

PEASLAKE INVESTMENTS 1 PLC

INFORMATION MEMORANDUM

relating to the

**PEASLAKE INVESTMENTS 1 PLC GBP 32,000,000 FIXED RATE AND RPI
LINKED UK LEASE RECEIVABLE INSTRUMENTS DUE 2044**

IMPORTANT INFORMATION

This document (the "**Information Memorandum**") gives information on the Issuer and the issuance of the secured obligations.

Issuer Peaslake Investments 1 plc (LEI: 213800CLMD5K1JO3KV23) (the "**Issuer**") is a special purpose vehicle incorporated as a public company limited by shares under the laws of England and Wales pursuant to the UK Companies Act 2006.

The Issuer will issue a single series of secured notes ("**Instruments**"), on the Terms and Conditions. The Terms and Conditions for the Instruments are set out in this Information Memorandum.

Limited recourse structure The Instruments are secured by a security interest created in favour of the Trustee over the assets allocated to the Instruments. If the proceeds of enforcement of the security are not sufficient to meet all of its obligations in respect of the Instruments, the Issuer's obligations in respect of the Instruments will be limited to those proceeds.

Distribution The distribution of this Information Memorandum and the offering or sale of the Instruments in certain jurisdictions may be restricted by law. In particular, no action has been or will be taken by the Issuer, the Arranger, the Trustee or any Dealer(s) or any of their respective affiliates which is intended to permit a public offering of the Instruments or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, the Instruments may not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws. Persons into whose possession this Information Memorandum come are required by the Issuer, the Arranger, the Dealer(s), the Trustee and the Agents to inform themselves about and to observe any such restriction.

The Instruments have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and include Instruments in bearer form that are subject to U.S. tax law requirements. Instruments may not at any time be offered, sold, pledged or otherwise transferred within the United States or to (i) U.S. persons (as defined in Regulation S under the Securities Act), (ii) U.S. persons (as defined in the final risk retention rules promulgated under Section 15G of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), (iii) a person who comes within any definition of U.S. person for the purposes of the U.S. Commodity Exchange Act of 1936, as amended (the "**CEA**"), or any rule, guidance or order proposed or issued by the U.S. Commodity Futures Trading Commission (the "**CFTC**") thereunder (including but not limited to any person who is not a "Non-United States person" under CFTC Rule 4.7(a)(1)(iv) and also including but not limited to a "U.S. Person" as described in and for the purposes of the CFTC's Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed Reg. 45292 (July 26, 2013) as amended from time to time), or (iv) persons who are Jersey resident for income tax purposes. For a description of certain restrictions on offers and sales of Instruments and on distribution of this Information Memorandum in the United States and the European Economic Area, see "Subscription and Sale".

Risk factors Prospective investors should have regard to the factors described under the section of this Information Memorandum headed 'Risk Factors' and, in particular, to the limited recourse nature of the Instruments and the fact that the Issuer is a special purpose vehicle. This Information Memorandum does not describe all of the risks of an investment in the Instruments. This Information Memorandum is not intended to provide the basis of any credit or other evaluation and should not be considered as a

Important Information

recommendation by any of the Issuer, the Arranger, the Dealer(s), the Trustee, the Agents or any of their respective affiliates that any recipient of this Information Memorandum should purchase the Instruments.

Listing

Application has been made by the Issuer (or on its behalf) for the Instruments designated below to be admitted to the Vienna MTF of the Vienna Stock Exchange ("VSX").

Withholding Tax

Provided that the Instruments are and continue to be "listed on a recognised stock exchange" or "admitted to trading on a multilateral trading facility operated by an EEA-regulated recognised stock exchange" (for the purposes of the exemption set out in section 987 of the Income Tax Act 2007), no withholding or deduction for or on account of United Kingdom income tax will be required on payments of interest on the Instruments. The Vienna Stock Exchange is, at the date of this Information Memorandum, a "recognised stock exchange" (and is also "EEA-regulated") for these purposes. However, there can be no assurance that (i) the law in this area will not change during the life of the Instruments and (ii) the Instruments will continue to be admitted to trading on the multilateral trading facility operated by the Vienna Stock Exchange.

Rating

The Instruments to be issued are not expected to be rated.

Responsibility

The Issuer accepts responsibility for the information contained in this Information Memorandum. To the best of the Issuer's knowledge (having taken all reasonable care to ensure that such is the case) the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

No representations

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum in connection with the issue or sale of the Instruments and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Arranger, the Dealer(s), the Trustee, the Agents or any of their respective affiliates. Neither the delivery of this Information Memorandum nor any sale of Instruments made in connection therewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of this Information Memorandum or the date upon which this Information Memorandum has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date of this Information Memorandum or the date upon which this Information Memorandum has been most recently amended or supplemented or that any other information supplied in connection with the Instruments is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

None of the Arranger, the Dealer(s), the Trustee, the Agents or any of their respective affiliates have separately verified the information contained in this Information Memorandum. None of the Arranger, the Dealer(s), the Trustee, the Agents or any of their respective affiliates makes any representation, express or implied, or, to the fullest extent permitted by law, accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Information Memorandum or for any other statement made or purported to be made by a Dealer, the Arranger, the Trustee, the Agents or any of their respective affiliates or on behalf of any of them in connection with the Issuer or the issue and offering of the Instruments. Each of the Arranger, the Dealer(s), the Trustee and the Agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it

might otherwise have in respect of this Information Memorandum or any such statement.

No offer

This Information Memorandum does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger, the Dealer(s), the Trustee, the Agents or any of their respective affiliates to subscribe for, or purchase, any Instruments.

Independent review/investor suitability

Independent review and investment advice

Each prospective investor in the Instruments must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Instruments is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Instruments.

To determine whether an investment in the Instruments is appropriate, each prospective purchaser must consider its own assessment of the financial condition and affairs and the creditworthiness of the Issuer and any obligor in respect of the Collateral and such professional advice (including, without limitation, any tax, accounting, legal and regulatory advice) as it deems appropriate to assess the economic and political condition of the country in which such obligor is located.

This Information Memorandum is not intended to provide the basis of any credit or other evaluation or should be considered as a recommendation or as constituting an invitation or offer that any recipient of this Information Memorandum should purchase any of the Instruments. The Trustee, the Agents, the Arranger and the Dealer(s) expressly do not undertake to review the financial condition, creditworthiness or affairs of the Issuer or any other relevant obligor(s) during the life of the arrangements contemplated by this Information Memorandum or the term of any Instruments issued nor to advise any investor in the Instruments of any information coming to the attention of any of the Arranger, the Dealer(s), the Trustee, the Agents or any of their respective affiliates.

Investor suitability for complex products

Prospective purchasers of Instruments should conduct such independent investigation and analysis regarding the Issuer, the security arrangements and the Instruments as they deem appropriate to evaluate the merits and risks of an investment in the Instruments. Prospective purchasers of Instruments should have sufficient knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Information Memorandum and the merits and risks of investing in the Instruments in the context of their financial position and circumstances.

Sufficient financial resources

Each prospective investor in the Instruments should have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Instruments. This includes the risk of where principal and interest may reduce as a result of the occurrence of different events whether related to the creditworthiness of any entity or otherwise or changes in particular rates, values, prices or indices, or where the currency for principal or interest payments is different from the prospective investor's currency.

A prospective investor may not rely on the Issuer, the Arranger, the Dealer(s), the Trustee or the Agents or any of their respective affiliates in connection with its

determination as to the legality of its acquisition of the Instruments or as to the other matters referred to above.

Applicable Laws

Investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its professional advisers to determine whether and to what extent:

- (i) the Instruments are legal investments for it, and/or
- (ii) other restrictions apply to its purchase of any Instruments.

Financial institutions should consult their professional advisers or the appropriate regulators to determine the appropriate treatment of Instruments under any applicable risk-based capital or similar rules.

No advisory or fiduciary obligations

None of the Issuer, the Arranger, the Dealer(s) or any of the other Transaction Parties or any of their respective affiliates is acting as an investment adviser or as adviser in any other capacity. None of them (other than the Trustee under the Trust Deed) assumes any fiduciary obligation to any purchaser of Instruments or any other party, including the Issuer.

No due diligence

Investors must carry out their own due diligence into the business, financial condition, prospects, creditworthiness, status and/or affairs of each issuer or obligor of any Collateral and the terms thereof .

None of the Issuer, the Arranger, the Dealer(s) or any of the other Transaction Parties assumes any responsibility for conducting or failing to conduct any such investigation.

No representations

None of the Issuer, the Arranger, the Dealer(s) or any of the other Transaction Parties makes any representation or warranty, express or implied, in respect of:

- (i) any Collateral;
- (ii) any issuer or obligor of any Collateral; or
- (iii) any information contained in any documents prepared, provided or filed by or on behalf of any such issuer or obligor or in respect of such Collateral with any exchange, governmental, supervisory or self regulatory authority or any other person.

None of the Arranger, the Dealer(s) or any of the other Transaction Parties makes any representation or warranty, express or implied, in respect of the Issuer or in respect of any information contained in any documents prepared, provided or filed by or on behalf of the Issuer.

The risk factors identified in this Information Memorandum are provided as general information only and the Arranger, the Dealer(s) and the Trustee disclaim any responsibility to advise purchasers of Instruments of the risks and investment considerations associated therewith as they may exist at the date hereof or as they may from time to time alter.

Important Information

Prohibition of Sales to EEA Retail Investors

The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II Product Governance/Target Market

The Terms and Conditions include a legend entitled "MiFID II Product Governance" which outlines the target market assessment in respect of the Instruments and which channels for distribution of the Instruments are appropriate. Any person subsequently offering, selling or recommending the Instruments (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination is made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID II Product Governance Rules**"), any Dealer subscribing for any Instruments is a manufacturer in respect of such Instruments, but otherwise neither the Arranger nor the Dealer nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

Definitions

Investors should have regard to the definitions set out in the Definitions Annex to the Terms and Conditions and the Master Definitions and Construction Terms. Unless otherwise defined elsewhere in this Information Memorandum, capitalised terms used in this Information Memorandum shall have the meaning given to them in the Definitions Annex to the Terms and Conditions or the Master Definitions and Construction Terms. The language of this Information Memorandum is English.

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RISK FACTORS

Prospective investors of Instruments should carefully consider the following information in conjunction with the other information contained in this Information Memorandum and the information contained in the documents set out in the section entitled "Information Incorporated by Reference" before purchasing any Instruments.

The following risk factors set out those factors that the Issuer believes:

- represent the principal risks (including the market risks) inherent in investing in the Instruments;
- may affect its ability to fulfil its obligations under the Instruments; and/or
- may be material for the purposes of assessing the risks associated with the Instruments.

The risks highlighted in this section are not exhaustive. There may be other reasons why the Issuer is unable to pay interest, principal or other amounts due in respect of the Instruments or why amounts payable in respect of the Instruments may be reduced. Prospective investors should read the information set out elsewhere in this Information Memorandum and reach their own conclusions prior to making a decision in respect of any investment. The Issuer does not express any opinion on the possibility of any event described in a risk factor occurring.

The risk factors identified in this Information Memorandum are provided as general information only and the Arranger, the Dealer(s) and the Trustee disclaim any responsibility to advise purchasers of Instruments of the risks and investment considerations associated therewith as may exist at the date hereof or from time to time.

Investors should be aware that more than one risk factor may have simultaneous effects with regard to the Instruments, such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Instruments.

For the purposes of these risk factors, references to "**Instrumentholders**" or "**holders**" of Instruments should generally be read as including holders of beneficial interests in such Instruments, except where the context otherwise requires.

1. **Investor suitability for complex products**

IMPORTANT – PROSPECTIVE INVESTORS PLEASE NOTE

The Instruments are complex investments that involve substantial risks and are suitable only for sophisticated investors.

Prospective investors should ensure that they understand the nature of the risks inherent in an investment in the Instruments, and their exposure to such risks as a result of such investment in the Instruments. Before making an investment decision prospective investors should review carefully all of the information contained in this Information Memorandum and, in particular, the considerations set out below.

Prospective investors should reach an investment decision only after carefully considering the suitability of the Instruments in light of their particular circumstances and financial condition. Investment in the Instruments may only be suitable for investors who:

- (i) have sufficient knowledge and experience in financial and business matters to enable them to evaluate the risks of an investment in the Instruments and the rights attaching to the Instruments;
- (ii) have access to such professional advisers and appropriate analysis as are necessary to make their own evaluation of the risks of such an investment (including without limitation any tax, accounting, legal, regulatory and financial implications for them of such an investment);
- (iii) are capable of bearing the economic risk of an investment in the Instruments for an indefinite period of time and recognise that it may not be possible to transfer the Instruments for a substantial period of time, if at all; and
- (iv) are acquiring the Instruments for their own account (as principal and not as agent) for investment purposes and not with a view to the resale, distribution or other disposition of the Instruments.

2. **Risks relating to the Issuer**

2.1 **The Issuer is a special purpose vehicle**

The Issuer is incorporated in the United Kingdom and its only business is the issuance of Instruments for the purposes of purchasing assets and/or entering into related derivatives and other transactions.

The Issuer, in its capacity as Issuer, will covenant in the Trust Deed in connection with the Instruments that, as long as any Instruments remain outstanding, without the prior written consent of the Trustee, it will not have any subsidiaries, consolidate or merge with any other person, have any employees, issue any shares (other than such shares as were in issue on the date of its incorporation), make any distributions to its shareholders, declare any dividends, purchase, own, lease or otherwise acquire any real property (including office premises or like facilities) or acquire any securities or shareholdings from its shareholders. Accordingly, the Issuer has, and will have, no assets other than its issued and paid-up share capital, such fees (as agreed) payable to it in connection with the issue of Instruments or entry into of other obligations from time to time and any Mortgaged Property on which Instruments or other obligations are secured.

2.2 **The Issuer is structured to be insolvency-remote, but it is not insolvency-proof; consequences of insolvency proceedings in relation to the Issuer**

The Issuer is structured to be insolvency-remote and will contract with parties who agree not to make any application for the commencement of winding-up or bankruptcy or similar proceedings under the Applicable Laws of any jurisdiction against the Issuer. The Issuer is permitted (as provided for in the Trust Deed) to contract with parties who agree not to make any application for the commencement of winding-up or bankruptcy or similar proceedings under the Applicable Laws of any jurisdiction against the Issuer.

However, there is no guarantee that all claims that arise against the Issuer will be on a non-petition basis, in particular where claims arise from third parties that have no direct contractual relationship with the Issuer or if the Issuer fails for any reason to comply with its contractual obligations (including the obligation only to contract on a "non-petition" basis). A creditor that has not accepted non-petition provisions in respect of the Issuer may be entitled to make an application for the commencement of insolvency proceedings

against the Issuer. The commencement of such proceedings may entitle such a creditor to terminate contracts with the Issuer and claim damages for any loss suffered as a result of such early termination.

The Issuer may be declared insolvent upon petition by a creditor of the Issuer or at the request of the Issuer in accordance with the relevant provisions of English insolvency law.

If as a result of such claims a shortfall arises, such shortfall will be borne by the Instrumentholders and the Transaction Parties in accordance with the priority of payment provisions contained in the relevant Transaction Documents.

2.3 The Issuer may be subject to anti-money laundering legislation which if violated could materially and adversely affect the timing and amount of payments made by the Issuer

The Issuer may be subject to legislation and regulations relating to corrupt and illegal payments and money laundering as well as laws, sanctions and restrictions relation to certain individuals and countries. If the Issuer were determined by the relevant authorities to be in violation of any such legislation or regulations, it could become subject to significant penalties, including in certain cases criminal penalties.

Any such violation could have a material and adverse effect on the timing and amount of payments made by the Issuer to Instrumentholders in respect of the Instruments.

3. Risks relating to the Instruments

3.1 The Issuer has no material assets other than Mortgaged Property

The Instruments are direct, secured, limited recourse obligations of the Issuer. Payments due in respect of the Instruments will be made solely out of amounts received by or on behalf of the Issuer in respect of the Mortgaged Property. The Issuer will have no other material assets or sources of revenue available for payment of any of its obligations under the Instruments.

3.2 The Issuer's obligations are limited recourse

The Issuer is (as provided for in the Trust Deed) permitted only to enter into contracts with parties on a "limited recourse" basis so that claims against the Issuer in relation to the Instruments would be restricted to the net proceeds of the Mortgaged Property for the relevant Instruments.

To make payments under the Instruments, the Issuer will utilise the cash flows (if any) from the Mortgaged Property. If the payments received by the Issuer in respect of the Mortgaged Property are not sufficient to make all payments due in respect of the Instruments, the obligations of the Issuer in respect of the Instruments will be limited to such Mortgaged Property. The Instrumentholders will have no recourse to other assets of the Issuer. The proceeds available for the repayment of the Instruments at any particular time may not be sufficient to cover all amounts that would otherwise be payable in respect of the Instruments. If the proceeds of the realisation of the Mortgaged Property prove insufficient to make payments or deliveries in respect of the Instruments, no other assets will be available for payment or delivery in respect of the shortfall. Following distribution of the proceeds of such realisation any outstanding claim against the Issuer in relation to the Instruments will be extinguished. No debt will be owed by the Issuer in respect of such claim.

In such circumstances holders of Instruments may lose some or all of their investment in the Instruments.

3.3 There may be adverse consequences of early redemption of Instruments and Liquidation of Collateral

The Instruments may be redeemed on a date prior to the Maturity Date following the occurrence of one or more Early Redemption Events which include the following events:

- certain events with respect to the Underlying Collateral which may include any of the Underlying Collateral being called for redemption, repayment or prepayment prior to its scheduled maturity date, certain failures to make payments in respect of the Underlying Collateral, failure to deliver the Underlying Collateral, the conversion of the Underlying Collateral into another instrument or

a redenomination of the currency in which the principal or interest of the Underlying Collateral is due to be paid;

- certain events with respect to the Underlying Collateral Obligor which may include certain failures to pay occurring in respect of an obligation of the Underlying Collateral Obligor, an obligation of the Underlying Collateral Obligor becoming due and repayable prior to its scheduled maturity date, a repudiation or moratorium followed by a failure to pay occurring in respect of an obligation of the Underlying Collateral Obligor, an obligation of the Underlying Collateral Obligor undergoing a restructuring, a bankruptcy, insolvency, liquidation or similar event occurring in respect of the Underlying Collateral Obligor or certain events being taken by a governmental authority in respect of an obligation of the Underlying Collateral Obligor;
- certain tax events with respect to the Instruments, the Underlying Collateral or the Issuer;
- illegality; and
- where there is a materially increased cost for the Issuer in relation to the Instruments.

The amount payable to an Instrumentholder in respect of a redemption of the Instruments as the result of an Early Redemption Event will be an amount per Instrument equal to the Early Cash Redemption Amount, unless Instrumentholders holding in aggregate all of the Instruments elect to receive delivery of the Physical Redemption Amount and satisfy all applicable conditions to such election.

The Early Cash Redemption Amount will be calculated by reference to the liquidation proceeds of the Collateral. Instrumentholders will therefore be exposed to the market value of the Collateral (for consideration of certain factors that may impact such values see paragraph 4 below). The Disposal Agent will be responsible for liquidating the Collateral in accordance with the terms of the Disposal Agency Agreement. The intention, subject to market conditions, is for the liquidation process to be completed within seven Business Days of notice being given of the early redemption of the Instruments. Except as otherwise set out in the Terms and Conditions, the Disposal Agent is permitted to sell the Collateral (or any part thereof) at any time during the relevant period or in stages in respect of smaller amounts, and shall not have any liability for doing so if a higher price could have been obtained had such sale taken place at a different time during the relevant specified period or had or had not been sold in stages in respect of smaller amounts. The timing and method of liquidation may materially affect the price obtained in respect of the Collateral being liquidated.

If the Issuer is subject to a Bankruptcy Event of Default, to the extent that a competent bankruptcy official has been appointed in the context of the bankruptcy proceedings, such bankruptcy officer will replace the Disposal Agent and liquidate the Collateral in accordance with applicable legal and regulatory provisions. The termination of the appointment of the Disposal Agent may result in delay in realising the Collateral and in making payment on the Instruments which may result in losses to Instrumentholders.

The Instrumentholders will be paid the Early Cash Redemption Amount or delivered the Physical Redemption Amount, as the case may be, after payment of any priority claims. In addition, in respect of the Early Cash Settlement Amount, such priority claims include payment of the expenses relating to the liquidation. In respect of the Physical Redemption Amount, payment of such priority claims will be funded by payment by the Instrumentholders of the Physical Redemption Priority Payment Amount.

