all of the Notes are represented by one or both of the Temporary Global Note and the Permanent Global Note (together the "**Global Notes**") and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, the option of the Noteholders provided for in Condition 9(e) (Redemption and Purchase - Redemption at the option of the Noteholders) or, as the case may be, the option of the Noteholders provided for in Condition 9(f) (Redemption and Purchase - Change of Control Redemption) may be exercised by an accountholder giving notice to the Principal Paying Agent in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instructions by Euroclear or Clearstream, Luxembourg or any common depository for them to the Principal Paying Agent by electronic means) of the principal amount of the Notes in respect of which such option is exercised and at the same time presenting or procuring the presentation of the relevant Global Note to the Principal Paying Agent for notation accordingly within the time limits set forth in the relevant Condition.

11 Exercise of Call Option

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, no drawing of Notes will be required under Condition 9(d) (Redemption and Purchase - Partial redemption) in the event that the Issuer exercises its call option pursuant to Condition 9(c) (Redemption and Purchase - Redemption at the option of the Issuer) in respect of less than the aggregate principal amount of the Notes outstanding at such time. In such event, the standard procedures of Euroclear and/or Clearstream, Luxembourg shall operate to determine which interests in the Global Note(s) are to be subject to such option.

12 Notices

Notwithstanding Condition 18 (Notices), while all the Notes are represented by this Global Note (or by this Permanent Global Note and a temporary global note) and this Permanent Global Note is (or this Permanent Global Note and the temporary global note are) deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a Common Safekeeper (which expression has the meaning given in the Agency Agreement), notices to Noteholders 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 Noteholders in accordance with the Condition 18 (Notices) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system; provided, however, that, so long as the Notes are listed on the London Stock Exchange and its rules so require, notices will also be published in a leading newspaper having general circulation in London (which is expected to be the Financial Times).

Whilst any Notes held by a Noteholder are represented by a Global Note, notices to be given by such Noteholder may be given by such Noteholder to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such a manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

13 Meetings

For the purposes of any meeting of the Noteholders, the holder of this Permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

14 Trustee's Powers

In considering the interests of Noteholders while this Permanent Global Note is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by any such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to this Permanent Global Note and may consider such interests as if such accountholders were the holders of this Permanent Global Note.

15 Authentication

This Permanent Global Note shall not be valid for any purpose until it has been authenticated by and on behalf of The Bank of New York Mellon as principal paying agent.

16 Effectuation

If the Final Terms specify that the New Global Note form is applicable, this Permanent Global Note shall not be valid for any purpose until it has been effectuated for and on behalf of the entity appointed as Common Safekeeper (which expression has the meaning given in the Agency Agreement).

17 Governing Law

This Global Note, and any non-contractual obligations arising out of or in connection with it, are governed by English law.

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

**NATIONAL EXPRESS GROUP
PLC**

}

By:

(duly authorised)

ISSUED on the Issue Date
AUTHENTICATED by and on
behalf of **THE BANK OF NEW
YORK MELLON** as principal
paying agent without recourse,
warranty or liability

}

By:

(duly authorised)

⁵**EFFECTUATED** for and on
behalf of **EUROCLEAR BANK
S.A/N.V.** as common
safekeeper without recourse,
warranty or liability

}

⁵ This should only be completed where the Final Terms indicate that the New Global Note form is applicable.

By:

(duly authorised)

Schedule 2
To the Permanent Global Note

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Schedule.]

Part C
Form of Definitive Note

[On the face of the Note:]

[currency][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.]⁷

NATIONAL EXPRESS GROUP PLC

(incorporated in England and Wales with company number 2590560)

[Aggregate principal amount of Series]

[Title of Notes]

unconditionally and irrevocably guaranteed by

WEST MIDLANDS TRAVEL LIMITED

(incorporated in England and Wales with company number 2652253)

This Note is one of a series of notes (the “**Notes**”) of National Express Group PLC (the “**Issuer**”) and guaranteed by West Midlands Travel Limited (the “**Guarantor**”) as described in the final terms (the “**Final Terms**”) or drawdown prospectus (“**Drawdown Prospectus**”) a copy of the relevant particulars of which is endorsed on this Note. Any reference herein to the Conditions is to the Terms and Conditions of the Notes endorsed on this Note, as completed, supplemented, amended and/or replaced (as the case may be) by the Final Terms or Drawdown Prospectus and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof. Words and expressions defined in Condition 2(a) shall have the same meanings when used in this Note.

This Note is issued subject to, and with the benefit of, the Conditions and an amended and restated Trust Deed (such Trust Deed as modified and/or supplemented and/or notated from time to time, the “**Trust Deed**”) dated 2 October 2015 and made between the Issuer, the Guarantor and BNY Mellon Corporate Trustee Services Limited as trustee for the holders of the Notes.

The Issuer, for value received, promises to pay to the bearer of this Note the Redemption Amount on the Maturity Date or on such earlier date or dates as the same may become payable in accordance with the Conditions (or to pay such other amounts of principal on such dates as may be specified in the Final Terms or Drawdown Prospectus), and to pay interest (if any) on the nominal amount of this Note on the dates and in the manner specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

This Note shall not be valid for any purpose until it has been authenticated by and on behalf of The Bank of New York Mellon as principal paying agent.

⁷ If Note issued under TEFRA D.

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

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

**NATIONAL EXPRESS GROUP
PLC**

}

By:

(duly authorised)

ISSUED on the Issue Date
AUTHENTICATED by and on
behalf of **THE BANK OF NEW
YORK MELLON** as principal
paying agent without recourse,
warranty or liability

}

By:

(duly authorised)

[On the reverse of the Note:]

FINAL TERMS

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

TERMS AND CONDITIONS

[As set out in Schedule 1 to the Trust Deed]

[At the foot of the Terms and Conditions:]

PRINCIPAL PAYING AGENT

The Bank of New York Mellon

One Canada Square,

London,

E14 5AL

Part D
Form of Coupon

[On the face of the Coupon:]

[For Fixed Rate Notes]

NATIONAL EXPRESS GROUP PLC

[Title of Notes]

unconditionally and irrevocably guaranteed by

WEST MIDLANDS TRAVEL LIMITED

Coupon for [currency][amount of interest payment] due on [interest payment date].

Such amount is payable, subject to the terms and conditions (the “**Conditions**”) endorsed on the Note to which this Coupon relates (which are binding on the holder of this Coupon whether or not it is for the time being attached to such Note), against presentation and surrender of this Coupon at the specified office for the time being of any of the agents shown on the reverse of this Coupon (or any successor or additional agents appointed from time to time in accordance with the Conditions).

[For Floating Rate Notes]

NATIONAL EXPRESS GROUP PLC

[Title of Notes]

unconditionally and irrevocably guaranteed by

WEST MIDLANDS TRAVEL LIMITED

This Coupon relates to a Note in the denomination of [currency] [amount].

Coupon for the amount of interest due on the Interest Payment Date falling in [month and year].

Such amount is payable, subject to the terms and conditions (the “**Conditions**”) endorsed on the Note to which this Coupon relates (which are binding on the holder of this Coupon whether or not it is for the time being attached to such Note), against presentation and surrender of this Coupon at the specified office for the time being of any of the agents shown on the reverse of this Coupon (or any successor or additional agents appointed from time to time in accordance with the Conditions).

The Note to which this Coupon relates may, in certain circumstances specified in the Conditions, fall due for redemption before the maturity date of this Coupon. In such event, this Coupon shall become void and no payment will be made in respect hereof.

[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.]⁸

[On the reverse of the Coupon:]

Principal Paying Agent: The Bank of New York Mellon, One Canada Square, London, E14 5AL.

⁸ If issued under TEFRA D.

Part E
Form of Talon

[On the face of the Talon:]

NATIONAL EXPRESS GROUP PLC

[Title of Notes]

unconditionally and irrevocably guaranteed by

WEST MIDLANDS TRAVEL LIMITED

Talon for further Coupons.

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of the Coupon Sheet to which this Talon is (or was at the time of issue) attached, this Talon may be exchanged at the specified office for the time being of the principal paying agent shown on the reverse of this Talon (or any successor principal paying agent appointed from time to time in accordance with the terms and conditions (the “**Conditions**”) of the Notes to which this Talon relates) for a further Coupon Sheet (including, where relevant, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to the Conditions).