The proceeds and/or assets available following payment of any such priority claims may not be sufficient to pay or deliver, as the case may be, in full the amounts that the Instrumentholders would expect to receive if the Instruments were redeemed in accordance with their terms on the Maturity Date, and there is no guarantee that Instrumentholders will receive back the amount, or assets with a value equal to the amount, they originally invested.

Following an Event of Default the Instruments may be redeemed before the scheduled Maturity Date at the Default Redemption Amount. Such amount may be lower than the Final Redemption Amount due at maturity. The Default Redemption Amount will be determined based on:

- the market value of the Collateral (net of any costs or taxes or charges that would be incurred on the sale of the Collateral); plus
- all amounts standing to the credit of the Issuer Collection Account and the Expense Account.

Following an early redemption of the Instruments as a result of an Early Redemption Event or an Event of Default, an Instrumentholder may not be able to reinvest the proceeds in a way that generates a level of return as high as that on the Instruments and may only be able to do so at a significantly lower rate of return. Prospective investors in the Instruments should consider such reinvestment risk in light of other investments that are available to them.

3.4 Occurrence of a Collateral Event

If (i) the Issuer becomes or is made aware or (ii) the Trustee (on the instructions of Instrumentholders acting by way of Extraordinary Resolution) gives a notification to the Issuer, in each case that a Collateral Event (which includes certain events relating to the Underlying Collateral and/or the Collateral Obligor, as described in paragraph 3.3 above) has occurred, then if the Issuer is directed by the Trustee (on the instructions of Instrumentholders acting by way of Extraordinary Resolution), the early redemption provisions set out in Conditions 9(f) (*Instrumentholder Settlement Option procedure*) and 9(g) (*Physical redemption procedure*) (as described in paragraph 3.3 above) will apply.

3.5 Only the Trustee may enforce the security over the Mortgaged Property

Neither Instrumentholders nor Couponholders are permitted to enforce the security over the Mortgaged Property. Only the Trustee may enforce the security over the Mortgaged Property in accordance with, and subject to, the terms of the Trust Deed. The Trustee will be required to enforce the security if requested by the holders of at least one-fifth in principal amount of the Instruments, if directed by an Extraordinary Resolution, subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction.

The interests of particular Instrumentholders (who request or direct the enforcement of the security) may not coincide with those of other Instrumentholders. Enforcement of the security on the request or direction of some of the Instrumentholders may not be in the best interests of some or all of the Instrumentholders.

3.6 Payments to Instrumentholders are subordinated to the claims of other Secured Creditors

The rights of the Instrumentholders to be paid amounts due under the Instruments out of the Liquidation Proceeds or on enforcement of the Security will be subordinated to:

- the fees, costs, charges, expenses and liabilities of and all other amounts owing to the Trustee in connection with the Trust Deed, including costs incurred in the enforcement of such Security; and
- amounts owing to the Account Bank, the Issuing and Paying Agent and the other Agents (including the Calculation Agent and Disposal Agent in connection with the Instruments),

and any other claims as specified in the Terms and Conditions relating to the relevant Instruments, which rank in priority to the Instruments.

As a result, funds available to the Issuer in connection with the Instruments will be applied to satisfy such senior ranking payments before payments are made to Instrumentholders.

If the funds available to the Issuer to satisfy claims of all Secured Creditors are insufficient to satisfy all such claims, the amount payable to Instrumentholders will be reduced and Instrumentholders will lose some or all of their investment.

3.7 Instrumentholders have no right to take action against the Issuer

The Instrumentholders are not entitled to proceed directly against the Issuer in relation to any breach of the terms of the Trust Deed or the Instruments. The only circumstance in which Instrumentholders may take such action is where the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails to do so within a reasonable period and such failure is continuing.

3.8 Instrumentholders are responsible for Trustee indemnity and funding of Trustee enforcement action

The Trustee may take certain actions in respect of the Instruments, in particular if the security over the Mortgaged Property in respect of such Instruments becomes enforceable under the Terms and Conditions.

Prior to taking such action, the Trustee may require to be indemnified and/or secured and/or pre-funded to its satisfaction. If the Trustee is not so indemnified and/or secured and/or pre-funded it may decide not to take such action. Such inaction will not constitute a breach by it of its obligations under the Trust Deed. Consequently, the Instrumentholders would have to either arrange for such indemnity and/or security and/or pre-funding. Instrumentholders should therefore be prepared to bear the costs associated with any such indemnity and/or security and/or pre-funding or be prepared to accept the consequences of any such inaction by the Trustee.

Any such inaction by the Trustee shall not entitle Instrumentholders to take action against the Issuer for any breach of the Trust Deed, the Instruments or the Coupons by the Issuer. As a result Instrumentholders may have to incur additional costs and expenses (which may be substantial) in order to realise some or all of their investment in the Instruments.

3.9 Decisions made by written resolution of the Instrumentholders or by Extraordinary Resolution are binding on all Instrumentholders

The Trust Deed contains provisions for calling meetings of Instrumentholders and obtaining written resolutions on matters relating to the Instruments from Instrumentholders without calling a meeting. A written resolution signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Instruments who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Trust Deed shall be deemed to be an Extraordinary Resolution. Non-Permitted Transferees will not be entitled to vote at any meeting or sign a written resolution and shall not be counted for the purposes of determining a quorum or whether the threshold for the passing of any written resolution has been met.

In certain circumstances, where the Instruments are held in a clearing system, the Issuer and the Trustee will be entitled to rely upon approval of a resolution given by way of electronic consents communicated through the relevant clearing system in accordance with its operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in aggregate principal amount of the Instruments, but each Instrumentholder which approved by way of an electronic consent will still be required to provide a signed copy of the written resolution in the form set out in the Trust Deed or as required by the Trustee from time to time. Each Instrumentholder will be required to represent and warrant that it is not a Non-Permitted Transferee in the form of written resolution.

A written resolution or an electronic consent described above may be obtained in connection with any matter affecting the interests of Instrumentholders.

These provisions permit defined majorities to bind all Instrumentholders including Instrumentholders who did not attend and vote at the relevant meeting or in respect of the relevant resolution and Instrumentholders who voted in a manner contrary to the majority.

3.10 Instrumentholders may only receive information through the Matter Site

Any documents received by the Issuer in relation to the Collateral will only be made available through the Matter Site operated, managed and maintained by the Issuer (or the Corporate Services Provider on its behalf). In order to receive such documents, Instrumentholders will be required to obtain access to the Matter Site, satisfy all conditions for receiving access to the Matter Site and comply with any terms and conditions of service applicable to the Matter Site. The conditions for access include, among other things, signing a confidentiality undertaking in a form satisfactory to the Issuer, providing proof of holdings and any other document or evidence the Issuer may request. None of the Trustee, the Issuer or the Corporate Service Provider make any representation, warranty or covenant regarding whether any Instrumentholder will be granted ongoing access to the Matter Site and such matters are entirely the responsibility of the relevant Instrumentholder. The Matter Site is distinct from the Issuer's website.

3.11 The Trustee may, in certain circumstances, agree to modification, waivers, tap issuances without the consent of the Instrumentholders

The Trustee may, in certain circumstances and without the consent of Instrumentholders, agree to:

- modifications to any of the Terms and Conditions and any of the provisions of the Transaction Documents made pursuant to and in accordance with the requirements set out in Condition 17(b) (*FATCA and similar information*);
- any modification of any of the Terms and Conditions or any of the provisions of the Transaction Documents that in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error; and
- any other modification (except a Reserved Matter), and any waiver or authorisation of any breach or proposed breach of any of the Terms and Conditions or any provisions of the Transaction Documents that in the opinion of the Trustee is not materially prejudicial to the interests of Instrumentholders.

Furthermore, the Trustee may, in certain circumstances and without the consent of Instrumentholders, determine that any Event of Default or Potential Event of Default shall not be treated as such.

3.12 The Specified Denomination of the Instruments may cause Instrumentholders to incur additional costs

Instruments may have Specified Denominations of a certain amount or amounts plus one or more integral multiples of a smaller amount (the “**Integral Multiples**”) in excess thereof, in which case:

- the Instruments may be tradable only in the minimum authorised denomination of the Specified Denomination and the Integral Multiples; and
- it is possible that the Instruments may be traded in amounts in excess of the Specified Denomination that are not Integral Multiples of the Specified Denomination.

An Instrumentholder who, as a result of trading such amounts as contemplated in the second bullet point above, holds an amount which is less than the Specified Denomination in its account with the relevant clearing system may need to purchase a principal amount of Instruments such that its holding amounts to not less than the Specified Denomination in order to be able to transfer its Instruments (subject in all cases to the rules and procedures of the relevant clearing system).

3.13 If the Instruments are in global form, Instrumentholders will rely on the clearing systems for payments

Instruments may be represented on issue by one or more Global Instruments that may be deposited with a common depository or common safekeeper for a clearing system. While the Instruments are represented by Global Instruments, investors will be able to trade their beneficial interests only through the relevant clearing system and its respective participants.

Global Bearer Instruments may only be exchanged for definitive Bearer Instruments in the following limited circumstances:

- (in respect of Temporary Global Bearer Instruments) where the Terms and Conditions specify that Temporary Global Bearer Instruments can be exchanged for definitive Bearer Instruments; and
- (in respect of Permanent Global Bearer Instruments) where a clearing system in which a Permanent Global Bearer Instrument is held is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does cease business.

While the Instruments are represented by Global Instruments, the Issuer will discharge its payment obligation under the Instruments by making payments through the relevant clearing system. A holder of a

beneficial interest in a Global Instrument must rely on the procedures of the relevant clearing system and its participants to receive payments under the Instruments. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Instrument.

Holders of beneficial interests in a Global Instrument will not have a direct right to vote in respect of the Instruments so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants.

3.14 Negative interest rates may apply in certain circumstances to cash funds held by the Account Bank or the Trustee

Negative interest rates may apply from time to time in certain circumstances to:

- any cash funds held with the Account Bank on behalf of the Issuer; and
- any cash funds held by the Trustee in respect of the Instruments.

To the extent that such negative interest rates apply, the amount of cash collateral held with the Account Bank or by the Trustee may be reduced. Instrumentholders should therefore note that unless additional amounts are transferred to the Issuer to account for any deductions of negative interest, Instrumentholders may receive less than they otherwise would have if such negative interest rate did not apply.

3.15 Certain investors in the Instruments are not permitted; void transfer and forced transfer

Unless otherwise expressly specified in the terms of the Instruments, the Instruments may not be at any time offered, sold, pledged or otherwise transferred in the United States or to (i) a U.S. person (as defined in Rule 902(k)(1) of Regulation S under the Securities Act), (ii) a U.S. person (as defined in the final risk retention rules promulgated under Section 15G of the Exchange Act), (iii) a person who comes within any definition of U.S. person for the purposes of the U.S. Commodity Exchange Act of 1936, as amended (the "CEA"), or any rule, guidance or order proposed or issued by the U.S. Commodity Futures Trading Commission (the "CFTC") thereunder (including but not limited to any person who is not a "Non-United States person" under CFTC Rule 4.7(a)(1)(iv) and also including but not limited to a "U.S. Person" as described in and for the purposes of the CFTC's Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed Reg. 45292 (July 26, 2013) as amended from time to time), or (iv) persons who are Jersey resident for income tax purposes (any such person or account, a "Non-Permitted Transferee").

Any transfer of Instruments to a Non-Permitted Transferee or Benefit Plan Investor will be void *ab initio* and of no legal effect whatsoever. Accordingly, any purported transferee of any legal or beneficial ownership interest in Instruments in such a transaction will not be entitled to any rights as a legal or beneficial owner of such interest in such Instruments, and may not receive any payments under the Instruments.

The Issuer will have the right at any time after becoming aware that any legal or beneficial ownership interest in Instruments is held by a Non-Permitted Transferee or Benefit Plan Investor to require such Non-Permitted Transferee or Benefit Plan Investor to sell such interest to (a) the Arranger (or any of its Affiliates) or (b) a person who is not a Non-Permitted Transferee or Benefit Plan Investor, in each case in accordance with Condition 3(d) (*Void transfer and forced transfer*). The sale price of such interest will be equal to the lowest of the purchase price paid for such interest by such Non-Permitted Transferee or Benefit Plan Investor, the principal amount of such interest and the fair market value of such interest (less any costs or expenses incurred by or on behalf of the Issuer in connection with such sale). Pending such sale, the Issuer will be entitled to cease to make any payments in respect of Instruments held by a Non-Permitted Transferee or a Benefit Plan Investor.

The foregoing restrictions on the offer, sale, pledge or other transfer of Instruments to a Non-Permitted Transferee or Benefit Plan Investor may adversely affect the ability of an investor in the Instruments to dispose of the Instruments in the secondary market, if any, and significantly reduce the liquidity of the Instruments. As a result, the value of the Instruments may be materially adversely affected.

4. Risks relating to the Collateral

4.1 The Collateral is subject to credit, liquidity, interest rate and inflation risks

The Collateral relating to any Instruments will be subject to, amongst other risks, credit, liquidity, interest rate and liquidity risks. If an obligor in respect of any Collateral becomes insolvent, various insolvency laws applicable to such obligor may reduce the amount the Issuer or the Trustee may recover in respect of such Collateral. The Instruments may be redeemed early if certain events occur in respect of the Collateral or an issuer or obligor in respect of any Collateral. See paragraph 3.3 above. If the Instruments are redeemed early, Instrumentholders will be exposed to the value of the Collateral.

As a result, reductions in the value of the Collateral may result in or increase losses to Instrumentholders. See also paragraph 5 (*Risks relating to the market and market value of Instruments*).

During and since the global financial crisis, the credit ratings of debt issued by a significant number of financial institutions and other corporate entities (including structured vehicles) have been subject to downgrade. If there is a downgrade of the credit rating of any Underlying Collateral comprising securities or Collateral Obligor and/or the credit risk in respect of such Underlying Collateral increases and/or the market value of such Underlying Collateral decreases after such Underlying Collateral is or has been held by the Issuer, there will be no obligation on any party to deliver to the Issuer additional assets with an equal, equivalent or better credit rating, credit risk or market value than such Underlying Collateral.

4.2 The price and value of the Collateral may be affected by the country of the Collateral Obligor

The price and value of the Collateral, and/or the ability of each issuer or obligor of the Collateral to perform its obligations under the Collateral, may be influenced by, amongst other things, the political, financial and economic stability of:

- the country and/or region in which each issuer or obligor of the Collateral is incorporated or has its principal place of business; and
- the country in which currency each item of Collateral is denominated.

In certain cases the price and value of assets originating from countries not ordinarily considered to be emerging markets countries may behave in a manner similar to those of assets originating from emerging markets countries.

4.3 If the Collateral is liquidated, the amount of the liquidation proceeds that will be received is uncertain

If the Instruments are redeemed other than in accordance with their terms on the Maturity Date, the Collateral relating to such Instruments will be sold or otherwise liquidated. No assurance can be given as to the amount of proceeds of any sale or liquidation of such Collateral at that time. The market value of such Collateral will be affected by a number of factors including those summarised in paragraph 5.4 below.

The price at which such Collateral is sold or otherwise liquidated may be significantly less than the value of the Collateral on the Issue Date.

4.4 Information in respect of Collateral

Deutsche Bank AG and other Transaction Parties may from time to time be in possession of certain information (confidential or otherwise) in respect of the Collateral or the obligor of any Collateral and such information might, if known by an Instrumentholder, affect decisions made by it with respect to the Instruments. Notwithstanding this, neither the Deutsche Bank AG nor other Transaction Parties necessarily have any duty or obligation to notify the Instrumentholders or the Issuer or any other Transaction Parties of such information.

4.5 Relationship with Collateral Obligor

Deutsche Bank AG and other Transaction Parties may deal in any obligation of any obligor of any Collateral and may make loans or otherwise extend credit to, and generally engage in any kind of commercial or

investment banking or other business transactions with, the obligor of any Collateral. Deutsche Bank AG and other Transaction Parties may act with respect to such transactions in the same manner without regard to whether any such action might have an adverse effect on the obligor of any Collateral, the Issuer or the Instrumentholders of the relevant Instruments.

One or more of Deutsche Bank AG or any Transaction Party may undertake any of the following activities and such arrangements or transactions may result in Deutsche Bank AG or any Transaction Party having interests which are contrary to the interests of Instrumentholders:

- underwrite, or act as an arranger or adviser in connection with the original issuance of, or may act as a dealer with respect to, the Collateral;
- act as trustee, paying agent and in other capacities in connection with the Collateral or other securities issued by an obligor of the Collateral;
- be a counterparty to obligors of the Collateral under a derivative transaction;
- lend to obligors of the Collateral or their affiliates or receive guarantees from such obligors or their affiliates;
- provide other investment banking, asset management, commercial banking, financing or financial services to the obligors of the Collateral or their affiliates; or
- have an equity interest in obligors of the Collateral or their affiliates.

4.6 **Collateral distributions linked to inflation levels which may fluctuate**

The forecasted Inflation Linked Interest Amounts payable to an investor are based on projected UK retail price index levels, as published by the UK Office for National Statistics or any successor thereto, ("RPI") determined in relation to the Collateral as of the Trade Date. If, at the point of determination, actual RPI values (and therefore associated distributions under the Collateral) are less than those used to calculate the Inflation Linked Interest Amounts on or around the Trade Date, payments by the Issuer of the Inflation Linked Interest Amounts may be less and in some circumstances, zero. Conversely if actual RPI values and therefore associated distributions under the Collateral are greater than those used to calculate the Inflation Linked Interest Amounts on or around the Trade Date, payments by the Issuer of the Inflation Linked Interest Amounts may be higher than those outlined under the Terms and Conditions.

5. **Risks relating to the market and market value of Instruments**

5.1 **The continuing effects of the global financial crisis could be detrimental to the Issuer**

In response to the global financial crisis, various governments and central banks have taken measures to increase liquidity and enacted fiscal stimulus packages and measures to support certain entities affected by the crisis. There can be no assurance that such measures will be successful or what the impact of such measures, the consequence of such sustained fiscal stimulus or the withdrawal of such measures or stimulus will have on global economic conditions.

The impact of these conditions resulting from the financial crisis and increased uncertainty and volatility in financial markets could be detrimental to the Issuer and could adversely affect the value and liquidity of its assets, the value of the Instruments and the ability of the Issuer to meet its obligations under the Instruments.

5.2 **Risks of the United Kingdom leaving the European Union**

On 23 June 2016 the United Kingdom held a referendum to decide on its membership of the European Union. The United Kingdom voted to leave the European Union and the UK Government invoked article 50 of the Lisbon Treaty relating to withdrawal on 29 March 2017. Upon any withdrawal from the European Union by the UK, and subject to agreement on (and the terms of) any future UK-EU relationship, European Union law will cease to apply in the UK. However, many European Union laws have been transposed into English law and these transposed laws will continue to apply until such time as they are repealed, replaced or amended. Over the years, English law has been devised to function in conjunction with European Union

law (in particular, laws relating to financial markets, financial services, prudential and conduct regulation of financial institutions, financial collateral, settlement finality and market infrastructure). As a result, depending on the terms of the UK's exit from the European Union, substantial amendments to English law should be anticipated. Consequently, English law may change and it is impossible at this time to predict the consequences on the Underlying Collateral or the Issuer's business, financial condition, results of operations or prospects. Such changes could be materially detrimental to Instrumentholders. Investors should also be aware that such matters could adversely affect European or worldwide economic, market conditions and could contribute to instability in global financial and foreign exchange markets, including volatility in the pound sterling or euro.

5.3 Global events have adversely affected the creditworthiness of certain financial institutions which may adversely affect the Instruments

The global financial crisis and its consequences have negatively affected the creditworthiness of a number of financial institutions, in some cases to the extent of collapse or requiring rescue from governments or international bodies. The value of the Instruments or of the amount of payments under them may be negatively affected by such widespread credit deterioration of such financial institutions or governments. Prospective investors should note that recoveries on assets of affected entities have in some cases been minimal. If such valuation were to affect the obligors of the Collateral, the Issuing and Paying Agent or the Paying Agent for example the value of the Instruments would be adversely affected.

5.4 The market value of Instruments will be affected by a number of factors

The events outlined above may cause the market value of the Instruments to be affected by a number of inter-related factors, including, but not limited to:

- the creditworthiness of the Issuer;
- the value and volatility of the Collateral and the creditworthiness of the issuers and obligors of any Collateral, in relation to which please refer to paragraph 4 (*Risks relating to the Collateral*);
- the value and volatility of any index, securities, commodities or other obligations to which payments on the Instruments may be linked, directly or indirectly, and the creditworthiness of the issuers or obligors in respect of any securities or other obligations to which payments on the Instruments may be linked, directly or indirectly;
- market perception, interest rates, yields and foreign exchange rates;
- inflation curves and volatility in prices or indexes based on such inflation or prices, including RPI;
- global economic, financial and political events and factors affecting capital markets generally and the stock exchanges (if any) on which the Instruments are traded; and
- the time remaining to the scheduled Maturity Date.

Therefore, the price at which an Instrumentholder may be able to sell the Instruments prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

5.5 Global events have reduced liquidity of markets and assets

The global events referred to above have had an adverse effect on the liquidity of financial markets and in the markets in respect of financial assets. Such assets may either not be sold at all or may only be sold at significant discount to the amount invested. There is no assurance that existing liquidity will not deteriorate. Such limited liquidity may have an adverse effect on the value of the Instruments or the value of the Collateral. Instrumentholders will therefore be exposed to the liquidation value of the Collateral, which may be significantly affected by reduced liquidity.

5.6 Instruments will have limited liquidity

Instruments may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Instruments easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Instruments that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Instruments generally would have a more limited secondary market and more price volatility than conventional debt securities.

Illiquidity may have a severely adverse effect on the market value of Instruments.

Moreover, although pursuant to Condition 8(c) (*Purchases*), the Issuer can purchase Instruments, this is not an obligation for the Issuer. Purchases made by the Issuer could affect the liquidity of the secondary market of the relevant Instruments and thus the price and the conditions under which investors can negotiate these Instruments on the secondary market.

5.7 There is no assurance that the Instruments will be listed

Where an application is made for the Instruments to be listed and admitted to trading on an exchange or market, there is no assurance that such application will be accepted, that the Instruments will be so admitted or that an active trading market will develop.

The Issuer may at any time discontinue any listing of the Instruments. The Issuer may arrange for the Instruments to be listed on another stock exchange or exchanges (which may be other than a regulated market). This could have adverse consequences for the Instrumentholders, including adverse tax consequences and certain information no longer being prepared and/or made available to Instrumentholders.

5.8 Risk-adjusted returns and absolute returns on the Instruments may be lower than that of comparable investments

Risk-adjusted returns and absolute returns on the Instruments may be lower than that of comparable investments. Each prospective investor should be aware that any return on the Instruments may not exceed or even equal the return that might have been achieved had the amount of its initial investment been placed on deposit for the same period.

5.9 Market participants determine prices in respect of the Instruments in different ways and there may be material variation between prices determined

Market participants may determine prices in respect of the Instruments in different ways, and the variation between such prices may be material.

Prices in respect of an Instrument provided by a Dealer may not therefore be representative of prices that may be provided by other market participants. For this reason, any price provided or quoted by a Dealer in respect of an Instrument should not be relied upon by prospective purchasers as a mark-to-market value of the Instruments.

The price (if any) provided by a Dealer is at the absolute discretion of that Dealer and may be determined by reference to such factors as it sees fit. Any such price may take into account fees, commissions or arrangements entered into by that Dealer with a third party in respect of the Instruments and that Dealer shall have no obligation to any Instrumentholder to disclose such arrangements. Any price given would be prepared as of a particular date and time and would not therefore reflect subsequent changes in market values or any other factors relevant to the determination of the price.

6. Risks relating to taxation

6.1 Securitisation Company Tax Regime

The Taxation of Securitisation Companies Regulations (SI 2006/3296) (the "**TSC Regulations**"), as amended, deal with the corporation tax position of securitisation companies such as the Issuer with effect

for periods of account beginning on or after 1 January 2007. If the TSC Regulations apply to a company, then, broadly, it will be subject to corporation tax on the cash profit retained by it for each accounting period in accordance with the Transaction Documents. The Issuer expects to be taxed under the special tax regime for which provision is made by the TSC Regulations. Prospective investors should note, however, that the TSC Regulations are in short-form and advisers rely significantly upon guidance from the United Kingdom tax authorities when advising on the scope and operation of the TSC Regulations including whether any particular company falls within the regime. Prospective investors should note that if the Issuer did not fall to be taxed under the regime then its profits or losses for tax purposes might be different from its cash position and there might be a risk of the Issuer incurring unfunded tax liabilities. In addition, the deduction of interest paid on the Instruments could well be disallowed for United Kingdom corporation tax purposes which could cause a significant divergence between the cash profits and the taxable profits of the Issuer. Any unforeseen taxable profits in the Issuer could have an adverse effect on its ability to make payments to the Instrumentholders and the Couponholders.

6.2 Payments to Instrumentholders will not be grossed-up

In the event that any withholding tax or deduction for tax is imposed on payments in respect of the Instruments, the Instrumentholders will not be entitled to receive amounts which are grossed up in order to compensate for such withholding tax nor be entitled to be reimbursed for the amount of any shortfall resulting from such withholding or deduction.

In certain circumstances, the imposition of such taxes or deductions for tax may result in the Instruments being redeemed early at their Early Redemption Amount.

6.3 Instrumentholders may elect to receive payments net of withholding to avoid early redemption

Where the Issuer would be required to make payments in respect of the Instruments to the Instrumentholders net of any withholding or other deductions for tax, an Instrument Tax Event may occur. However, 100 per cent. of Instrumentholders may elect to receive all payments due on the Instruments net of any such withholding or deductions and in such circumstances the relevant Instruments shall not be redeemed as a result of such Instrument Tax Event and the Issuer shall deduct such tax as applicable from the amounts payable to Instrumentholders.

Instrumentholders should note that any such election will bind all future holders of the Instruments and is not reversible.

Potential purchasers of Instruments in the secondary market should therefore conduct their own investigations as to whether or not such an election has been made by previous Instrumentholders.

6.4 Effects of changes to tax law

The structure of the transaction as described in this Information Memorandum and, inter alia, the issue of the Instruments are based on the tax law and the published practice of HMRC in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible change to such tax law or published practice after the date of this Information Memorandum nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Instruments.

7. Risks relating to the Agents

7.1 Instrumentholders are exposed to the creditworthiness of the Paying Agents

Any payments and/or deliveries made to Instrumentholders in accordance with the Terms and Conditions will be made by the Issuing and Paying Agent and/or the Paying Agents on behalf of the Issuer. Pursuant to the Agency Agreement, the Issuer is required to transfer to the Issuing and Paying Agent such amount as may be due under the Instruments, on or before each date on which such payment and/or deliveries in respect of the Instruments becomes due.

If the Issuing and Paying Agent and/or the Paying Agents, while holding funds for payment to Instrumentholders in respect of the Instruments, is declared insolvent, the Instrumentholders may not

receive all (or any part) of any amounts due to them in respect of the Instruments from the Issuing and Paying Agent and/or the Paying Agents. The Issuer will still be liable to Instrumentholders in respect of such unpaid amounts but will have insufficient assets to make such payments and Instrumentholders may not receive any amounts due to them.

Consequently, Instrumentholders are exposed to the creditworthiness of the Issuing and Paying Agent and the Paying Agents in respect of the performance of their obligations under the Agency Agreement to make payments to Instrumentholders.

7.2 **The Calculation Agent has no obligations to Instrumentholders**

All discretions in making determinations of the Calculation Agent under the terms of the Instruments will be made at the direction of the Trustee (on the instructions of Instrumentholders acting by way of Extraordinary Resolution). The Calculation Agent is only required to exercise such discretions upon receipt of the direction of the Trustee (on the instructions of Instrumentholders acting by way of Extraordinary Resolution). The Calculation Agent can rely conclusively on such directions from the Trustee and shall not be liable for acting in accordance with such instructions. There can be no assurance that the exercise of any such discretion will not negatively affect the value of the Instruments or the occurrence of an early redemption of the Instruments or the amount payable or deliverable in connection therewith.

The Calculation Agent has no obligations to the Instrumentholders, and only has the obligations expressed to be binding on it pursuant to the Calculation Agency Agreement, unless otherwise specified in the Terms and Conditions.

All designations and calculations made by the Calculation Agent in respect of any Instruments are conclusive and binding on the Instrumentholders. Instrumentholders should note that the Calculation Agent has a vital role in performing calculations and determinations in relation to the Instruments. If the Calculation Agent ceases to perform such a role or does not make such calculations and determinations then the Issuer might cease making payments or performing other obligations until the Calculation Agent resumes its performance or a replacement calculation agent is appointed. Holders have the right to direct the Trustee to take certain action in this situation, subject to the provisions of the Transaction Documents including that the Trustee be indemnified and/or secured and/or prefunded to its satisfaction.

8. **Conflicts of interest**

8.1 **Conflicts of interest may arise between the various parties involved in the issuance of Instruments**

Deutsche Bank AG and other Transaction Parties may act in multiple capacities in connection with the Instruments. Deutsche Bank AG and other Transaction Parties have only the duties and responsibilities expressly agreed to in the relevant capacity and will not be deemed to have other duties or responsibilities or be deemed to be subject to a standard of care other than as may be expressly provided with respect to the relevant capacity. Deutsche Bank AG and other Transaction Parties may enter into business dealings relating to the Instruments or the Collateral or any asset in respect of the Instruments or Collateral from which it may derive revenues and profits without any duty to account for such revenues or profits. Deutsche Bank AG and other Transaction Parties may purchase and hold Instruments.

The Deutsche Bank AG group and its personnel, including its sales and trading, investment research and investment management personnel, regularly make investment recommendations, or publish or express independent views in respect of a wide range of markets, issuers, securities and instruments. They regularly implement, or recommend, various investment strategies relating to these markets, issuers, securities and instruments. These strategies include, for example, buying or selling credit protection against a default or other event involving an entity or financial instruments. Any of these recommendations and views may be negative with respect to the Issuer or the Instruments or other securities or instruments similar to the Instruments or result in trading strategies that have a negative impact on the market for any such securities or instruments, particularly in illiquid markets. Instrumentholders should expect that personnel in the trading and investing businesses of the Deutsche Bank AG group will have independent views of the Issuer or other market trends which may not be aligned with the views and objectives of Instrumentholders.

Deutsche Bank AG and other Transaction Parties may at any time be an active and significant participant in or act as market maker in relation to a wide range of markets for currencies, instruments relating to currencies, securities and derivatives. Activities undertaken by Deutsche Bank AG and other Transaction Parties may be on such a scale as to affect, temporarily or on a long-term basis, the price of such currencies, securities relating to currencies, securities and derivatives or securities and derivatives based on, or relating to, the Instruments or any Collateral. Notwithstanding this, neither the Deutsche Bank AG nor other Transaction Parties necessarily have a duty or obligation to take into account the interests of any party in relation to any Instruments when effecting transactions in such markets.

8.2 The Trustee is required to have regard to the interests of the Instrumentholders as a class and not individually and does not assume any duty or responsibility to the Transaction Parties

In connection with the exercise of its functions, the Trustee will have regard to the interests of the Instrumentholders as a class and is not required to have regard to the consequences of such exercise for individual Instrumentholders. The Trustee is not entitled to require, nor is any Instrumentholder entitled to claim, from the Issuer any indemnification or payment in respect of any such exercise upon individual Instrumentholders.

In acting as Trustee under the Trust Deed, the Trustee does not assume any duty or responsibility to any of the Disposal Agent, the Account Bank, the Calculation Agent, any of the Paying Agents, any other Secured Creditor or any other Transaction Party (other than to pay any such party any moneys received and payable to it and to act in accordance with the Terms and Conditions and the Trust Deed). The Trustee is not obliged to act on any directions of any Secured Creditor or Transaction Party other than where expressly provided otherwise in the Transaction Documents to which the Trustee is a party.

9. Risks relating to regulatory change

9.1 It is uncertain how regulatory change will affect the Issuer

The global financial crisis of 2008 onwards led to increased regulation of financial activities. The United States of America, the European Union and other jurisdictions have implemented, and are still in the process of implementing, various reform measures. Such regulatory changes and the method of their implementation may have a significant effect on the operation of financial markets. In many cases, it is uncertain how such regulatory reform would affect the Issuer, the treatment of the Instruments or the activities of other parties that have roles with respect to the Instruments, such as (without limitation) the Arranger and the Trustee.

9.2 The application of the Alternative Investment Fund Managers Directive to special purpose entities such as the Issuer is uncertain

The EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") became effective on 22 July 2013. The AIFMD has been implemented into English law by the use of various statutory instruments and the inclusion of provisions in the FCA handbook. The AIFMD provides, amongst other things, that all alternative investment funds (each, an "**AIF**") must have a designated alternative investment fund manager ("**AIFM**") with responsibility for portfolio and risk management. The application of the AIFMD to special purpose entities such as the Issuer is unclear. The Issuer does not operate in the same manner as a typical alternative investment fund. The Issuer has been established solely for the purpose of issuing securities, bonds, notes, debt or entering into loan agreements or other similar agreements and entering into agreements in relation thereto and performing acts incidental thereto or necessary in connection therewith. However, the definition of AIF and AIFM in the AIFMD is broad and there is only limited guidance as to how such definition should be applied in the context of a special purpose entity such as the Issuer. Were the Issuer to be found to be an AIF or an AIFM, or were the Arranger acting in any capacity in respect of the Instruments and/or the Trustee to be found to be acting as an AIFM with respect to the AIF, the AIFM would be subject to the AIFMD. Owing to the special purpose nature of the Issuer, it would be unlikely that either the Issuer or Arranger could comply fully with the requirements of the AIFMD and, in addition, the Issuer might be classified as a financial counterparty for the purposes of EMIR (defined below) and be required to comply with clearing obligations or other risk mitigation techniques with respect to derivatives transactions.

No assurance can be given as to how ESMA or national regulators might, in the future, interpret the AIFMD or whether any such interpretation might find the Issuer to be an AIF or an AIFM, or find the Arranger acting in any capacity in respect of the Instruments and/or the Trustee to be acting as an AIFM with respect to the Issuer.

9.3 The application of the United States commodity pool regulation to the Issuer is uncertain

The CFTC has rescinded the rule which formerly provided an exemption from registration as a "commodity pool operator" (a "**CPO**") and a "commodity trading advisor" ("**CTA**") under the CEA, in respect of certain transactions. In addition, the Dodd-Frank Act expanded the definition of a "commodity pool" to include any form of enterprise operated for the purpose of trading in commodity interests, including swaps. The Issuer has imposed certain restrictions on sales in order to fall outside of the scope of the Dodd-Frank Act. However, if the Issuer were deemed to be a "commodity pool", then both the CPO and the CTA of the Issuer would be required to register as such with the CFTC and the National Futures Association by the initial offering date of the Instruments. While there remain certain limited exemptions from registration, it is unclear whether and to what extent any of these exemptions would be available to avoid registration with respect to the Issuer. In addition, if the Issuer were deemed to be a "commodity pool", it would have to comply with a number of reporting requirements that are designed to apply to traded commodity pools. It is presently unclear how a special purpose entity such as the Issuer could comply with certain of these reporting requirements on an ongoing basis. Such registration and other requirements would involve material ongoing costs to the Issuer. In addition, if the Issuer were deemed to be a "commodity pool" this might have adverse consequences for the Arranger, or for the Trustee.

SUMMARY OF ISSUE DETAILS

The following summary is a broad overview of the Instruments, the Terms and Conditions and the Transaction Documents. The following summary does not contain all of the information that Instrumentholders or prospective Instrumentholders should consider in making their investment decisions and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Information Memorandum, in the Terms and Conditions and the Transaction Documents. To understand all of the terms of the Instruments, prospective Instrumentholders should carefully read this entire Information Memorandum, the Terms and Conditions and the Transaction Documents. In the event of any inconsistency between the following summary and the Terms and Conditions, the Terms and Conditions shall prevail.

Definitions used in the following summary have the meanings given to them in the Terms and Conditions.

ISSUE DETAILS

1. **Issuer:** Peaslake Investments 1 plc (LEI: 213800CLMD5K1JO3KV23),
2. **Specified Currency:** GBP
3. **Aggregate Nominal Amount of Instruments:** GBP 32,000,000
4. **Issue Price:** 98.693 per cent. of the Aggregate Nominal Amount
5. (i) **Issue Date:** 30 March 2020
(ii) **Interest Commencement Date:** Issue Date (as set out in the Annex to the Terms and Conditions)
6. (i) **Specified Denomination(s):** GBP 5,000,000.00 and subsequent increments of GBP 1.00 thereafter.
(ii) **Calculation Amount:** The Aggregate Nominal Amount of Instruments
7. **Maturity Date:** The later of:
 - (a) 14 April 2044 (being 3 Business Days following 11 April 2044), subject to the Business Day Convention (the “**Scheduled Maturity Date**”); or
 - (b) the date on which the Issuer receives the full payment of expected amounts due under the Collateral (provided an Early Redemption Event has not been triggered); or
 - (c) where either the Sale Process or the Instrumentholder Settlement Option procedure is ongoing and is passed the Scheduled Maturity Date, the date on which the relevant timeline has ended.
8. **Interest Basis:** A fixed rate plus a variable rate as more particularly set out in section 10 (*Interest*) below.
9. **Status:** The Instruments are constituted and secured by the Trust Deed. The Instruments are secured, limited recourse obligations of the Issuer, at all times ranking *pari passu* and without any preference among themselves and secured in the manner described in Condition 5(a) (*Transaction Security*) and recourse in respect of which is limited in the manner described in the Terms and Conditions.

PROVISIONS RELATING TO INTEREST

10. **Interest:** The Instrument bears interest on its outstanding principal amount from the Interest Commencement Date at the amount equal to:

Summary of Issue Details

- (i) the Rate of Interest applied to the Instruments in accordance with Condition 7(c) (*Interest Payable*) (the "**Fixed Interest Amount**"); and
- (ii) any excess amounts (the "**Inflation Linked Interest Amount**") standing to the balance of the Issuer Collection Account following a distribution from the Collateral and provided clause 5.2(i) to (vii) (*Directions for operation of the Issuer Account*) under the Account Bank Agreement have been settled on each Interest Payment Date.

A projection of the Inflation Linked Interest Amounts to be paid are set out in the Annex to the Terms and Conditions based on projected UK retail price index levels (which may change) under the column heading "Inflation Amounts".

- (i) **Rate of Interest:** 2.65 per cent. per annum payable quarterly in arrear.
 - (ii) **Interest Payment Date(s):** 3 Business Days following receipt by the Issuer of a distribution from the Collateral.
See the Annex to the Terms and Conditions (adjusted in accordance with the Business Day Convention).
 - (iii) **Interest Period Date:** The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

See the Annex to the Terms and Conditions.
 - (iv) **Interest Accrual Period:** Each period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period End Date and each successive period beginning on (and including) an Interest Period Start Date and ending on (but excluding) the next succeeding Interest Period End Date.

See the Annex to the Terms and Conditions.
 - (v) **Day Count Fraction:** Actual/365 (Fixed)
 - (vi) **Determination Dates:** Each Interest Period Date.
11. **Default Interest:** Not applicable.
12. **Pre-Liquidation Application of Proceeds** See Condition 7(d) (*Pre-liquidation and enforcement application of proceeds*)

MORTGAGED PROPERTY

13. **Mortgaged Property:**
- (i) **Underlying Collateral:** The Issuer's rights, title and/or interests in and to the A Units of the Drury Jersey Property Unit Trust, a unit trust scheme pursuant to Article 7(3) of the Trusts (Jersey) Law 1984 on and subject to the terms of a trust instrument dated 23 July 2019 (the "**Jersey Trust Instrument**") as identified below:

Underlying Collateral Obligor: Drury Trustee 1 Limited and Drury Trustee 2 Limited

Summary of Issue Details

Address:	47 Esplanade, St. Helier, Hersey JE1 0BD
Country of incorporation:	Jersey
Nature of business:	Trustees for property unit trust
Asset:	
Coupon:	Distributions shall be made in accordance with the Jersey Trust Instrument based on the rental income received for the A Unitholders during their entitlement period.
Entitlement period:	The period commencing on 23 July 2019 and ending on 19 May 2044
Currency:	GBP
Legal nature:	Class of unit issued under trust instrument
Governing law:	Jersey, pursuant to Trusts (Jersey) Law 1984

The relevant property under the Jersey Trust Instrument is the freehold interest in the property known as Hythe Riverside Park Colchester with registered title number EX624826 and as more particularly described in the lease agreement dated 20 May 2019 between (1) British Overseas Bank Nominees Limited and W.G.T. C. Nominees Limited and (2) Sainsbury's Supermarkets Ltd, as amended from time to time.