The Note to which this Talon relates may, in certain circumstances specified in the Conditions, fall due for redemption before the maturity date of such final Coupon. In such event, this Talon shall become void and no Coupon will be delivered in respect hereof.

[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.]⁹

[On the reverse of the Talon:]

Principal Paying Agent: The Bank of New York Mellon, One Canada Square, London, E14 5AL.

⁹ If issued under TEFRA D.

Schedule 3 Provisions for Meetings of Noteholders

1 Definitions

In this Trust Deed and the Conditions, the following expressions have the following meanings:

“Alternative Clearing System” means any clearing system (including without limitation The Depository Trust Company (“DTC”)) other than Euroclear or Clearstream, Luxembourg;

“Block Voting Instruction” means, in relation to any Meeting, a document in the English language issued by a Paying Agent:

- (a) certifying that the Deposited Notes have been deposited with such Paying Agent (or to its order or under its control at a bank or other depository) or blocked in an account with a clearing system and will not be released until the earlier of:
 - (i) the conclusion of the Meeting specified in such Block Voting Instruction; and
 - (ii) the surrender to such Paying Agent, not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption), of the receipt for the Deposited Notes held to its order or under its control or blocked Notes and notification thereof by such Paying Agent to the Issuer and the Trustee; and
- (b) certifying that the depositor of each Deposited Note or a duly authorised person on its behalf has instructed the relevant Paying Agent that the votes attributable to such Deposited Note are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting and ending at the conclusion or adjournment thereof, such instructions may not be amended or revoked;
- (c) listing the aggregate nominal amount and (if in definitive form) the certificate numbers of the Deposited Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and
- (d) authorising a named individual or individuals to vote in respect of the Deposited Notes in accordance with such instructions;

“Chairman” means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 7 (Chairman);

“Deposited Notes” means certain specified Notes which have been deposited with a Paying Agent (or to its order or under its control at a bank or other depository) or blocked in an account with a clearing system, for the purposes of a Block Voting Instruction or a Voting Certificate;

“Electronic Consent” has the meaning set out in paragraph 21;

“Extraordinary Resolution” means a resolution passed (a) at a Meeting duly convened and held in accordance with this Schedule by a majority of not less than three-quarters of

the votes cast at the Meeting by show of hands or poll (as the case may be), (b) by a Written Resolution or (c) by an Electronic Consent;

“Meeting” means a meeting of Noteholders (whether originally convened or resumed following an adjournment);

“Proxy” means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction other than:

- (a) any such person whose appointment has been revoked and in relation to whom the relevant Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

“Relevant Fraction” means:

- (a) for all business other than voting on an Extraordinary Resolution, one tenth;
- (b) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter, more than half; and
- (c) for voting on any Extraordinary Resolution relating to a Reserved Matter, not less than three quarters;

provided, however, that, in the case of a Meeting which has resumed after adjournment for want of a quorum, it means:

- (i) for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the aggregate principal amount of the outstanding Notes represented or held by the Voters actually present at the Meeting; and
- (ii) for voting on any Extraordinary Resolution relating to a Reserved Matter, not less than one quarter;

“Reserved Matter” means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity;
- (b) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed (other than as permitted under Clause 9.3 of this Trust Deed);
- (c) to change the currency in which amounts due in respect of the Notes are payable;
- (d) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (e) to amend this definition;

“Voter” means, in relation to any Meeting, the bearer of a Voting Certificate, a Proxy or the bearer of a definitive Note who produces such definitive Note at the Meeting;

“Voting Certificate” means, in relation to any Meeting, a certificate in the English language specifying details of evidence of the identity of the bearer of such voting certificate issued by a Paying Agent and dated in which it is stated:

- (a) that the Deposited Notes have been deposited with such Paying Agent (or to its order or under its control at a bank or other depository) or blocked in an account with a clearing system and will not be released until the earlier of:
 - (i) the conclusion of the Meeting; and
 - (ii) the surrender of such certificate to such Paying Agent; and
- (b) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the Deposited Notes;

“Written Resolution” means a resolution in writing signed by or on behalf of at least 90 per cent. of the holders of Notes who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Schedule, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes;

“24 hours” means a period of 24 hours including all or part of a day (disregarding for this purpose the day upon which such Meeting is to be held) 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 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 as aforesaid;

“48 hours” means 2 consecutive periods of 24 hours; and

where Notes are held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, references herein to the deposit or release or surrender of Notes shall be construed in accordance with the usual practices (including in relation to the blocking of the relevant account) of Euroclear or Clearstream, Luxembourg or such Alternative Clearing System.