(ii) Accounts:

The Issuer Collection Account and the Expense Account.

The Issuer Collection Account is the account opened in the name of the Issuer to which proceeds from the Underlying Collateral are paid into and from which payments are made in accordance with the Terms and Conditions and the Transaction Documents, including in accordance with Condition 7(d) (*Pre-liquidation and enforcement application of proceeds*).

The Expense Account is the account opened in the name of the Issuer for the purpose of settling certain expenses of the Issuer from time to time, and for the holding of the retained profit of the Issuer. See further the section entitled "*Description of the Expense Coverage, the Liquidation of Collateral, Enforcement of Security and Limited Recourse Provisions – Expense Coverage*" on page 103 below.

PROVISIONS RELATING TO REDEMPTION

- 14. Final Redemption Amount:** As per the definition of Final Redemption Amount in the Terms and Conditions. For the avoidance of doubt, it is expected the Final Redemption Amount shall be zero on the Maturity Date of the Instruments as per the Instalment Amounts redeeming the Instrument by Instalment Amounts.
- 15. Instalments:**
- (i) Instalment Date(s):** 3 Business Days following receipt by the Issuer of a distribution from the Collateral.
- See the Annex to the Terms and Conditions (adjusted in accordance with the Business Day Convention).

(ii) Instalment Amount(s):

Each Instrument shall be partially redeemed on each Instalment Date at its related Instalment Amount, provided that no Early Redemption Notice Date or Early Redemption Date has occurred pursuant to any other Condition. The outstanding principal amount of each such Instrument shall be reduced by the relevant Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Instrument, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

The Instalment Amount is the amount equal to the relevant Amortisation Amount (as specified as such in the Annex to the Terms and Conditions), following the settlement of clause 5.2(i) to (vi) (*Directions for operation of the Issuer Account*) of the Account Bank Agreement, or if following the settlement of clause 5.2(i) to (vi) (*Directions for operation of the Issuer Account*) of the Account Bank Agreement, the remaining amount is less than the relevant Amortisation Amount, the Instalment Amount shall be such remainder amount.

See the Annex to the Terms and Conditions.

16. Early Redemption Events (Condition 9 (Early Redemption)):

Each of the events set out in the tables below will be an “**Early Redemption Event**” in respect of the Instruments. The Determining Party for each Early Redemption Event will be the party specified alongside such Early Redemption Event in the tables below.

The Early Redemption Events are each further described in the definitions section of the Terms and Conditions.

Collateral-related Early Redemption Events:

Early Redemption Event	Determining Party
Collateral Event	The Instrumentholders acting by Extraordinary Resolution

Tax-related Early Redemption Events:

Early Redemption Event	Determining Party
Underlying Collateral Tax Event (unless an Instrumentholder Tax Continuation Election is made pursuant to Condition 9(d)(iii))	Issuer or the Instrumentholders acting by Extraordinary Resolution
Instrument Tax Event (unless an Instrumentholder Tax Continuation Election is made pursuant to Condition 9(d)(ii))	Issuer or the Instrumentholders acting by Extraordinary Resolution
Issuer Tax Event (unless an Instrumentholder Tax Continuation Election is made pursuant to Condition 9(d)(iv))	Issuer or the Instrumentholders acting by Extraordinary Resolution

Other Early Redemption Events:

Early Redemption Event	Determining Party
Illegality Event	Issuer
Additional Redemption Event (Increased Cost Event)	Issuer

- 17. Events of Default:**
- (i) a Payment Event of Default;
 - (ii) a Non-Compliance Event of Default; or
 - (iii) a Bankruptcy Event of Default,
- each as defined in the Terms and Conditions.
- 18. Early Redemption Notification Period:** Five Business Days
- 19. Early Redemption Settlement Method:** Early Cash Redemption Amount unless Instrumentholders holding in aggregate all of the Instruments elect the Instrumentholder Settlement Option before the Settlement Option Cut-off Date and satisfy the other requirements in the Terms and Conditions. See Conditions 9(e) (*Early Redemption Amount*) and 9(f) (*Instrumentholder Settlement Option procedure*).
- 20. Settlement Option Cut-off Date:**
- (i) the twelfth Business Day following the related Early Redemption Notice;
 - (ii) (if applicable) the fifth Business Day following the delivery by the Disposal Agent to the Instrumentholders of a Notice of Nil Liquidation Proceeds; or
 - (iii) at any time prior to delivery of an Early Redemption Notice on ten Business Days' prior written notice.
- See Condition 9(f) (*Instrumentholder Settlement Option procedure*).
- 21. Instrumentholder Settlement Option:** Physical settlement applicable. See Condition 9(g) (*Physical redemption procedure*).
- 22. Early Cash Redemption Amount:** In respect of each Instrument outstanding on the relevant Early Redemption Date, an amount in GBP equal to:
- (a) the Net Liquidation Proceeds; plus
 - (b) the credit balance of the Issuer Collection Account and the Expense Account; minus
 - (c) any amounts ranking in priority to the Instrumentholders pursuant to Condition 13(a) (*Application of Liquidation Proceeds*),
- as calculated by the Calculation Agent. If the Disposal Agent is unable to sell the Collateral the proceeds of Liquidation and therefore the Early Cash Redemption Amount may be zero.
- 23. Liquidation:** See Condition 10(a) (*Liquidation process*). Any Liquidation shall be conducted in accordance with the Disposal Agency Agreement.

Summary of Issue Details

24. **Application of Liquidation Proceeds:** See Condition 13(a) (*Application of Liquidation Proceeds*).

ISSUER CALL OPTION

25. **Issuer Call Option:** Not Applicable

PROVISION OF INFORMATION

26. **Matter Site:** The online data room operated, managed and maintained by or on behalf of the Corporate Services Provider who from time to time, shall upload all relevant documents received by the Issuer in relation to the Collateral.

27. **Access to Matter Site:** Instrumentholders are required to obtain access to the Matter Site, satisfy all conditions for receiving access to the Matter Site and comply with any terms and conditions of service applicable to the Matter Site. The conditions for access include, among other things, signing a confidentiality undertaking in a form satisfactory to the Issuer, providing proof of holdings and any other document or evidence the Issuer may request.

The Instrumentholders may not have access to important information about the Collateral and/or the Issuer if they do not obtain access to the Matter Site.

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

28. **Void Transfer/Forced Transfer:** Applicable. See Condition 3(d) (*Void transfer and forced transfer*).

29. **Form of Instruments:**

Form:

Bearer:

Temporary Global Bearer Instrument exchangeable for a Permanent Global Bearer Instrument which is exchangeable for definitive Bearer Instruments in the limited circumstances specified in the Permanent Global Bearer Instrument

30. **Business Day:** A day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency.

31. **Business Centre(s):** London, Jersey

32. **Business Day Convention:** If any date referred to in the Terms and Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then such date shall be postponed to the next day that is a Business Day. See Condition 15(c) (*Business Day Convention*).

33. **Payment Business Day:** A day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Payment Business Centres.

34. **Payment Business Centre:** London, Jersey

35. **Payment Business Day Convention:** As per the Business Day Convention.

TRANSACTION PARTIES

36. **Arranger:** Deutsche Bank AG, London Branch

37. **Trustee:** HSBC Corporate Trustee Company (UK) Limited, which definition shall include all persons for the time being acting as the trustee or trustees under the Trust Deed.

Summary of Issue Details

38. Agents:

- (i) **Calculation Agent:** HSBC Bank plc
- (ii) **Disposal Agent:** Deutsche Bank AG, London Branch
- (iii) **Issuing and Paying Agent:** HSBC Bank plc
- (iv) **Paying Agent(s):** HSBC Bank plc
- (v) **Account Bank:** HSBC Bank plc

DISTRIBUTION

39. Dealer: Deutsche Bank AG, London Branch

40. Applicable TEFRA exemption: D Rules

OTHER INFORMATION

41. Listing: Application has been made for the Instruments to be admitted to the MTF of the Vienna Stock Exchange.

42. Ratings: Not applicable.

43. ISIN: XS2124929733

44. Common Code: 212492973

45. Clearing system(s): Euroclear Bank S.A./N.V. and Clearstream Banking, S.A.

46. Delivery: Delivery against payment.

47. Status under Section 871(m) of the Code: Not Section 871(m) Instruments.

48. Selling Restrictions: Applicable. See "*Subscription and Sale*" below.

TERMS AND CONDITIONS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Instruments (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

The Instruments issued by the Issuer will be subject to the Terms and Conditions and also to the following terms in relation to the Instruments.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions.

Any person making or intending to make an offer of the Instruments may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.

The following are the Terms and Conditions that apply to the Instruments issued by the Issuer. The Instruments shall be constituted, governed and secured (where applicable) by or pursuant to a constituting document (the "**Constituting Document**") relating to the Instruments dated the Issue Date of the Instruments between the Issuer specified therein, the Trustee and the other parties named therein. The Constituting Document constitutes and (where applicable) secures the Instruments by the creation of a trust deed (the "**Trust Deed**") on the terms (as amended and/or supplemented by the Constituting Document) set out in the trust terms (the "**Trust Terms**") as specified in the Constituting Document.

By executing the Constituting Document, the Issuer has also entered into, among other agreements:

- (i) an agency agreement (the "**Agency Agreement**") with one or more of the Issuing and Paying Agent, the Registrar, any other Transfer Agents, any other Paying Agents, the Trustee and other parties (if any) named therein, on the terms (save as amended and/or supplemented by the relevant Constituting Document) set out in the agency terms (the "**Agency Terms**") as specified in the Constituting Document;
- (ii) a calculation agency agreement (the "**Calculation Agency Agreement**") with the Calculation Agent, the Trustee and other parties (if any) named therein, on the terms (save as amended and/or supplemented by the relevant Constituting Document) set out in the calculation agency terms (the "**Calculation Agency Terms**") as specified in the Constituting Document;
- (iii) a disposal agency agreement (the "**Disposal Agency Agreement**") with the Disposal Agent, the Trustee and other parties (if any) named therein, on the terms (save as amended and/or supplemented by the relevant Constituting Document) set out in the disposal agency terms (the "**Disposal Agency Terms**") as specified in the Constituting Document;

- (iv) a dealer agreement (the “**Dealer Agreement**”) with the Arranger, each Dealer, the Trustee and other parties (if any) named therein, on the terms (save as amended and/or supplemented by the relevant Constituting Document) set out in the dealer terms (the “**Dealer Terms**”) as specified in the Constituting Document; and
- (v) an account bank agreement (the “**Account Bank Agreement**”) with the Account Bank and the Trustee on the terms (save as amended and/or supplemented by the relevant Constituting Document) set out in the account bank terms (the “**Account Bank Terms**”) as specified in the Constituting Document.

Statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions appearing in the Trust Terms (which includes the form of the Instruments, Certificates, Receipts and Coupons).

Copies of the Trust Terms, the Agency Terms, the Calculation Agency Terms, the Disposal Agency Terms, the Dealer Terms and the Constituting Document are available for inspection, so long as any of the Instruments remain outstanding, during usual business hours at the registered office of the Issuer and at the specified offices of the Paying Agents named in the Constituting Document.

The Instrumentholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Instruments in definitive bearer form and, where applicable in the case of such Instruments, the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Instruments in definitive bearer form, are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement, the Calculation Agency Agreement, the Disposal Agency Agreement and the Dealer Agreement.

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|---|--|
| <p>1. Definitions and interpretation</p> | <p>All capitalised terms used in the Terms and Conditions shall have the meanings given to them in, and shall be interpreted in accordance with, Annex 1 to these Terms and Conditions entitled “Definitions Annex to the Terms and Conditions”.</p> |
| <p>2. Form, denomination and title</p> | <p>(a) Form</p> <p>The Instruments will be issued in bearer form (“Bearer Instruments”) in the Specified Denomination(s) and in Sterling.</p> <p>(b) Bearer Instruments</p> <p>Bearer Instruments may initially be issued in definitive form or may initially be represented by one or more Global Bearer Instruments in classic global note form (“CGN”). Global Bearer Instruments issued in CGN form will be delivered on or prior to the original issue date to a common depository for the Clearing Systems.</p> <p>Bearer Instruments shall be serially numbered and Bearer Instruments in definitive form shall be issued with Coupons (and, where appropriate, Receipts) attached. Instruments in definitive bearer form shall be issued with one or more Receipts attached.</p> <p>(c) Title</p> <p>Title to Bearer Instruments and Receipts, Coupons shall pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Bearer Instrument, Receipt or Coupon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of</p> |

ownership, trust or an interest in it, any writing on it or its theft or loss, and no person shall be liable for so treating the holder.

3. **Exchanges and transfers**

(a) **Exchange of Instruments**

Global Instruments may be exchanged for definitive Bearer Instruments in certain limited circumstances set out in the Trust Deed.

(b) **Transfers of interests in Global Instruments**

While represented by Global Instruments held on behalf of the Clearing Systems, beneficial interests in Instruments may only be transferred in accordance with the rules and procedures of the Clearing Systems. A person shown in the records of the Clearing System as the account holder or participant with entitlements in respect of any Global Instrument may be treated by the Issuer and the Trustee as an Instrumentholder when considering the interests of the Instrumentholders.

(c) **Negotiability of Global Bearer Instrument**

If the Instruments are represented by a Global Bearer Instrument, the Global Bearer Instrument is a bearer document and negotiable and accordingly:

- (i) is freely transferable by delivery and such transfer shall operate to confer upon the transferee all rights and benefits appertaining hereto and to bind the transferee with all obligations appertaining hereto pursuant to these Terms and Conditions;
- (ii) the holder of the Global Bearer Instrument is and shall be absolutely entitled as against all previous holders to receive all amounts by way of amounts payable upon redemption or otherwise payable in respect of the Global Bearer Instrument and the Issuer waives as against such holder and any previous holder of the Global Bearer Instrument all rights of set-off or counterclaim that would or might otherwise be available to it in respect of the obligations evidenced by the Global Bearer Instrument; and
- (iii) payment upon due presentation of the Global Bearer Instrument will operate as a good discharge against such holder and all previous holders of the Global Bearer Instrument.

(d) **Void transfer and forced transfer**

Any transfer or other disposition of any legal or beneficial ownership interest in an Instrument to a Non-Permitted Transferee or Benefit Plan Investor shall be deemed to be void *ab initio* and of no legal effect. Accordingly, any purported transferee of any legal or beneficial ownership interest in an Instrument in such a transaction will not be

entitled to any rights as a legal or beneficial owner of such interest in such Instrument.

At any time after becoming aware that any legal or beneficial ownership interest in an Instrument is held by a Non-Permitted Transferee or a Benefit Plan Investor, the Issuer shall give notice to the Trustee and the Calculation Agent and shall have the right to require such Non-Permitted Transferee or Benefit Plan Investor to sell such interest to (i) the Arranger or to any of its Affiliates (to the extent permitted by applicable law) or (ii) a person who is neither a Non-Permitted Transferee nor a Benefit Plan Investor, in each case, at a price equal to the lowest of:

- (I) the purchase price paid for such interest by such Non-Permitted Transferee or Benefit Plan Investor;
- (II) the principal amount of such interest; and
- (III) the fair market value of such interest,

in each case, less any costs or expenses incurred by or on behalf of the Issuer in connection with such sale. Pending such sale, the Issuer shall be entitled to cease to make any payments in respect of Instruments held by a Non-Permitted Transferee or a Benefit Plan Investor.

4. **Constitution, status and collateral**

(a) **Constitution and status of Instruments**

The Instruments are constituted and secured by the Trust Deed. The Instruments are secured, limited recourse obligations of the Issuer, at all times ranking *pari passu* and without any preference among themselves and secured in the manner described in Condition 5(a) (*Transaction Security*) and recourse in respect of which is limited in the manner described in Conditions 12 (*Enforcement of Transaction Security and rights*), 13 (*Application of proceeds*) and 14 (*Limited recourse and non-petition*).

(b) **Collateral**

In connection with the issue of the Instruments, the Issuer may acquire rights, title and/or interests in and to the Collateral.

(c) **Issuer Collection Account**

The Issuer shall procure that all proceeds from the Underlying Collateral received by it are paid to the Issuer Collection Account, save as expressly provided in the Terms and Conditions or the other Transaction Documents.

5. Security

(a) Transaction Security

The Trust Deed provides that the Secured Payment Obligations are secured in favour of the Trustee for the benefit of itself and the other Secured Creditors, unless otherwise provided therein, by:

- (i) a first fixed charge over the Collateral and all property, income, sums and assets derived therefrom from time to time;
- (ii) an assignment by way of security of all the Issuer's rights, title and interest attaching to or in respect of the Collateral and all property, income, sums or other assets derived therefrom, including, without limitation, any right to delivery thereof or to an equivalent number or nominal value thereof which arises in connection with any such assets being held in a clearing system or through a financial intermediary;
- (iii) an assignment by way of security of the Issuer's rights, title and interest under the Agency Agreement;
- (iv) an assignment by way of security of the Issuer's rights, title and interest under the Calculation Agency Agreement;
- (v) an assignment by way of security of the Issuer's rights, title and interest under the Disposal Agency Agreement;
- (vi) a first fixed charge over all sums held by the Issuing and Paying Agent and/or any Paying Agent to meet payments due in respect of any Secured Payment Obligation
- (vii) a first fixed charge over all sums standing to the credit of the Issuer Collection Account and the Expense Account;
- (viii) a first fixed charge over all property, sums and assets held or received by the Disposal Agent relating to the Transaction Documents and the Collateral; and
- (ix) (1) an assignment by way of security of the Issuer's rights, title and interest under the Purchase Agreement, and (2) a first fixed charge over all sums, money, securities or other property received or receivable by or on behalf of the Issuer under the Purchase Agreement.

If any Agent is replaced or an additional Agent appointed in accordance with the terms of the Agency Agreement, the Calculation Agency Agreement and/or the Disposal Agency Agreement (as applicable), then the security interests described above shall extend to all rights, title and interest of the Issuer against such replacement or additional Agent under the Agency Agreement, the Calculation Agency Agreement and/or the Disposal Agency Agreement (as applicable).

As further provided in the Trust Deed, the Transaction Security shall be released automatically, without the need for any notice or other

formalities, to the extent required for the Issuer to be able to duly make any payment or delivery in respect of the Instruments and/or the Transaction Documents which is due and payable or deliverable, or in connection with the purchase of Instruments or as otherwise provided for under the Terms and Conditions or the Transaction Documents in respect of the Instruments.

(b) **Issuer's rights as beneficial owner of Collateral**

The Issuer shall not exercise any rights with respect to the Mortgaged Property, except with the prior written consent of the Trustee or as instructed by an Extraordinary Resolution. If any such consent or instruction is given then, subject to the remainder of this Condition 5(b), the Issuer shall act only in accordance with such consent or instruction, unless the instruction from the Instrumentholders would require the Issuer to take action that is illegal or practically impossible.

(c) **Disposal Agent's right following Liquidation Event**

Notwithstanding the above, following the delivery of a valid Early Redemption Notice to the Disposal Agent, the Disposal Agent on behalf of the Issuer shall have the right to undertake any action as contemplated by the Terms and Conditions and the Disposal Agency Agreement as it considers appropriate, and any actions in furtherance thereof or ancillary thereto as they relate to the relevant Mortgaged Property, without requiring any approval or sanction from the Trustee or the Issuer.

Pursuant to the terms of the Trust Deed, after the delivery of a valid Early Redemption Notice to the Disposal Agent, the Transaction Security described in Condition 5(a) (*Transaction Security*) will automatically be released without further action on the part of the Trustee to the extent necessary for the Disposal Agent to effect the Liquidation of the relevant Mortgaged Property, provided that nothing in this Condition 5(c) will operate to release the charges and other security interests over the proceeds of the Liquidation of the Mortgaged Property or over any Mortgaged Property not subject to such Liquidation.

(d) **Application of proceeds following enforcement of Transaction Security**

Subject to and in accordance with the terms of the Trust Deed, with effect from the date on which any Enforcement Notice is delivered by the Trustee following the occurrence of an Enforcement Event, the Trustee shall hold the proceeds of enforcement of the Transaction Security received by it under the Trust Deed on trust to apply them as they stand on each Trustee Application Date in accordance with Condition 13(a) (*Application of Liquidation Proceeds*) below.

6. **Restrictions**

The Issuer has agreed in the Trust Deed to certain restrictions on its activities and on the conduct of its business. These restrictions apply for so long as any Instrument remains outstanding, unless the prior consent in writing of the Trustee (which the Trustee may give if it is of the opinion that to give such consent would not be materially prejudicial to the interests of Instrumentholders) has been given,

and except as provided for or contemplated in the Terms and Conditions or any Transaction Document.

7. Interest

(a) Interest

The Instrument bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to:

- (i) the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 7(c) (*Interest Payable*); and
- (ii) any excess amounts (the “**Inflation Linked Interest Amount**”) standing to the balance of the Issuer Collection Account following a distribution from the Collateral and provided clause 5.2(i) to (vii) (*Directions for operation of the Issuer Account*) under the Account Bank Agreement have been settled on each Interest Payment Date.

(b) Accrual of interest

Interest shall cease to accrue on each Instrument on the due date for redemption.

(c) Interest payable

The interest payable in respect of any Instrument for a relevant period shall be an amount determined by the Calculation Agent equal to the product of the amount of interest payable per Calculation Amount, as determined in accordance with this Condition 7(c), and the Calculation Amount Factor of the relevant Instrument and shall be subject to a minimum of zero.

The amount of interest payable per Calculation Amount in respect of any Instrument for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Instrument for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula).

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

In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count

Fraction shall be for the period for which interest is required to be calculated.

(d) **Pre-liquidation and enforcement application of proceeds**

Save for any moneys received in connection with the realisation or enforcement of all or part of the Transaction Security constituted by or pursuant to the Trust Deed, prior to the Liquidation of any Collateral as a result of a Liquidation Event, all moneys received by the Trustee in respect of the Instruments or amounts payable under the Trust Deed for the Instruments will, despite any appropriation of all or part of them by the Issuer, be held by the Trustee on trust to apply them:

- (i) first, in payment or satisfaction of any fees, costs, charges, expenses and liabilities properly incurred by the Trustee (including remuneration payable to it) in carrying out its functions under the Trust Deed or any Transaction Document;
- (ii) second, in settlement of any Taxes and any costs and duties payable by the Issuer to any Governmental Authorities or any Relevant Stock Exchange;
- (iii) third, in payment of an amount required to be retained by the Issuer on such Interest Payment Date in order to ensure that the Issuer makes and retains an annual retained profit of £1,000;
- (iv) fourth, in payment to the Expense Account in an amount equal to the Expense Top-Up Amount;
- (v) fifth, in settlement of any charges, fees, remuneration, disbursements, interest, fiscal and other liabilities and expenses (including indemnities and amounts payable on liquidation or winding-up of the Issuer) due and payable by the Issuer to any Agents of the Issuer, professional advisors of the Issuer (whose appointment and fees have been pre-agreed by the Instrumentholders, except where the Issuer reasonably believes that it requires advice in order to comply with applicable laws) or other service providers, other than those to be paid out of amounts standing to the credit of the Expense Account;
- (vi) sixth, in settlement of the Fixed Coupon Amounts for the Interest Period in relation to the Collateral distribution;
- (vii) seventh, in settlement of any Instalment Amounts or other principal amounts due and unpaid in respect of the Instruments;
- (viii) eighth, in settlement of any Inflation Linked Interest Amounts due under the Instruments; and
- (ix) ninth, in payment of any balance to (A) prior to the Maturity Date, the Expense Account; or (B) on the Maturity Date, the Instrumentholders as a special

distribution (less any amounts payable on liquidation or winding-up of the Issuer, as determined by the Corporate Services Provider in a commercially reasonable manner) *pro rata* to their holding of the Instruments.

If the Trustee holds any moneys in respect of Instruments or Coupons that have become void or in respect of which claims have become prescribed, the Trustee will hold them on these trusts.

(e) **Sweep of Expense Account**

On or immediately prior to the Maturity Date, provided that there is no ongoing Liquidation of the Collateral as a result of a Liquidation Event, the Issuer shall instruct or procure that the Calculation Agent instructs the Account Bank on its behalf to transfer the entire balance of the Expense Account to the Issuer Collection Account in order for such balance to be applied on Maturity Date in accordance with Condition 7(d) above.

8. **Scheduled redemption and purchase**

(a) **Final redemption**

Unless previously redeemed, purchased or cancelled, each Instrument shall become due and payable on the Maturity Date at its Final Redemption Amount or, in the case of Instruments falling within Condition 8(b) (*Redemption by instalments*), its final Instalment Amount.

(b) **Redemption by instalments**

Each Instrument shall be partially redeemed on each Instalment Date at its related Instalment Amount, provided that no Early Redemption Notice Date or Early Redemption Date has occurred pursuant to any other Condition. The outstanding principal amount of each such Instrument shall be reduced by the relevant Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Instrument, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(c) **Purchases**

If the Issuer has satisfied the Trustee that it has made arrangements for the proposed purchase of one or more Instruments, for the realisation of an amount of Collateral for the purposes of effecting the proposed repurchase, in each case in a proportion no greater than the proportion that the Instruments to be purchased bear to all Instruments outstanding, which transactions will leave the Issuer with no assets or net liabilities in respect thereof, the Issuer may purchase Instruments (provided that all unmatured Receipts and Coupons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(d) **Cancellation**

All Instruments purchased by or on behalf of the Issuer shall be surrendered for cancellation by surrendering each such Instrument together with all unmatured Receipts and Coupons to or to the order of the Issuing and Paying Agent and shall, together with all Instruments redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith).

Any Instruments so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Instruments shall be discharged.

Cancellation of any Instrument represented by a Global Instrument (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Global Instrument.

9. **Early redemption**

(a) **Early Redemption Events and Determining Party**

Each of the events set out in the tables below will be an “**Early Redemption Event**” in respect of the Instruments. The Determining Party for each Early Redemption Event will be the party specified alongside such Early Redemption Event in the tables below.

Collateral-related Early Redemption Events:

Early Redemption Event	Determining Party
Collateral Event	The Instrumentholders acting by Extraordinary Resolution

Tax-related Early Redemption Events:

Early Redemption Event	Determining Party
Underlying Collateral Tax Event (unless an Instrumentholder Tax Continuation Election is made pursuant to Clause 9(d)(iii) below)	Issuer or the Instrumentholders acting by Extraordinary Resolution
Instrument Tax Event (unless an Instrumentholder Tax Continuation Election is made pursuant to Clause 9(d)(ii) below)	Issuer or the Instrumentholders acting by Extraordinary Resolution
Issuer Tax Event (unless an Instrumentholder Tax Continuation Election is made pursuant to Clause 9(d)(iv) below)	Issuer or the Instrumentholders acting by Extraordinary Resolution

Other Early Redemption Events:

Early Redemption Event	Determining Party
Illegality Event	Issuer
Additional Redemption Event	Issuer

(b) **Early Redemption Event determination**

Promptly following the occurrence of an Early Redemption Event in respect of the Instruments, the Determining Party in respect of such Early Redemption Event shall give notice of such Early Redemption Event in respect of the Instruments, including a description in reasonable detail of the facts relevant to such determination, to the Issuer, the Calculation Agent, Issuing and Paying Agent and the Trustee (as applicable) (an “**Early Redemption Event Determination Notice**”).

Notwithstanding the foregoing, if the Issuer is specified as a Determining Party in respect of any Early Redemption Event then, the Issuer must provide an Early Redemption Event Determination Notice in accordance with this Condition 9(b) within two Business Days of becoming aware of the occurrence of the relevant Early Redemption Event.

(c) **Consequences of Early Redemption Events**

If the Issuer either receives or sends an Early Redemption Event Determination Notice pursuant to Condition 9(b) (*Early Redemption Event determination*) in respect of the Instruments, then:

- (i) as soon as reasonably practicable, and in any event within the Early Redemption Notification Period applicable to such Early Redemption Event commencing on (and including) the Early Redemption Event Determination Date, the Issuer (or the Issuing and Paying Agent on its behalf, having been supplied by the Issuer with the relevant Early Redemption Notice and directed to do so) shall give an Early Redemption Notice to the Instrumentholders and the Disposal Agent (with a copy to the Trustee, the Calculation Agent and each Counterparty) of the determination of the Early Redemption Event, by forwarding with such Early Redemption Notice a copy of the related Early Redemption Event Determination Notice; and
- (ii) each Instrument shall become due and payable on the related Early Redemption Date at its Early Cash Redemption Amount (or, if Condition 9(g) (*Physical redemption procedure*) applies, all Instruments shall become due for redemption by delivery of the Physical Redemption Amount), the relevant Early Redemption Amount shall be the only amount payable or deliverable and there will be no separate payment or delivery in respect of any unpaid accrued interest thereon, irrespective of whether the relevant Early Redemption Event is then continuing,

provided in each case that no Early Redemption Notice Date or Early Redemption Date has occurred previously in respect of the Instruments.

Without prejudice to the obligation of any party specified as a Determining Party in respect of any Early Redemption Event, none of the Issuer, the Trustee or the Agents shall be required to monitor, enquire or satisfy themselves as to whether any Early Redemption Event has occurred, and each of the Trustee and the Agents shall be entitled to assume that no such event has occurred unless and until such party is notified in writing to the contrary. Neither the Trustee nor the Agents shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor. The Trustee shall be entitled to rely conclusively on any notice validly received by it pursuant to Conditions 9(b) (*Early Redemption Event determination*) and 9(c) (*Consequences of Early Redemption Events*) without further investigation.

(d) **Additional provisions relating to specific Early Redemption Events**

- (i) **Additional provisions relating to Collateral Events:** If (i) the Issuer becomes or is made aware or (ii) the Trustee (on the instructions of Instrumentholders acting by way of Extraordinary Resolution) gives a notification to the Issuer, in each case that a Collateral Event has occurred, then if the Issuer is directed by the Trustee (acting on the instructions of Instrumentholders acting by way of Extraordinary Resolution), then the provisions of Condition 9(b) (*Early Redemption Event determination*) and 9(c) (*Consequences of Early Redemption Events*) shall apply.

Upon receipt by the Issuer of any such notice or direction from the Trustee pursuant to this Condition 9(d)(i), the Issuer shall procure that a copy of such notice is provided to Instrumentholders.

- (ii) **Additional provisions relating to Instrument Tax Events:** For the avoidance of doubt, an Instrumentholder-related Tax Event shall not constitute an Instrument Tax Event, and in the event of an Instrumentholder-related Tax Event, the Issuer shall make the relevant Tax Deductions from the amount(s) payable to such Instrumentholder or Couponholder as required by Applicable Law as a result of such Instrumentholder-related Tax Event and any such Tax Deduction shall not constitute an Event of Default under Condition 11 (*Events of Default*), a Liquidation Event under Condition 10 (*Liquidation*) or an Enforcement Event under Condition 12 (*Enforcement of Transaction Security and rights*).

While any Global Instrument is held on behalf of a Clearing System, the Issuer may have regard to any information provided by such Clearing System as to the identity of its accountholders having entitlements to such Global Instrument and may consider such interests as if such accountholders were the

Instrumentholders for the purpose of determining if an Instrument Tax Event has arisen.

Upon becoming aware of the occurrence of an Instrument Tax Event or if directed to do so by the Trustee (acting on the instructions of an Extraordinary Resolution of the Instrumentholders), the Issuer shall promptly give notice of such occurrence to the Instrumentholders specifying reasonable details of such Instrument Tax Event in so far as these are reasonably available to the Issuer at such time, and shall provide a copy of such notice to each of the Trustee and each Agent. Such notice shall indicate to Instrumentholders that they have the option of making an Instrumentholder Tax Continuation Election in respect of such Instruments as set out below.

If the Trustee (acting on the instructions of an Extraordinary Resolution of the Instrumentholders) gives notice to the Issuer (copied to the Calculation Agent, the Trustee and each Agent) that it elects for the Instruments to continue notwithstanding such Instrument Tax Event within 15 Business Days of the date of such notification by the Issuer that such Instrument Tax Event has occurred (an “**Instrumentholder Tax Continuation Election**”), then such Instrument Tax Event shall be deemed not to have occurred, and the Issuer shall make payments under the Instruments subject to the relevant Tax Deductions required by Applicable Law. In such event, no Early Redemption Notice Date shall occur and the Instruments shall not be redeemed as a result of such Instrument Tax Event. Any such Tax Deduction shall not constitute an Event of Default under Condition 11 (*Events of Default*), a Liquidation Event under Condition 10 (*Liquidation*) or an Enforcement Event under Condition 12 (*Enforcement of Transaction Security and rights*).

If the Instruments are listed on any stock exchange, then the Issuer shall procure that notice of any such Instrumentholder Tax Continuation Election shall be provided to such stock exchange and, if required by the rules of the relevant stock exchange, published on the website of such stock exchange.

- (iii) **Additional provisions relating to Underlying Collateral Tax Events:** Upon becoming aware of the occurrence of an Underlying Collateral Tax Event in respect of the Instruments or if directed to do so by the Trustee (acting on the instructions of an Extraordinary Resolution of the Instrumentholders), the Issuer shall promptly give notice of such occurrence to the Instrumentholders specifying reasonable details of such Underlying Collateral Tax Event in so far as these are reasonably available to the Issuer at such time, and shall provide a copy of such notice to each of the the Trustee and each Agent. Such notice shall indicate to Instrumentholders that they have the option of making an Instrumentholder Tax Continuation Election as set out below.

If the Trustee (acting on the instructions of an Extraordinary Resolution of the Instrumentholders) gives notice to the Issuer (copied to the Calculation Agent, the Trustee and each Agent) that it elects for the Instruments to continue notwithstanding such Underlying Collateral Tax Event within 15 Business Days of the date of such notification by the Issuer that such Underlying Collateral Tax Event has occurred (an “**Instrumentholder Tax Continuation Election**”), then such Underlying Collateral Tax Event shall be deemed not to have occurred and the aggregate amounts payable under the Instruments shall be reduced by any amounts of Tax withheld or deducted (or to be withheld or deducted) from payments received by the Issuer under the Underlying Collateral. In such event, no Early Redemption Notice Date shall occur and the Instruments shall not be redeemed as a result of such Underlying Collateral Tax Event, and any such reduction in amounts payable under the Instruments shall not constitute an Event of Default under Condition 11 (*Events of Default*), a Liquidation Event under Condition 10 (*Liquidation*) or an Enforcement Event under Condition 12 (*Enforcement of Transaction Security and rights*).

If the Instruments are listed on any stock exchange, then the Issuer shall procure that notice of any such election made by the Instrumentholders shall be provided to such stock exchange and, if required by the rules of the relevant stock exchange, published on the website of such stock exchange.

- (iv) **Additional provisions relating to Issuer Tax Events:** Upon becoming aware that of the occurrence of an Issuer Tax Event or if directed to do so by the Trustee (acting on the instructions of an Extraordinary Resolution of the Instrumentholders), the Issuer shall promptly give notice to the Instrumentholders of such occurrence specifying reasonable details of such Issuer Tax Event in so far as these are reasonably available to the Issuer at such time, and shall provide a copy of such notice to each of the Trustee and each Agent. Such notice shall indicate to Instrumentholders that they have the option of making an Instrumentholder Tax Continuation Election in respect of the Instruments as set out below.

If the Trustee (acting on the instructions of an Extraordinary Resolution of the Instrumentholders) gives notice to the Issuer (copied to the Calculation Agent, the Trustee and each Agent) that it elects for the Instruments to continue notwithstanding such Issuer Tax Event within 15 Business Days of the date of such notification by the Issuer that such Issuer Tax Event has occurred (an “**Instrumentholder Tax Continuation Election**”), then such Issuer Tax Event shall be deemed not to have occurred, and the aggregate amounts payable under the Instruments shall be reduced by any amounts of Tax which the Issuer is or will become liable to pay to any authority in relation to such Issuer Tax Event. In such event, no Early Redemption Notice Date shall occur and the Instruments shall not be redeemed as a result of such Issuer Tax Event, and any such

reduction in amounts payable under the Instruments shall not constitute an Event of Default under Condition 11 (*Events of Default*), a Liquidation Event under Condition 10 (*Liquidation*) or an Enforcement Event under Condition 12 (*Enforcement of Transaction Security and rights*).

If the Instruments are listed on any stock exchange, then the Issuer shall procure that notice of any such election made by the Instrumentholders shall be provided to such stock exchange and, if required by the rules of the relevant stock exchange, published on the website of such stock exchange.

(e) **Early Redemption Amount**

The “**Early Redemption Amount**” will be the Early Cash Redemption Amount unless Instrumentholders holding in aggregate all of the Instruments validly elect to receive (or appoints one or more Designated Settlement Agents on their behalf to receive) the Physical Redemption Amount, in which case, the “**Early Redemption Amount**” will be the Physical Redemption Amount.

(f) **Instrumentholder Settlement Option procedure**

In order to validly elect to receive the Physical Redemption Amount, the Instrumentholders holding in aggregate all of the Instruments must:

- (i) by no later than the twelfth Business Day following the related Early Redemption Notice;
- (ii) (if applicable) by no later than the fifth Business Day following the delivery by the Disposal Agent of a notice to the Instrumentholders of a Notice of Nil Liquidation Proceeds; or
- (iii) at any time prior to the delivery of an Early Redemption Notice on ten Business Days' prior written notice,

(the “**Settlement Option Cut-off Date**”), deposit the Instruments together with a completed Exercise Notice, at the Specified Office of the Paying Agent. The Instrumentholders (or their Designated Settlement Agent(s), as applicable) will not be entitled to any Physical Redemption Amount unless they have satisfied the Conditions to Delivery in respect of the delivery of such Physical Redemption Amount on or prior to the Settlement Option Cut-off Date.

For as long as the Instruments are represented by a Global Instrument, the deposit of Instruments, together with an Exercise Notice, will be effected by presentation of the Global Instrument for cancellation. For so long as the Instruments are held in any Clearing System, any communication from such Clearing System on behalf of the Instrumentholder containing the information required in an Exercise Notice will be treated as an Exercise Notice.

If:

- (i) no valid settlement election is made by the Instrumentholders by the Settlement Option Cut-off Date pursuant to this Condition 9(f); and/or

- (ii) the Conditions to Delivery are not satisfied by the Instrumentholders on or prior to the Settlement Option Cut-off Date; and/or
- (iii) for any other reason, the Issuer is unable to effect the delivery of the Physical Redemption Amount to the Instrumentholders (or their Designated Settlement Agent(s), if applicable) within 30 Business Days of the Early Redemption Notice,

then the Instrumentholders will be deemed to have elected to receive the Early Cash Redemption Amount, which will be zero if the Disposal Agent has already attempted to Liquidate the Collateral in accordance with the Sale Process.

(g) **Physical redemption procedure**

If a valid election to receive the Physical Redemption Amount is made by the Instrumentholders pursuant to Condition 9(f) (*Instrumentholder Settlement Option procedure*), then on or before the day falling one Business Day following the Settlement Option Cut-Off Date, the Calculation Agent shall calculate the Physical Redemption Amount deliverable to each Instrumentholder (or their Designated Settlement Agent(s), if applicable), which shall be allocated *pro-rata* by reference to the principal amount outstanding of the Instruments held by each Instrumentholder, and shall notify the Issuer, the Trustee and the Issuing and Paying Agent of the same.

Subject to the remainder of this Condition 9(g) the Issuer shall procure the delivery, on the date on which the Early Redemption Amount is due, of the Physical Redemption Amount to the Instrumentholders (or their Designated Settlement Agent(s) on their behalf) in respect of all Instruments outstanding on the relevant Early Redemption Date, in accordance with the instructions contained in the related Exercise Notice.

The records of the Issuing and Paying Agent will be conclusive evidence of any Instrumentholder's (or its Designated Settlement Agent on its behalf) entitlement to a Physical Redemption Amount.

References in the Terms and Conditions to satisfaction of obligations by payment of a Physical Redemption Amount shall be deemed to include satisfaction of those obligations by delivery of such Physical Redemption Amount.