2 Issue of Voting Certificates and Block Voting Instructions

The holder of a Note may obtain a Voting Certificate from any Paying Agent or require any Paying Agent to issue a Block Voting Instruction by depositing such Note with such Paying Agent or arranging for such Note to be (to its satisfaction) held to its order or under its control or blocked in an account with a clearing system not later than 48 hours before the time fixed for the relevant Meeting. A Voting Certificate or Block Voting Instruction shall be valid until the release of the Deposited Notes to which it relates. So long as a Voting Certificate or Block Voting Instruction is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (in the case of a Block Voting Instruction) shall be deemed to be the holder of the Notes to which it relates for all purposes in connection with the Meeting. A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

3 References to Deposit/Release of Notes

Where Notes are represented by a Global Note or are held in definitive form within a clearing system, references to the deposit, or release, of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of such clearing system.

4 Validity of Block Voting Instructions

A Block Voting Instruction shall be valid only if deposited at the Specified Office of the relevant Paying Agent or at some other place approved by the Trustee, at least 24 hours before the time fixed for the relevant Meeting or the Chairman decides otherwise before the Meeting proceeds to business. If the Trustee so requires, a notarised copy of each Block Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Trustee shall not be obliged to investigate the validity of any Block Voting Instruction or the authority of any Proxy.

5 Convening of Meeting

The Issuer or the Trustee may convene a Meeting at any time, and the Trustee shall be obliged to do so subject to its being indemnified and/or secured and/or prefunded to its satisfaction upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. Every Meeting shall be held on a date, and at a time and place, approved by the Trustee.

6 Notice

At least 21 days notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the Noteholders and the Paying Agents (with a copy to the Issuer) where the Meeting is convened by the Trustee or, where the Meeting is convened by the Issuer, the Trustee. The notice shall set out the full text of any resolutions to be proposed unless the Trustee agrees that the notice shall instead specify the nature of the resolutions without including the full text and shall state that the Notes may be deposited with, or to the order of, any Paying Agent for the purpose of obtaining Voting Certificates or appointing Proxies not later than 48 hours before the time fixed for the Meeting. A copy of the notice shall be sent by post to the Trustee (unless the meeting is convened by the Trustee), to the Issuer (unless the meeting is convened by the Issuer) and to the Guarantor (unless the meeting is convened by that Guarantor).

7 Cancellation of meeting

A meeting that has been validly convened in accordance with paragraph 5 above, may be cancelled by the person who convened such meeting by giving at least 5 days' notice (exclusive of the day on which the notice is given and of the day of the meeting) to the Noteholders (with a copy to the Trustee where such meeting was convened by the Issuer or to the Issuer where such meeting was convened by the Trustee). Any meeting cancelled in accordance with this paragraph 7 shall be deemed not to have been convened.

8 Chairman

An individual (who may, but need not, be a Noteholder) nominated in writing by the Trustee may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

9 Quorum

The quorum at any Meeting shall be at least one or more Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Notes; provided, however, that, so long as at least the Relevant Fraction of the aggregate principal amount of the outstanding Notes is represented by the Global Note(s), a Voter appointed in relation thereto or being the holder of the Notes represented thereby shall be deemed to be two Voters for the purpose of forming a quorum.

10 Adjournment for Want of Quorum

If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time fixed for any Meeting a quorum is not present, then:

- (a) in the case of a Meeting requested by Noteholders, it shall be dissolved; and
- (b) in the case of any other Meeting (unless the Issuer and the Trustee otherwise agree), it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place as the Chairman determines (with the approval of the Trustee); provided, however, that:
 - (i) the Meeting shall be dissolved if the Issuer and the Trustee together so decide; and
 - (ii) no Meeting may be adjourned more than once for want of a quorum.