10. **Liquidation**

(a) **Liquidation process**

If the Early Redemption Amount is the Early Cash Redemption Amount, and:

- (i) the Disposal Agent receives a copy of an Early Redemption Notice, the Disposal Agent shall; or
- (ii) the Disposal Agent otherwise determines (in its sole and absolute discretion) that a Liquidation Event has occurred (and

has so notified the Trustee and the Issuer in writing), the Disposal Agent may,

in each case on behalf of the Issuer, so far as is practicable and to the extent that the relevant Collateral is outstanding, use all commercially reasonable endeavours to effect a Liquidation of the Collateral from the Liquidation Commencement Date with a view to Liquidating all of the Collateral on or prior to the Early Valuation Date in accordance with the following process (the "**Sale Process**"):

- (a) the Disposal Agent shall attempt to obtain firm bid quotations from at least three Reference Dealers, of which the Instrumentholder may by written notice or email nominate two Reference Dealers of their own choosing to the Disposal Agent within 30 calendar days of the Liquidation Commencement Date;
- (b) if three firm bid quotations have not been received within 30 calendar days pursuant to paragraph (a) above, the Disposal Agent shall, subject to paragraph (d) below, sell the Collateral to the highest bidder of the firm quotations received (or if such initial bid has expired from the relevant Reference Dealer, request that they resubmit a firm bid quotation for the purposes of comparing pricing);
- (c) if the Disposal Agent determines (acting in a commercially reasonable manner) that the Sale Process cannot occur or has no reasonable likelihood of completing before the Early Valuation Date, subject to paragraph (d) below, the Liquidation Proceeds shall be deemed to be zero and the Disposal Agent shall notify the Instrumentholders of such promptly ("**Notice of Nil Liquidation Proceeds**"); and
- (d) upon (i) receipt of firm bid quotations from three Reference Dealers pursuant to paragraph (a) above, (ii) receipt of a highest bid from a Reference Dealer pursuant to paragraph (b) above, or the Disposal Agent serving a Notice of Nil Liquidation Proceeds pursuant to paragraph (c) above, Disposal Agent shall (other than where a Notice of Nil Liquidation Proceeds has already been served) notify the Instrumentholders of the details of the firm bid quotations received. The Instrumentholders holding in aggregate all of the Instruments may elect, within five Business Days of receipt of such notice (or a Notice of Nil Liquidation Proceeds) (the "**Last Look Cut-off Date**"), to receive the Physical Redemption Amount (such election, the "**Last Look Option**").

If:

- (i) the Conditions to Delivery are not satisfied by the Instrumentholders on or prior to the Last Look Cut-off Date; and/or
- (ii) for any other reason, the Issuer is unable to effect the delivery of the Physical Redemption Amount to the Instrumentholders (or its Designated Settlement Agent,

if applicable) within 30 Business Days of the Early Redemption Notice,

then the Instrumentholders will be deemed to have elected to receive the Early Cash Redemption Amount, which will be zero if the Disposal Agent has already attempted to Liquidate the Collateral in accordance with the Sale Process.

The Last Look Option may only be exercised on one occasion.

(b) **General liquidation procedures**

The Disposal Agent may take such steps as it considers appropriate in order to effect any Liquidations, including but not limited to selecting the method of Liquidating any Collateral.

The Disposal Agent must effect any Liquidation as soon as reasonably practicable within the available timeframe and in a commercially reasonable manner, even where a larger amount could possibly be received in respect of such Collateral if any such Liquidation were to be delayed. Subject to such requirement, the Disposal Agent shall be entitled to effect any Liquidation by way of one or multiple transactions on a single or multiple day(s).

In accordance with the terms of the Trust Deed and Condition 5(c) (*Disposal Agent's right following Liquidation Event*), following the occurrence of a Liquidation Event, the Transaction Security shall be released without further action on the part of the Trustee to the extent necessary for the Disposal Agent to effect the Liquidation of the Collateral. Nothing in this Condition 10(b) or Condition 5(c) (*Disposal Agent's right following Liquidation Event*) will operate to release the charges and other security interests over the proceeds of the Liquidation of the Collateral.

In determining whether or not to take any action as a result of its determination that a Liquidation Event has occurred, the Disposal Agent (i) shall have complete discretion, (ii) shall have no duty or obligation to the Issuer, any Instrumentholder or any other person to take any such action or make any such determination and (iii) shall not be liable for any such determination or decision or the timing thereof.

The Disposal Agent shall not be liable to the Issuer, the Trustee, the Instrumentholders, the Couponholders, holders of Receipts or any other person merely because a larger amount could have been received had any such Liquidation been delayed or had the Disposal Agent selected a different method of Liquidating any such Collateral.

The Disposal Agent shall be entitled to rely on an Early Redemption Notice without investigation of whether the relevant Early Redemption Event has occurred.

The terms on which the Disposal Agent is appointed by the Issuer, including limitations on the liability of the Disposal Agent, are set out in the Disposal Agency Agreement.

(c) **Liquidation Expenses**

Liquidation Expenses shall be borne by the Issuer and the Disposal Agent is only required to remit the proceeds of such Liquidation net of such Liquidation Expenses. Where the Disposal Agent makes such net remittance to the Issuer but has itself received the relevant payment on a gross basis, the Disposal Agent has agreed to apply the relevant amount retained by it in payment of such Liquidation Expense.

(d) **Disclaimer of Trustee liability**

The Trustee shall be entitled to rely on any notice given by the Issuer, the Disposal Agent or any other person in respect thereof without further enquiry or investigation. The Trustee shall not incur any liability to any person in respect of any acts or omissions or the exercise of any discretion by the Disposal Agent.

The Trustee shall have no responsibility or liability for the automatic release of the Transaction Security described in Condition 10(b) (*General liquidation procedures*), for the performance or any failure or delay in the performance by the Disposal Agent under the Disposal Agency Agreement or the Terms and Conditions in relation to the Instruments or for the payment of any commissions or expenses charged by it or for any failure by the Disposal Agent to account for the proceeds of any Liquidation of Collateral in accordance with the Disposal Agency Agreement and the Terms and Conditions.

11. **Events of Default**

Upon the occurrence of an Event of Default, the Trustee at its discretion may, and if directed by an Extraordinary Resolution shall (provided that the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction), give notice to the Issuer, Instrumentholders and each Transaction Party that all of the Instruments shall become immediately due and payable at their Default Redemption Amount. The relevant Default Redemption Amount shall be the only amount payable and there will be no separate payment in respect of any unpaid accrued interest thereon.

“**Event of Default**” means any of the following events:

- (i) a Payment Event of Default;
- (ii) a Non-Compliance Event of Default; or
- (iii) a Bankruptcy Event of Default.

12. **Enforcement of Transaction Security and rights**

(a) **Trustee to enforce Transaction Security**

At any time after the occurrence of an Enforcement Event, the Trustee may, and if requested by holders of at least one-fifth in principal amount of the Instruments then outstanding or directed by an Extraordinary

Resolution, shall (provided that the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction) deliver an Enforcement Notice to the Issuer (with a copy to any Disposal Agent appointed at such time) and institute such proceedings against the Issuer as it may think fit to enforce the Transaction Security constituted by the Trust Deed.

Promptly following receipt by the Issuer of an Enforcement Notice, the Issuer shall procure that a copy of the same is sent to Instrumentholders.

(b) **Enforcement of Transaction Security**

In order to enforce the Transaction Security the Trustee may:

- (i) sell, call in, collect and convert the Mortgaged Property into money in such manner and on such terms as it shall think fit, and the Trustee may, at its discretion, take possession of all or part of the Mortgaged Property over which the Transaction Security shall have become enforceable;
- (ii) take such action, step or proceeding against any Collateral Obligor as it deems appropriate but without any liability to the Instrumentholders or Couponholders or any other Secured Creditor as to the consequence of such action, step or proceeding on individual Instrumentholders or Couponholders or any other Secured Creditor;
- (iii) do all other acts and things which it may consider desirable or necessary for realising any Mortgaged Property or incidental or conducive to any of the rights, powers or discretions conferred on a receiver under or by virtue of the Trust Deed or law;
- (iv) exercise in relation to any Mortgaged Property all the powers, authorities and things which it would be capable of exercising if it were the absolute beneficial owner of that Mortgaged Property;
- (v) take any such other action or step or enter into any such other proceedings as it deems appropriate (including, without limitation, taking possession of all or any of the Mortgaged Property and/or appointing a receiver) as are permitted under the terms of the Trust Deed; and
- (vi) use the name of the Issuer for any of the above purposes.

(c) **Trustee only to enforce**

Only the Trustee may enforce the Transaction Security in accordance with, and subject to the terms of, the Trust Deed.

(d) **Trustee only to proceed against Issuer**

Subject always to the terms of the Trust Deed, only the Trustee may pursue the remedies against the Issuer for any breach by the Issuer of the terms of the Trust Deed, the Instruments or the Coupons and no Instrumentholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails to do so within a reasonable period and such failure is continuing.

(e) **Indemnity, security and/or pre-funding**

The Trustee shall in no circumstances be obliged to take any action, step or proceeding whether pursuant to the Trust Deed or otherwise without first being indemnified and/or secured and/or pre-funded to its satisfaction.

13. **Application of proceeds**

(a) **Application of Liquidation Proceeds**

Prior to the delivery by the Trustee of an Enforcement Notice, the Issuer shall, on each Issuer Application Date, and, following the delivery by the Trustee of an Enforcement Notice, the Trustee shall, on each Trustee Application Date, apply the Liquidation Proceeds as they stand on each such date as follows:

- (1) firstly, in payment or satisfaction of any fees, costs, charges, expenses, liabilities of and all other amounts owing to the Trustee or any receiver in preparing and executing the trusts and carrying out its functions under the Trust Deed and the other Transaction Documents (including any Tax required to be paid, legal fees, the costs of realising the Transaction Security and the Trustee's remuneration);
- (2) secondly, in payment of any indemnities and amounts payable on liquidation or winding-up of the Issuer, as determined by the Corporate Services Provider in a commercially reasonable manner;
- (3) thirdly, *pro rata and pari passu*, in payment of (A) any amounts owing to the Issuing and Paying Agent for reimbursement in respect of payments properly made by it in accordance with the terms of the Agency Agreement to any person in discharge of a Secured Payment Obligation, (B) any fees, costs, charges, expenses, liabilities and all other amounts then due or owing to the Agents under the Agency Agreement, (C) any fees, costs, charges, expenses, liabilities and all other amounts then due or owing to the Calculation Agent under the Calculation Agency Agreement, (D) any fees, costs, charges, expenses, liabilities and all other amounts then due or owing to the Disposal Agent under the Disposal Agency Agreement and (E) any amounts then due and payable to the Corporate

Services Provider and any fees, costs, charges, liabilities and expenses then due under the provisions of the Corporate Services Agreement together with (if payable) VAT thereon as provided therein;

- (4) fourthly, *pro rata* and *pari passu* in payment of (A) any Early Redemption Amount then due and payable, (B) any Default Redemption Amount then due and payable, (C) any Final Redemption Amount then due and payable and/or (D) any interest or Underlying Collateral Amortisation Redemption Amount or Instalment Amount that became due and payable on or prior to the Maturity Date and that remains due and payable, as applicable, and, in each case, any interest accrued thereon to the holders of Instruments; and
- (5) fifthly, in payment of any remaining Liquidation Proceeds to the Issuer.

If the application of any sum is subject to delay as a result of this proviso, then the corresponding Issuer Application Date or Trustee Application Date (as applicable) on which such application has to have been made shall be deemed to occur on the day upon which the conditions in this proviso are satisfied and notice of such satisfaction is given to the Trustee in writing in the case of the Trustee Application Date or, if such day is not a Business Day, on the next following Business Day.

Any Secured Creditor that has a claim in respect of more than one Secured Payment Obligation may rank differently in respect of each Secured Payment Obligation.

If, following the Initial Issuer Application Date, the Issuer receives any sum from the Mortgaged Property, the Issuer shall send a notice to the Trustee, the Issuing and Paying Agent and the Disposal Agent (where there is one) of the same as soon as is reasonably practicable upon receiving any such sum.

(b) **Accumulation**

If the amount of moneys available to the Trustee for payment in respect of the Instruments under Condition 13(a) (*Application of Liquidation Proceeds*) at any time following delivery by the Trustee of an Enforcement Notice in accordance with the Terms and Conditions, other than where the Mortgaged Property has been exhausted, is less than 10 per cent. of the principal amount of the Instruments then outstanding, the Trustee shall not be obliged to make any payments under Condition 13(a) (*Application of Liquidation Proceeds*).

In such circumstances, the Trustee may (if it retains such amounts) place such amounts on deposit as provided in Condition 13(c) (*Deposits*) and may retain such amounts and accumulate the resulting income until the amounts and the accumulations, together with any other funds for the time being under the Trustee's control and available for such payment, amount to at least 10 per cent. of the nominal amount of the Instruments

then outstanding and then such amounts and accumulations (after deduction of, or provision for, any applicable Tax and negative interest) shall be applied as specified in Condition 13(a) (*Application of Liquidation Proceeds*).

(c) **Deposits**

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

The Trustee may deposit monies in respect of the instruments in its name in an account at such bank or other financial institution as the Trustee may, in its absolute discretion, think fit. If that bank or financial institution is the Trustee or a subsidiary, holding or associated company of the Trustee, the Trustee need only account for an amount of interest equal to the amount of interest which would, at then current rates, be payable by it on such a deposit to an independent customer.

In the event that any deposits in respect of the Instruments are held by a bank or a financial institution (which may include a bank or financial institution which is a subsidiary, holding company, affiliate or associated company of the Trustee) in the name of the Trustee and the interest rate in respect of certain currencies is a negative value such that the application thereof would result in amounts being debited from funds held by such bank or financial institution ("**negative interest**"), the Trustee shall not be liable to make up any shortfall or be liable for any loss.

(d) **Insufficient proceeds**

If, following a Liquidation Event or an Enforcement Event, the available cash sums pursuant to Condition 13(a) (*Application of Liquidation Proceeds*) or assets available for delivery, as the case may be, are insufficient for the holders of Instruments to receive payment in full of:

- (i) any Early Redemption Amount or Default Redemption Amount that has become due and payable or deliverable;
- (ii) any Final Redemption Amount that has become due and payable or deliverable; and/or
- (iii) any interest or Instalment Amount that has become due and payable on the Maturity Date,

as applicable, and, in each case, any interest accrued thereon, the holders of Instruments will receive an amount which is less than any such

amount, and the provisions of Condition 14 (*Limited recourse and non-petition*) will apply.

(e) **Foreign exchange conversion**

To the extent that any proceeds payable to any person pursuant to this Condition 13 are not in the Specified Currency, then such proceeds shall be converted at such rate or rates, in accordance with such method and as at such date as may be specified by the Disposal Agent (prior to the Trustee enforcing the Transaction Security pursuant to the Trust Deed, as described in Condition 12 (*Enforcement of Transaction Security and rights*)) or the Trustee (following the Trustee enforcing the Transaction Security pursuant to the Trust Deed, as described in Condition 12 (*Enforcement of Transaction Security and rights*)), but having regard to current rates of exchange, if available.

Any rate, method and date so specified shall be binding on the Issuer, the Instrumentholders, the Couponholders and the other Transaction Parties.

14. **Limited recourse and non-petition**

(a) **General limited recourse**

The recourse of the Instrumentholders, the Couponholders and the Transaction Parties against the Issuer is limited to the Mortgaged Property, subject to the Transaction Security, and they shall not have recourse to any other assets of the Issuer.

If the amounts realised from the Mortgaged Property are not sufficient to make payment of all amounts due from the Issuer pursuant to the Trust Deed, the Instruments and the other Transaction Documents, then no other assets of the Issuer shall be available to meet any resulting shortfall which shall be borne by the parties in accordance with the order of priority in Condition 13(a) (*Application of Liquidation Proceeds*). Following realisation of the Mortgaged Property and application of the Liquidation Proceeds in accordance with the Conditions, any outstanding claim, debt or other liability of the Issuer that remains shall be extinguished in full and no debt shall be owed by the Issuer in respect thereof. Failure by the Issuer to make payment in respect of any shortfall described in this Condition 14(a) shall in no circumstances constitute an Event of Default.

(b) **Non-petition**

None of the Transaction Parties, the Instrumentholders, the Couponholders or any person acting on behalf of any of them may:

- (i) bring, institute, or join with any other person in bringing, instituting or joining any administration, bankruptcy, insolvency, liquidation, winding-up or other similar actions; or
- (ii) join with any other person in bringing, instituting or joining any action or proceeding described in sub-paragraph (i) above; or

- (iii) take any steps to recover any debts or amounts extinguished as described in Condition 14(a) (*General limited recourse*) above from the Issuer or any shareholder, member, agent or director of the Issuer.

Notwithstanding the foregoing, the Trustee shall be entitled to exercise its rights pursuant to the Trust Deed.

(c) **Corporate obligation**

None of the Transaction Parties, the Instrumentholders, the Couponholders or any person acting on behalf of any of them shall have any recourse against any director, shareholder, or officer of the Issuer in respect of any obligations, covenant or agreement entered into or made by the Issuer pursuant to the terms of these Terms and Conditions, the Trust Deed or any other Transaction Documents.

(d) **Survival**

The provisions of this Condition 14 shall survive notwithstanding any redemption of the Instruments or the termination or expiration of any Transaction Document.

15. **Determinations and calculations**

(a) **Determination and publication of amounts**

The Calculation Agent shall, as soon as is practicable on each Determination Date and on each date the Calculation Agent is required to calculate any rate or amount, obtain any quotation or make any calculation under the Terms and Conditions or any Transaction Document, as the case may be, calculate such rate and calculate the Interest Amounts for the relevant Interest Accrual Period and Interest Payment Date, calculate the Final Redemption Amount, Early Redemption Amount, Default Redemption Amount, Underlying Collateral Amortisation Redemption Amount, Instalment Amount or other amount, obtain such quotation and/or make such calculation, as the case may be.

The Calculation Agent shall cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, any Final Redemption Amount, Early Redemption Amount, Default Redemption Amount, Underlying Collateral Amortisation Redemption Amount, Instalment Amount or other amount, to be notified to the Trustee, the Issuer, each of the Paying Agents, the Instrumentholders, any other Calculation Agent appointed in respect of the Instruments that is to make a further calculation upon receipt of such information and, if the Instruments are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their calculation but in no event later than (i) the commencement of the relevant Interest Accrual Period or Interest Period, as the case may be, if calculated prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount or (ii) in all other cases, the earlier of the date on which any relevant payment is due (if calculated prior to such time) and the fourth Business Day after such calculation.

Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 15(c) (*Business Day Convention*), the Interest Amount(s) and the Interest Payment Date(s) so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

The calculation of any rate or amount, the obtaining of each quotation and the making of each calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all Instrumentholders, Couponholders, Transaction Parties and all other parties. If the Calculation Agent at any time does not make any calculation or take any action that it is required to do pursuant to the Terms and Conditions, it shall forthwith notify the Issuer, the Trustee and the Issuing and Paying Agent.

(b) **Rounding**

For the purposes of any calculations required pursuant to the Terms and Conditions (unless otherwise specified), (i) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up to 0.00001) and (ii) all currency amounts that fall due and payable shall be rounded down, if necessary, to the nearest unit of such currency. For these purposes, “unit” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(c) **Business Day Convention**

If any date referred to in the Terms and Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then such date shall be postponed to the next day that is a Business Day.

16. **Payments**

(a) **Bearer Instruments in definitive form**

Payments of principal and interest in respect of Bearer Instruments in definitive form shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is represented for payment together with its related Instrument), Instruments (in the case of all payments of principal and, in the case of interest, as specified in Condition 16(d)) (*Unmatured Coupons and Receipts*) or Coupons (in the case of interest, save as specified in Condition 16(d)) (*Unmatured Coupons and Receipts*), as the case may be, at the Specified Office of any Paying Agent outside the United States by transfer to an account denominated in such currency with a Bank nominated by such holder presenting such Bearer Instrument, Receipts and/or Coupons, as the case may be.

For the purposes of this Condition 16(a), “**Bank**” means a bank in the principal financial centre for such currency or in the case of euro in a city in which banks have access to the TARGET System.

(b) **Instruments in global form**

For as long as the Instruments are represented by a Global Instrument deposited with a Clearing System and held by the Clearing System or a common depository, common safekeeper or nominee, as applicable, on behalf of the Clearing System, the obligations of the Issuer under the Terms and Conditions to make payments in respect of the Instruments will be discharged by payment to, or to the order of, the holder of the Global Instruments, subject to and in accordance with the terms of such Global Instrument. Each of the persons shown in the records of the Clearing System as owning Instruments represented by such Global Instrument must look solely to the Clearing System for his share of any payment made by the Issuer to or to the order of the holder of the Global Instrument. Payments made to any person shown in the records of the Clearing System as owning any Instrument represented by a Global Instrument shall be subject to and made in accordance with the rules of the Clearing System.

(c) **Payments subject to fiscal laws**

All payments will be subject in all cases to (i) any applicable fiscal or other laws, regulations and directives but without prejudice to the provisions of Condition 17 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA (in each case without prejudice to the provisions of Condition 17 (*Taxation*)). No commission or expenses shall be charged to the Instrumentholders or the Couponholders in respect of such payments.

(d) **Unmatured Coupons and Receipts**

Upon the due date for redemption of any Bearer Instrument in definitive form, unmaturing Coupons relating to such Instrument (whether or not attached) shall become void and no payment shall be made in respect of them.

Upon the due date for redemption of any Bearer Instrument in definitive form, all Receipts relating to such Instrument having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

Where any Bearer Instrument in definitive form is presented for redemption without all unmaturing Receipts and/or Coupons, redemption shall be made only against the provisions of such indemnity as the Issuer may require.

If the due date for redemption of any Instrument in definitive form is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and

surrender if appropriate) of the relevant Bearer Instrument representing it.

(e) **Non-Business Days**

If any date for payment in respect of any Instrument, Receipt or Coupon is not a Payment Business Day, the holder shall not be entitled to payment on such date but shall instead be entitled to payment on the alternative date determined in accordance with the adjustments specified in Condition 15(c) (*Business Day Convention*). Unless otherwise provided in these Terms and Conditions, in the event that any adjustment is made to the date for payment in accordance with this Condition 16(e), the relevant amount due in respect of any Instrument, Receipt or Coupon shall not be affected by such adjustment.

(f) **Prescription**

Claims against the Issuer for payment in respect of the Instruments, Receipts and Coupons shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

17. **Taxation**

(a) **Withholding or deductions on payments in respect of the Instruments**

Without prejudice to Condition 9(c) (*Consequences of Early Redemption Events*), all payments in respect of the Instruments will be made subject to any Tax Deduction that the Issuer or any Agent is required to make by any Applicable Law. In that event, the Issuer or such Agent shall make such payment after such Tax Deduction has been made and shall account to the relevant authorities for the amount(s) of Tax so withheld or deducted. Neither the Issuer nor any Agent will be liable for, or otherwise obliged to make any additional payments to Instrumentholders in respect of, or compensation for, any such Tax Deduction or any other amounts withheld or deducted pursuant to Condition 16(c) (*Payments subject to fiscal laws*) above.

(b) **FATCA and similar information**

Each Instrumentholder and beneficial owner of Instruments shall provide the Issuer and/or any agent acting on behalf of the Issuer and/or the Trustee with such documentation, information or waiver as may be requested by the Issuer and/or any agent acting on behalf of the Issuer and/or the Trustee in order for the Issuer, the Trustee or any such agent to comply with any obligations any such party may have in connection with the Instruments under:

- (i) FATCA and under any agreement entered into by the Issuer and/or any agent acting on behalf of the Issuer pursuant to, or in respect of, FATCA; and
- (ii) any other information reporting or exchange arrangements (including, without limitation, any legislation implementing EU

Council Directive 2014/107/EU on the mandatory automatic exchange of information, which implements the OECD measures known as the 'Common Reporting Standard').

Each Instrumentholder and beneficial owner of the Instruments further agrees and consents that, in respect of FATCA, the Issuer may, but is not obliged and owes no duty to any person to, comply with the terms of any intergovernmental agreement between the United States of America and another jurisdiction with respect to FATCA or any legislation implementing such an intergovernmental agreement or enter into an agreement with the U.S. Internal Revenue Service in such form as may be required to avoid the imposition of FATCA Withholding on payments made to the Issuer. In connection therewith, the Issuer may make such amendments to the Instruments as are necessary to enable the Issuer to enter into, or comply with the terms of, any such agreement or legislation. The Trustee shall be bound to concur in any such amendments provided that doing so would not, in the opinion of the Trustee, impose more onerous obligations upon it or expose it to further liabilities or reduce its rights, powers or protections and any such amendment will be binding on the Instrumentholders and Couponholders.

18. **Meetings of Instrumentholders, modification, waiver and substitution**

(a) **Meetings of Instrumentholders**

The Trust Deed contains provisions for convening meetings of Instrumentholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of the Terms and Conditions, any provisions of the Trust Deed or any other Transaction Document and give authority, direction or sanction required by, among other provisions, Condition 5 (*Security*) or Condition 8 (*Scheduled redemption and purchase*) to be given by Extraordinary Resolution. Any Extraordinary Resolution duly passed shall be binding on Instrumentholders (whether or not they were present at or participated in the meeting at which such resolution was passed) and on the holders of Coupons and Receipts.

(b) **Quorum requirements and voting**

Such a meeting may be convened by Instrumentholders holding not less than 10 per cent. in principal amount of the Instruments for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in principal amount of the Instruments for the time being outstanding, or at any adjourned meeting one or more persons being or representing Instrumentholders whatever the principal amount of the Instruments held or represented, unless the business of such meeting includes consideration Reserved Matters, in which case the necessary quorum ("**Special Quorum**") shall be one or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in principal amount of the Instruments for the time being outstanding in accordance with the Trust Deed.

If the Instruments are held in global form, the holder of a Global Instrument will be treated as having one vote in respect of each integral

currency unit of the Specified Currency represented by such Global Instrument.

(c) **Written Resolutions and Electronic Consent**

The Trust Deed provides that:

- (i) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in aggregate principal amount of the Instruments outstanding, substantially in the form set out in Annex 1 (*Form of Written Resolution*) to the Constituting Instrument or in such other form as the Trustee may require from time to time (a “**Written Resolution**”), or
- (ii) where the Instruments are held by or on behalf of a Clearing System, approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the Clearing System(s) in accordance with its operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in aggregate principal amount of the Instruments then outstanding (“**Electronic Consent**”),

shall, in each case, for all purposes (including Reserved Matters) be as valid and effective as an Extraordinary Resolution passed at a meeting of Instrumentholders duly convened and held.

Such Written Resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Instrumentholders. Such Written Resolution and/or Electronic Consent will be binding on all Instrumentholders and holders of Coupons and Receipts whether or not they participated in such Written Resolution or Electronic Consent.

(d) **Modification of the Terms and Conditions and/or any Transaction Document**

Without prejudice to modifications made pursuant to the provisions of Condition 17(b) (*FATCA and similar information*), the Trustee may agree, without the consent of the Instrumentholders or the Couponholders:

- (i) to any modification of any of the Terms and Conditions or any of the provisions of the Transaction Documents that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error or an error which is, in the opinion of the Trustee, proven; and
- (ii) to any other modification (except a Reserved Matter) and any waiver or authorisation of any breach or proposed breach, of any of the Terms and Conditions or any of the provisions of the Transaction Documents that is in the opinion of the Trustee not

materially prejudicial to the interests of the Instrumentholders;
or

- (iii) that an Event of Default, Potential Event of Default or Enforcement Event shall not be treated as such,

provided in each case that the Trustee shall not do so in contravention or an express direction given by an Extraordinary Resolution.

The Trustee's powers under this Condition 18(d) shall not extend to any such modification as is mentioned in the proviso to paragraph 2 of Schedule 3 (*Provisions for Meetings of Instrumentholders*) to the Trust Deed.

Any such modification, authorisation or waiver as is made or given under this Condition 18(d) shall be binding on the Instrumentholders and the Couponholders and, if the Trustee so requires, shall be notified to the Instrumentholders as soon as is practicable.

(e) **Substitution**

The Trust Deed contains provisions permitting the Trustee to agree without the consent of the Instrumentholders or the Couponholders, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Instruments, the Receipts and the Coupons, as applicable, provided that:

- (i) the Trustee is satisfied that the substitution is not materially prejudicial to the interests of Instrumentholders; and
- (ii) certain other conditions as set out in the Trust Deed are complied with.

In the case of such a substitution the Trustee may agree, without the consent of the Instrumentholders or the Couponholders, to a change of the law governing the Instruments, the Receipts, the Coupons and/or the Trust Deed and/or any other Transaction Document provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Instrumentholders.

19. **Replacement of Instruments, Receipts and Coupons**

If an Instrument, Receipt or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the Specified Office of the Issuing and Paying Agent or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Instrumentholders in accordance with Condition 22 (*Notices*). The person requesting such replacement must pay all fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, among other things, that if the allegedly lost, stolen or destroyed Instrument, Receipt or Coupon is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Instrument, Receipt or Coupon) and otherwise as the Issuer may reasonably require. Mutilated or defaced Instruments, Receipts or Coupons must be surrendered before replacements will be issued.

The replacement of Bearer Instruments, Receipts and Coupons that have been lost, stolen, mutilated, defaced or destroyed is subject to the procedure set out in the Involuntary Dispossession Law 1996.

20. **Appointment of Agents**

The Issuing and Paying Agent, the Paying Agents, the Calculation Agent and the Disposal Agent initially appointed by the Issuer and their respective Specified Offices are listed by their names in the Definitions Annex to these Terms and Conditions.

Subject to the provisions of the Agency Agreement, the Calculation Agency Agreement and the Disposal Agency Agreement, the Issuing and Paying Agent, the Paying Agents, the Calculation Agent and the Disposal Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Instrumentholder or Couponholder.

The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Calculation Agent or the Disposal Agent and to appoint additional or other Paying Agents, Transfer Agents, Calculation Agent(s), Disposal Agent(s) or such other agents as may be required, provided that the Issuer shall at all times maintain:

- (i) an Issuing and Paying Agent;
- (ii) a Calculation Agent;
- (iii) a Disposal Agent;
- (iv) a Paying Agent having its Specified Office in a major European city; and
- (v) such other agents as may be required by any other stock exchange on which the Instruments may be listed, in each case as approved by the Trustee (subject as provided above).

Notice of any such change or any change of any Specified Office shall promptly be given by the Issuer to the Instrumentholders in accordance with Condition 22 (Notices).

21. **Entitlement, indemnification and obligations of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer, the Instrumentholders and the holders of Coupons and Receipts, including (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances.

The Trust Deed provides that, when determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Instrumentholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security.

The Trust Deed also contains provisions pursuant to which the Trustee and any Affiliate of the Trustee is entitled, inter alia, (i) to enter into business transactions with the Issuer and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, any Collateral Obligor or any of their subsidiaries, holding or associated companies, (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 Instrumentholders 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.

The Trustee is exempted from liability with respect to any loss or theft or reduction in value of the Collateral and from any obligation to insure or to procure the insuring of the Collateral. The Trustee is not responsible for monitoring or supervising the performance by any other person of its obligations to the Issuer and may assume these are being performed unless and until it has actual knowledge to the contrary. The Trustee is not responsible for the exercise of any voting rights in respect of the Collateral or for the validity, sufficiency or enforceability (which the Trustee has not investigated) of the Transaction Security created over the Mortgaged Property.

In connection with the exercise of its functions and the exercise or performance or any right, power, trust, authority, duty or discretion under or in relation to these Conditions (including, without limitation, in relation to any modification, waiver, authorisation or determination referred to in Condition 18 (*Meetings of Instrumentholders, modification, waiver and substitution*)), the Trustee shall have regard to the interests of the Instrumentholders as a class but shall not have regard to any interests arising from circumstances particular to individual Instrumentholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of such exercise or performance of its trusts, powers or discretions for individual Instrumentholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or

resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the Tax consequences thereof.

The Trustee shall not be entitled to require, nor shall any Instrumentholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any Tax consequence of any such exercise upon individual Instrumentholders or Couponholders.

While any Global Instrument is held on behalf of a Clearing System, the Trustee may have regard to any information provided by such Clearing System as to the identity of its accountholders having entitlements to such Global Instrument and may consider such interests as if such accountholders were the Instrumentholders.

The Trust Deed provides that in acting as Trustee under the Trust Deed the Trustee does not assume any duty or responsibility to the Disposal Agent, the Calculation Agent or any of the Paying Agents or any other Transaction Party or Secured Creditor (other than to pay to any of such parties any moneys received and repayable to it and to act in accordance with the provisions of Conditions 5 (*Security*) and 13 (*Application of proceeds*)) and shall have regard solely to the interests of the Instrumentholders.

None of the Trustee nor the Paying Agents shall be required or obliged to monitor or enquire as to whether any event, condition or circumstance which could lead to an early redemption of the Instruments exists or has occurred. None of the Trustee nor the Paying Agents shall have any obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer, the Calculation Agent or any Transaction Party or other Secured Creditor.

22. Notices

(a) Notices to holders of Instruments

All notices to holders of Instruments shall be validly given when uploaded to the Matter Site, and any such notice shall be conclusively presumed to have been received by the holders on the date of upload or, if uploaded more than once or on different dates, on the first date on which upload is made. In order to receive notices, Instrumentholders will need to obtain access to the Matter Site, satisfy all conditions for receiving access to the Matter Site and comply with any terms and conditions of service applicable to the Matter Site. Obtaining access to the Matter Site is entirely the responsibility of each Instrumentholder.

For so long as the Instruments are listed on any Relevant Stock Exchange, any notice that is required by the rules or regulations of such Relevant Stock Exchange or other relevant authority to be published, shall additionally be published in accordance with such rules and regulations.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Instruments in definitive form in accordance with this Condition 22.

(b) **Notices from holders of Instruments**

Where these Terms and Conditions provide for a notice to be given by one or more Instrumentholders to the Issuer, such notice shall be validly given as follows:

- (i) if the Instruments are in definitive bearer form, the notice shall be mailed to the Issuer at the postal address and marked for the attention of the person specified in the Constituting Document or to such other address or person as shall have been otherwise notified to Instrumentholders in accordance with Condition 22(a) (*Notices to holders of Instruments*) and shall be deemed to have been given on the day it is delivered in the case of recorded delivery and three days (excluding Saturdays and Sundays) in the case of inland post or seven days (excluding Saturdays and Sundays) in the case of overseas post after despatch or if earlier when delivered; or
- (ii) if the Instruments are in global form and held on behalf of a Clearing System, notice may be given to the Issuer by accountholders in the Clearing System with entitlements to the Global Instrument, where the accountholders hold any such entitlement on behalf of another person, acting on instruction by the person(s) for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries.

In order for such notice to be effective, the accountholder and/or beneficiary, as applicable, must take any reasonable steps requested by the Issuer and/or the Trustee to evidence the validity of their holding of Instruments and to ensure that such holding does not alter following the giving of such notice and prior to the earlier of (a) the effecting of any matter that is the subject of such notice, and (b) a specified long stop date. Any notice given in accordance with Condition 22(b)(ii) will be deemed to have been given when actually received by the Issuer.

23. **Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Instruments under the Contracts (Rights of Third Parties) Act 1999, except and to the extent (if any) that the Instruments expressly provide for such Act to apply to any of their terms.

24. **Governing law and jurisdiction**

(a) **Governing law**

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

(b) **Jurisdiction**

In connection with any disputes arising thereunder, the courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed and any Instruments, Receipts or Coupons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed and any Instruments,

Receipts or Coupons (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

DEFINITIONS ANNEX TO THE TERMS AND CONDITIONS

Definitions

Defined terms used in the Terms and Conditions shall have the meanings given to them in this 'Definitions Annex to the Terms and Conditions' and in the Constituting Document (including any master terms document incorporated therein by reference).

Interpretation

(a) Inconsistency

In the event of any inconsistency between such documents the document ranking the highest in the following order of priority shall prevail:

- (i) the Constituting Document;
- (ii) the Terms and Conditions.

In relation to the Instruments, references to the Trust Deed, the Agency Agreement, the Calculation Agency Agreement, the Disposal Agency Agreement, the Dealer Agreement or any other Transaction Document constituted by the execution of the Constituting Document, are to those documents as amended, supplemented or replaced in respect of the Instruments as permitted by the Terms and Conditions and the Trust Deed with respect to the Instruments.

(b) Construction of Certain References

References to:

- (i) an action, remedy or method of judicial proceedings for the enforcement of creditors' rights include references to such action, remedy or method of judicial proceedings in jurisdictions other than England as shall most nearly approximate thereto;
- (ii) the records of Euroclear and Clearstream, Luxembourg shall be to the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customers' interests in the Instruments;
- (iii) Euroclear and/or Clearstream, Luxembourg shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system approved by the Issuer, the Trustee and the Issuing and Paying Agent;
- (iv) principal and interest shall be construed in accordance with the Terms and Conditions;
- (v) a "person" include any company, partnership or unincorporated association (whether or not having separate legal personality);
- (vi) a "company" include any company, corporation or any body corporate, wherever incorporated;

- (vii) any “Party” include its successors in title, permitted assigns and permitted transferees;
- (viii) a “judgment” include any order, injunction, determination, award or other judicial or arbitral measure in any jurisdiction;
- (ix) a “law” include common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, statute, treaty or other legislative measure, in each case of any jurisdiction whatever (and “lawful” and “unlawful” shall be construed accordingly);
- (x) a “Directive” include any relevant implementing measure of each Member State of the European Economic Area which has implemented such Directive.

(c) **Headings**

Headings shall be ignored in construing any Transaction Document.

(d) **Statutes**

References in the Terms and Conditions to a statute, any provision thereof or to any regulatory instrument, order or regulation made thereunder shall be construed as a reference to such statute, provision, statutory instrument, order or regulation, as the same may have been, or may from time to time be, amended or re-enacted.

(e) **Schedules**

The Schedules to any Transaction Document are a part of such Transaction Document and shall have effect accordingly.

A

“Account Bank”	<p>means HSBC Bank plc or any Successor thereto or replacement Account Bank appointed by the Issuer, in each case at its Specified Office.</p> <p>Specified Office: 8 Canada Square, London, E14 5HQ, United Kingdom</p>
“Account Bank Agreement”	<p>has the meaning given to it in the introduction to these Terms and Conditions.</p>
“Additional Redemption Event”	<p>An Increased Cost Event shall constitute an “Additional Redemption Event”. Where an Increased Cost Event has been determined to have been triggered, the Corporate Services Provider (on behalf of the Issuer) shall contact the Instrumentholders via the Matter Site to discuss and provide to the Instrumentholders with details of any such Increased Cost Event. The Instrumentholder may, through the Matter Site and/or by written notice or email to the Issuer (or the Corporate Services Provider on behalf of the Issuer), take the following action:</p> <ul style="list-style-type: none"> (i) in respect of (i) of the definition of the Increased Cost Event, the Instrumentholder may elect to waive the Increased Cost Event, and determine that the Instruments shall not redeem early and any Interest Amounts and/or Instalment Amounts will be reduced to cover such increase in costs. In the event of this election the Increased Cost Event would be considered cured. (ii) in respect of (i) or (ii) of the definition of the Increased Cost Event, the Instrumentholder may elect with the Issuer, Trustee and other Agents an agreement in writing to cover the increased costs of the Issuer through Instrumentholder contributions to the Expense Account (“Instrumentholder Costs Agreement”) and such the Increased Cost Event shall be considered cured. If, following the execution of the Instrumentholder Costs Agreement, the Issuer is not placed in funds by the Instrumentholders in a timely manner (not including any delay due to operational issues of the Instrumentholder in making payment) then a new Increased Cost Event shall be deemed to have occurred and an Early Redemption Event may be determined by the Trustee (on the instructions of Instrumentholders acting by way of Extraordinary Resolution).
“Affiliate”	<p>means, in relation to any person, any entity controlled, directly or indirectly, by that person, any entity that controls, directly or indirectly, that person or any entity, directly or indirectly, under common control with that person. For this purpose “control” means ownership of a majority of the voting power of the entity or person.</p>
“Agency Agreement”	<p>has the meaning given to it in the introduction to these Terms and Conditions.</p>
“Agency Terms”	<p>means has the meaning given to it in the introduction to these Terms and Conditions.</p>
“Agents”	<p>means, collectively, the Issuing and Paying Agent, the Calculation Agent, the Disposal Agent, the Account Bank and the Paying Agents (and each, an “Agent”).</p>

“Aggregate Nominal Amount”	GBP 32,000,000
“Applicable Law”	means any law or regulation of any jurisdiction, including but not limited to: (a) any statute or regulation of any jurisdiction; (b) any rule or practice of any authority by which any party is bound or with which it is accustomed to comply; (c) any agreement entered into by any party and any authority or between two or more authorities; and (d) FATCA.
“Arranger”	means Deutsche Bank AG, London Branch.