11 Adjourned Meeting

The Chairman may, with the consent of, and shall if directed by, any Meeting adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

12 Notice Following Adjournment

Paragraph 6 (Notice) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

- (a) 10 days notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

13 Participation

The following may attend and speak but not vote at a Meeting:

- (a) Voters;
- (b) representatives of the Issuer, the Guarantors and the Trustee;
- (c) the financial advisers of the Issuer, the Guarantors and the Trustee;
- (d) the legal counsel to the Issuer, the Guarantors and the Trustee and such advisers;
and
- (e) any other person approved by the Meeting or the Trustee.

14 Show of Hands

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one Voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll.

15 Poll

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, any Guarantor, the Trustee or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Notes. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairman directs.

16 Votes

Every Voter shall have:

- (a) on a show of hands, one vote; and
- (b) on a poll, the number of votes obtained by dividing the aggregate principal amount of the outstanding Note(s) represented or held by him by the Unit of currency in which the Notes are denominated.

In the case of a voting tie the Chairman shall have a casting vote.

Unless the terms of any Block Voting Instruction state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way.

In the case of any Meeting of holders of more than one Series of Notes where not all such Series are in the same currency, the principal amount of such Notes shall for all purposes in this Schedule 3 (whether inter alia in respect of the Meeting or any poll resulting therefrom), be the equivalent in pounds sterling translated at the spot rate of a bank nominated by the Trustee for the sale of the relevant currency or currencies for pounds

sterling on the seventh dealing day prior to such Meeting, or in the case of a written request pursuant to paragraph 5, the date of such request. In such circumstances, on any poll each person present shall have one vote for each Unit of Notes (converted as above) which he holds.

In this paragraph, a "Unit" means the lowest denomination of the Notes as stated in the Final Terms or Drawdown Prospectus or in the case of a meeting of Noteholders of more than one Series, shall be the lowest common denominator of the lowest denomination of the Notes.

17 Validity of Votes by Proxies

Any vote by a Proxy in accordance with the relevant Block Voting Instruction shall be valid even if such Block Voting Instruction or any instruction pursuant to which it was given has been amended or revoked, provided that neither the Issuer, the Trustee nor the Chairman has been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a Block Voting Instruction in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; provided, however, that no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction to vote at the Meeting when it is resumed.

18 Powers

A Meeting shall have power (exercisable only by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

- (a) to approve any Reserved Matter;
- (b) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any provisions of this Trust Deed or the Conditions or any arrangement in respect of the obligations of the Issuer or any Guarantor under or in respect of the Notes;
- (c) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes or the substitution of any person for any Guarantor (or any previous substitute) as guarantor under the Notes;
- (d) (other than as permitted under Clause 9.3 of this Trust Deed) to waive any breach or authorise any proposed breach by the Issuer or any Guarantor of its obligations under or in respect of this Trust Deed or the Notes or any act or omission which might otherwise constitute an Event of Default under the Notes;
- (e) to remove any Trustee;
- (f) to approve the appointment of a new Trustee;
- (g) to authorise the Trustee (subject to its being indemnified and/or secured to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- (h) to discharge or exonerate the Trustee from any liability in respect of any act or omission for which it may become responsible under this Trust Deed or the Notes;

- (i) to sanction any scheme or proposal for the exchange or sale of the Notes for or the conversion of the Notes into or cancellation of the Notes in consideration of shares, stock, notes, bonds, debenture, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash;
- (j) to give any other authorisation or approval which under this Trust Deed or the Notes is required to be given by Extraordinary Resolution; and
- (k) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

19 Extraordinary Resolution Binds all Holders

An Extraordinary Resolution shall be binding upon all Noteholders and Couponholders, whether or not present at such Meeting, and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and the Paying Agents (with a copy to the Issuer and the Trustee) within 14 days of the conclusion of the Meeting.

20 Minutes

Minutes of all resolutions and proceedings at each Meeting shall be made. The Chairman shall sign the minutes, which shall be prima facie evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

21 Written Resolution and Electronic Consent

21.1 Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

For so long as the Notes are in the form of a Global Note held on behalf of one or more of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, then, in respect of any resolution proposed by the Issuer, the Guarantor or the Trustee:

21.2 *Electronic Consent:* where the terms of the resolution proposed by the Issuer, the Guarantor or the Trustee (as the case may be) have been notified to the Noteholders through the relevant clearing system(s), as provided in sub-paragraphs (i) and/or (ii) below, each of the Issuer, the Guarantors and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Principal Paying Agent or another specified agent and/or the Trustee in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes outstanding (the “**Required Proportion**”) (“**Electronic Consent**”) by close of business on the Relevant Date. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant

consent or instruction proves to be defective. None of the Issuer, the Guarantor or the Trustee shall be liable or responsible to anyone for such reliance;

- (i) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least 21 days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing systems(s). The notice shall specify in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the "**Relevant Date**") by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).
- (ii) If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall, if the party proposing such resolution (the "**Proposer**") so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform the Noteholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph (i) above. For the purpose of such further notice, references to "**Relevant Date**" shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer or the Guarantors or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with paragraph 5 above, unless that meeting is or shall be cancelled or dissolved; and

- 21.3** *Written Resolution:* where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer, the Guarantors and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer, the Guarantors and/or the Trustee, as the case may be, (a) by accountholders in the clearing system with entitlements to such Global Note and/or, (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer, the Guarantors and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "**relevant clearing system**") and in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or

nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer, the Guarantors nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders and Couponholders whether or not they participated in such Written Resolution and/or Electronic Consent.

22 Further Regulations

Subject to all other provisions contained in this Trust Deed, the Trustee may without the consent of the Issuer or the Noteholders prescribe such further regulations regarding the holding of Meetings of Noteholders and attendance and voting at them as the Trustee may in its sole discretion determine.

23 Several Series

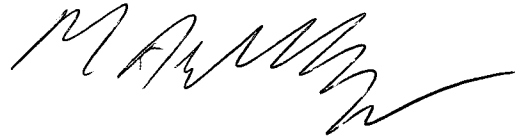
The following provisions shall apply where outstanding Notes belong to more than one Series:

- (a) business which in the opinion of the Trustee affects the Notes of only one Series shall be transacted at a separate Meeting of the holders of the Notes of that Series;
- (b) business which in the opinion of the Trustee affects the Notes of more than one Series but does not give rise to an actual or potential conflict of interest between the holder of Notes of one such Series and the holders of Notes of any other such Series shall be transacted either at separate Meetings of the holders of the Notes of each such Series or at a single Meeting of the holders of the Notes of all such Series, as the Trustee shall in its absolute discretion determine;
- (c) business which in the opinion of the Trustee affects the Notes of more than one Series and gives rise to an actual or potential conflict of interest between the holders of Notes of one such Series and the holders of Notes of any other such Series shall be transacted at separate Meetings of the holders of the Notes of each such Series;
- (d) the preceding paragraphs of this Schedule shall be applied as if references to the Notes and Noteholders were to the Notes of the relevant Series and to the holders of such Notes; and
- (e) in this paragraph, "business" includes (without limitation) the passing or rejection of any resolution.

The Issuer

EXECUTED and DELIVERED as a DEED by

}



as attorney for
NATIONAL EXPRESS GROUP PLC

Witness:

Signature:



Name:

MICHAEL PAYNE

The Original Guarantor

EXECUTED and DELIVERED as a DEED by

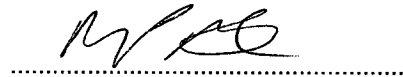
}



as attorney for
WEST MIDLANDS TRAVEL LIMITED

Witness:

Signature:



Name:

MICHAEL PAYNE

The Trustee

EXECUTED and DELIVERED as a
DEED by **BNY MELLON CORPORATE
TRUSTEE SERVICES LIMITED** a
company incorporated in England and
Wales acting by

} 


Marilyn Chau
Vice President
Authorised Signatory

Dina White
Vice President

in the presence of

Witness:

Signature:



Name:

Michael Lee
Vice President

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