B

“Bank”

has the meaning given to it in Condition 16(a) (*Bearer Instruments in definitive form*).

“Bankruptcy Event”

means, with respect to an entity, such entity:

- (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (iii) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (iv) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition either:
 - (1) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation, or
 - (2) is not dismissed, discharged, stayed or restrained,

in each case within 30 days of the institution or presentation thereof;
- (v) has a resolution passed for its winding up or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; or
- (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in sub-clauses (i) to (vii) above.

“Bankruptcy Event of Default”

means that the Issuer:

- (i) is dissolved (other than, in the case of the Issuer, pursuant to a consolidation, amalgamation or merger on terms previously approved in writing by the Trustee or sanctioned by an Extraordinary Resolution);
- (ii) makes a general assignment, arrangement, scheme or composition with or for the benefit of the Instrumentholders, or such a general assignment, arrangement, scheme or composition becomes effective;
- (iii) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding up or liquidation of the Issuer other than by any creditor in breach of its non-petition covenants, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition either results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation, or is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;
- (iv) has a resolution passed for its winding up or liquidation (other than, in the case of the Issuer, pursuant to a consolidation, amalgamation or merger on terms previously approved in writing by the Trustee or sanctioned by an Extraordinary Resolution);
- (v) becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, examiner, custodian or other similar official (including, without limitation, the appointment of an administrator or any application is made or petition lodged or documents filed with the court or administrator in relation to the Issuer) other than by any creditor in breach of its non-petition covenants, for it or for any assets on which the liabilities of the Issuer under the relevant Instruments are secured pursuant to the Trust Deed; or
- (vi) other than the Trustee (except in circumstances where the Trustee is enforcing the Transaction Security pursuant to the Trust Deed) has a secured party take possession of any assets on which the liabilities of the Issuer under the relevant Instruments are secured pursuant to the Trust Deed or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against any assets on which the liabilities of the Issuer under the relevant Instruments are secured pursuant to the Trust Deed other than in circumstances where such secured party is acting in breach of its non-petition covenants, and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter.

“Bearer Instruments”

has the meaning given to it in Condition 2(a) (*Form, denomination and title*) and includes any Global Instruments representing Bearer Instruments.

“Benefit Plan Investor”

means:

- (i) an employee benefit plan (as defined in section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended, (“ERISA”)), whether or not subject to ERISA;
- (ii) a plan described in section 4975(e)(1) of the Code; or
- (iii) an entity whose underlying assets include plan assets by reason of a plan's investment in the entity under U.S. Department of Labor Regulations § 2510.3-101 (29 c.f.r. § 2510.3-101).

“Board”

means the board of directors of the Issuer.

“Business Centre”

means London and Jersey.

“Business Day”

means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency;

“Business Day Convention”

means each date that is subject to adjustment in accordance with the Business Day Convention, will be adjusted in the manner set out in paragraph (ii) of Condition 15(c) (*Business Day Convention*).

C

“Calculation Agency Agreement”	has the meaning given to it in the introduction to these Terms and Conditions.
“Calculation Agency Terms”	has the meaning given to it in the introduction to these Terms and Conditions.
“Calculation Agent”	means HSBC Bank plc or any Successor thereto or replacement Calculation Agent appointed by the Issuer, in each case at its Specified Office. Specified Office: 8 Canada Square, London, E14 5HQ, United Kingdom
“Calculation Amount”	means, in respect of an Instrument and an Interest Accrual Period, the Aggregate Nominal Amount of Instruments.
“Calculation Amount Factor”	means, in respect of an Instrument, the number equal to the Specified Denomination of such Instrument divided by the Calculation Amount.
“Calculation Period”	has the meaning given to it in the definition of Day Count Fraction.
“CGN”	has the meaning given to it in Condition 2(b) (<i>Bearer Instruments</i>).
“Clearing System”	means any of Euroclear, Clearstream, Luxembourg and any other clearing system approved by the Trustee and the Issuing and Paying Agent in which Instruments or Collateral, as the case may be, are cleared, and includes reference to the operators thereof.
“Clearstream, Luxembourg”	means Clearstream Banking, S.A.
“Code”	means the United States Internal Revenue Code of 1986.
“Collateral”	means, in connection with the issue of the Instruments, the Issuer’s rights, title and/or interests in and to: <ul style="list-style-type: none"> (i) the Underlying Collateral; and (ii) any other securities, cash or other assets or property transferred or delivered to the Issuer (including any cash standing to the credit of the Issuer Collection Account and Expense Account). <p>The term “Collateral” shall include the rights, title and/or interests in and to (w) any proceeds of Liquidation remaining following the Liquidation of Collateral in respect of the redemption of some, but not all, of the Instruments then outstanding which were not then payable to Instrumentholders, (x) any further Collateral acquired by the Issuer in connection with any further issue of instruments that are to be consolidated and form a single series with the Instruments, (y) any Collateral acquired by the Issuer by way of substitution or replacement of any Collateral previously held by it and (z) any asset or property (which may, for the avoidance of doubt, include the benefit of contractual rights) into which any of the Collateral is converted or exchanged or that is issued to the Issuer (or any relevant person holding such Collateral for or on behalf of the Issuer) by virtue of its holding thereof.</p>

“Collateral Event”	means the occurrence of such of the following events: (i) Underlying Collateral Repayment; or (iii) Underlying Collateral Payment Failure;
“Collateral Obligor”	means any person that has an obligation or duty to the Issuer (or any relevant person holding such Collateral for or on behalf of the Issuer) in respect of the Collateral pursuant to the terms of such Collateral.
“Condition”	has the meaning given to it in the definition of “Terms and Conditions”.
“Conditions to Delivery”	means, in respect of a delivery of the Physical Redemption Amount in relation to the Instruments, the Instrumentholders holding in aggregate all of the Instruments (a) have deposited all of the Instruments representing all of the Instruments and delivered an Exercise Notice at the Issuing and Paying Agent’s Specified Office, (b) have paid to the order of the Issuer (on a joint and several basis) the Physical Redemption Priority Payment Amount in freely transferable funds, (c) have specified whether they have appointed a Designated Settlement Agent and, if so, the identity of such Designated Settlement Agent and (d) have paid to the order of the Issuer all costs and expenses (including any stamp or other Taxes) payable in connection with the delivery of the Physical Redemption Amount to Instrumentholders (or their Designated Settlement Agent(s), if applicable).
“Constituting Document”	has the meaning given to it in the introduction to these Terms and Conditions.
“Corporate Services Agreement”	means the corporate services agreement dated on or around the Issue Date entered into between the Issuer and the Corporate Services Provider.
“Corporate Services Provider”	means Vistra (UK) Limited or such other entity that may be appointed as corporate services provider to the Issuer from time to time under the Corporate Services Agreement.
“Corporate Services Provider Fees”	means any fees charged by, or any other amounts owed to, the Corporate Services Provider for the performance of its duties pursuant to the Corporate Services Agreement.
“Couponholder”	means the holder of any Coupon relating to an interest bearing Instrument in definitive bearer form.
“Coupons”	has the meaning given to it in the introduction to these Terms and Conditions.

D

“Day Count Fraction”	means, in respect of the calculation of an amount of interest on any Instrument for any period of time (from and including the first day of such period to but excluding the last day of such period) (whether or not constituting an Interest Period or an Interest Accrual Period, the “ Calculation Period ” the actual number of days in the Calculation Period divided by 365.
“Dealer”	means Deutsche Bank AG, London Branch.
“Dealer Agreement”	means the dealer agreement in respect of the Instruments entered into by the Issuer, the Arranger, each Dealer and any other parties specified in the Constituting Document by the execution by such parties of the Constituting Document.
“Default Interest”	shall not apply in respect of the Instruments.
“Default Redemption Amount”	means in respect of an Instrument, an amount in the Specified Currency calculated by the Calculation Agent equal to such Instrument’s <i>pro rata</i> share of: (i) the fair bid-side market value of the Collateral as of the Default Valuation Date net of any Taxes, costs or charges that would be incurred on the sale of the Collateral (each as determined by the Calculation Agent); plus (ii) all amounts standing to the credit of the Expense Account as of the Default Valuation Date.
“Default Valuation Date”	means the date on which the Instruments become due and payable pursuant to Condition 11 (<i>Events of Default</i>).
“Designated Settlement Agent ”	means the party specified, if any, to receive the Physical Redemption Amount on behalf of an Instrumentholder in an Exercise Notice in connection with an Early Redemption.
“Determination Date”	means each Interest Payment Date.
“Determination Period”	means the period from and including a Determination Date in any year to but excluding the next Determination Date.
“Determining Party”	means, in respect of an Early Redemption Event, the party specified as such in respect of such Early Redemption Event in Condition (9(a) (<i>Early Redemption Events and Determining Party</i>).
“Disposal Agency Agreement”	has the meaning given to it in the introduction to these Terms and Conditions.
“Disposal Agency Terms”	has the meaning given to it in the introduction to these Terms and Conditions.

“Disposal Agent”	means Deutsche Bank AG, London Branch and any Successor thereto or replacement Disposal Agent appointed by the Issuer, in each case at its Specified Office. Specified Office: Winchester House, 1 Great Winchester Street, London EC2N 2DB
“Disposal Agent Bankruptcy Event”	means the occurrence of a Bankruptcy Event in respect of the Disposal Agent.
“Disposal Agent Eligibility Criteria”	mean, in respect of a proposed replacement Disposal Agent, that such entity is a leading dealer of good standing in the relevant market.
“Disposal Agent Fees”	means any and all fees charged by, or any other amounts owed to, the Disposal Agent for the performance of its duties specified in, or incidental to, the Terms and Conditions.

E

“Early Cash Redemption Amount”

means, in respect of each Instrument outstanding on the relevant Early Redemption Date, an amount in GBP equal to:

- (a) the Net Liquidation Proceeds; plus
- (b) the credit balance of the Issuer Collection Account and the Expense Account; minus
- (c) any amounts ranking in priority to the Instrumentholders pursuant to Condition 13(a) (Application of Liquidation Proceeds),

as calculated by the Calculation Agent. If the Disposal Agent is unable to sell the Collateral the proceeds of Liquidation and therefore the Early Cash Redemption Amount may be zero.

“Early Redemption Amount”

has the meaning given to it in Condition 9(e) (*Early Redemption Amount*).

“Early Redemption Date”

means:

- (i) for the purposes of an Early Redemption Notice Date occurring as a result of an Underlying Collateral Repayment pursuant to Condition 9(c) (*Consequences of Early Redemption Events*), the day that falls 10 Business Days after the later of the Underlying Collateral Early Payment Date and such Early Redemption Notice Date (provided that if all of the Collateral has been redeemed and/or Liquidated on or before the third Business Day prior to such date, the Early Redemption Date shall be the third Business Day after the later of (x) the Early Redemption Notice Date and (y) the date on which all proceeds of such redemption and/or Liquidation of the Collateral have been received by or on behalf of the Issuer); and
- (ii) for all other purposes, the day that falls ten Business Days after such Early Redemption Notice Date.

“Early Redemption Event”

has the meaning given to it in Condition 9(a) (*Early Redemption Events and Determining Party*).

“Early Redemption Event Determination Date”

means the date of the Early Redemption Event Determination Notice given pursuant to Condition 9(b) (*Early Redemption Event determination*).

“Early Redemption Event Determination Notice”

has the meaning given to it in Condition 9(b) (*Early Redemption Event determination*).

“Early Redemption Notice”

means an irrevocable notice from the Issuer to Instrumentholders in accordance with Condition 22 (*Notices*) and that specifies that the Instruments are to be redeemed pursuant to Condition 9 (*Early redemption*). An Early Redemption Notice given pursuant to Condition 9 (*Early redemption*) must contain a description in reasonable detail of the facts relevant to the determination that the Instruments are to be redeemed and, in the case of an Early Redemption Notice given by the Issuer, must specify which Early Redemption Event(s) occurred to trigger the giving of such Early Redemption

	<p>Notice. A copy of any Early Redemption Notice shall also be sent by the Issuer to all Transaction Parties, save that any failure to deliver a copy shall not invalidate the relevant Early Redemption Notice.</p>
“Early Redemption Notice Date”	<p>means the date of the Early Redemption Notice provided to Instrumentholders by the Issuer (or the Issuing and Paying Agent on its behalf) pursuant to Condition 9(c) (<i>Consequences of Early Redemption Events</i>), subject to Condition 9(d) (<i>Additional provisions relating to specific Early Redemption Events</i>) in respect of an Underlying Collateral Tax Event, Instrument Tax Event or Issuer Tax Event.</p>
“Early Redemption Notification Period”	<p>means the period of five Business Days.</p>
“Early Valuation Date”	<p>means the earlier of (i) date falling 60 calendar days following the Liquidation Commencement Date or (ii) the date on which the Disposal Agent has Liquidated the Collateral in accordance with the Sale Process under the Disposal Agency Agreement.</p>
“Electronic Consent”	<p>has the meaning given to it in Condition 18(c) (<i>Written Resolutions and Electronic Consent</i>).</p>
“Enforcement Event”	<p>means:</p> <ul style="list-style-type: none">(i) that the Instruments have become immediately due and repayable and have not been repaid pursuant to Condition 11 (<i>Events of Default</i>);(ii) the Issuer fails to pay (a) the Final Redemption Amount and/or (b) any interest, Underlying Collateral Amortisation Redemption Amount or Instalment Amount that has become due and payable on the Maturity Date, and, in each case, has not paid any such amount on or by the date on which such payment was required; or(iii) following the occurrence of an Early Redemption Notice Date, payment and/or delivery in respect of the Early Redemption Amount in respect of the Instruments is not made on the Early Redemption Date.
“Enforcement Notice”	<p>means a notice given by the Trustee pursuant to Condition 12(a) (<i>Trustee to enforce Transaction Security</i>) that (i) the Trustee intends to enforce the Transaction Security constituted by the Trust Deed and (ii) the Disposal Agent is to cease to effect any further Liquidation of the Collateral (if such Liquidation is taking place) save that any transaction entered into in connection with the Liquidation on or prior to the effective date of such Enforcement Notice shall be settled and the Disposal Agent shall take any steps and actions necessary to settle such transaction and/or that are incidental thereto.</p>
“Euroclear”	<p>means Euroclear Bank S.A./N.V.</p>
“Event of Default”	<p>has the meaning given to it in Condition 11 (<i>Events of Default</i>).</p>

“Exercise Notice”	means an exercise notice in or substantially in the form set out in the Trust Terms.
“Expense Account”	means the account in the name of the Issuer used to settle certain expenses of the Issuer (including any duly documented charges, costs, fees, remuneration, disbursements, interest, fiscal and other losses, liabilities and expenses due and payable by the Issuer to any Agents of the Issuer, professional advisors of the Issuer or other service providers) from time to time as provided for in the Account Bank Agreement.
“Expense Account Threshold”	means £41,192, as may be adjusted from time to time by the Instrumentholders acting by way of Extraordinary Resolution, provided that, the Expense Account Threshold may not be reduced if the Issuer notifies the Instrumentholders within 15 Business Days of such Extraordinary Resolution that such reduction would, in its reasonable opinion, result in the Issuer having insufficient reserves to settle any amounts payable on or in connection with the liquidation or winding-up of the Issuer.
“Expense Top-Up Amount”	means £10,298, as may be increased upon written notice of the Issuer to the Trustee to the extent such increase is commensurate with an increase in the fees payable by the Issuer arising from the terms of an agreement with a service provider to the Issuer (excluding, for the avoidance of doubt, the Agents) entered into on or around the Issue Date, or as otherwise adjusted in accordance with the definition of “Additional Redemption Event”.
“Extraordinary Resolution”	means a resolution of Instrumentholders passed by a Written Resolution or by Electronic Consent.

E

“FATCA”	means (i) sections 1471 to 1474 of the Code; (ii) any similar or successor legislation to (i); (iii) any agreement described in section 1471(b) of the Code; (iv) any regulations or guidance pursuant to any of the foregoing; (v) any official interpretations of any of the foregoing; (vi) any intergovernmental agreement to facilitate the implementation of any of the foregoing (an “ IGA ”); or (vii) any law implementing an IGA.
“FATCA Withholding”	means any withholding or deduction for or on account of Tax imposed on any payments pursuant to FATCA.
“Final Redemption Amount”	means an amount calculated by the Calculation Agent equal to the outstanding principal amount of such Instrument. For the avoidance of doubt, it is expected the Final Redemption Amount shall be zero on the Maturity Date of the Instruments as per the Instalment Amounts redeeming the Instrument by Instalment Amounts
“Fixed Coupon Amount”	means each Fixed Coupon Amount as specified as such in Annex 2 to these Terms and Conditions.

G

“Global Bearer Instrument”	means a temporary Global Bearer Instrument and/or, as the context requires, a permanent Global Bearer Instrument, in each case representing some or all of the Instruments in bearer form, substantially in the form set out in the Trust Terms.
“Global Instrument”	means a Global Bearer Instrument and/or, as the context requires, a Global Registered Certificate.
“Governmental Authority”	means (a) any <i>de facto</i> or <i>de jure</i> government (or any agency, instrumentality, ministry or department thereof), (b) any court, tribunal, administrative or other governmental, inter-governmental or supranational body, (c) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of a Collateral Obligor or some or of all of its obligations; or (d) any other authority which is analogous to any of the entities specified in (a) to (c) of this definition.

I

“Illegality Event”	shall occur if, due to the adoption of, or any change in, any applicable law after the Issue Date, or due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law after such date, it becomes unlawful for the Issuer (i) to perform any absolute or contingent obligation to make a payment or delivery in respect of the Instruments or any agreement entered into in connection with the Instruments, (ii) to hold any Collateral or to receive a payment or delivery in respect of any Collateral or (iii) to comply with any other material provision of any agreement entered into in connection with the Instruments.
“Increased Cost Event”	means either (i) there is a material increase in costs payable by the Issuer to the relevant tax authorities, regulatory bodies, exchanges, service providers or any other applicable third party, or (ii) the net amounts standing to the Issuer’s Collection Account and the Expense Account does not, or is not expected to, cover the costs of the Issuer.
“Initial Issuer Application Date”	has the meaning given to it in the definition of Issuer Application Date in this Definitions Annex to the Terms and Conditions.
“Instalment Amount”	means the amount equal to the relevant Amortisation Amount (as specified as such in Annex 2 to these Terms and Conditions below), following the settlement of clause 5.2(i) to (vi) (<i>Directions for operation of the Issuer Account</i>) of the Account Bank Agreement, or if following the settlement of clause 5.2(i) to (vi) (<i>Directions for operation of the Issuer Account</i>) of the Account Bank Agreement, the remaining amount is less than the relevant Amortisation Amount, the Instalment Amount shall be such remainder amount.
“Instalment Date”	means 3 Business Days following receipt by the Issuer of a distribution from the Collateral. Each expected Interest Payment Date is specified as such in the Annex to these Terms and Conditions below (adjusted in accordance with the Business Day Convention)
“Instrumentholder”	means the bearer of any Bearer Instrument and the Receipts relating to it and “holder” (in relation to an Instrument, Receipt or Coupon) means the bearer of any Bearer Instrument, Receipt or Coupon. A person shown in the records of a Clearing System as the accountholder or participant with entitlements in respect of any Global Instrument may be treated by the Issuer and the Trustee as an Instrumentholder when considering the interests of the Instrumentholders.
“Instrumentholder Settlement Option”	means the option of Instrumentholders to elect the method of settlement of the Instruments in accordance with Condition 9(f) (<i>Instrumentholder Settlement Option procedure</i>).
“Instrumentholder-related Tax Event”	means an event falling within paragraphs (i) or (ii) of the definition of Instrument Tax Event where the relevant Tax Deduction to which such Instrument Tax Event relates arises as a result of any connection of the Instrumentholder or Couponholder to the jurisdiction of the authority imposing the relevant Tax Deduction otherwise than by reason only of the holding of

“Instrumentholder Tax Continuation Election”

any Instrument or receiving or being entitled to any payment in respect thereof.

has the meaning specified in paragraph (ii), (iii) or (iv) of Condition 9(d) (*Additional provisions relating to specific Early Redemption Events*)

“Instrument Tax Event”

Subject to Condition 9(d) (*Additional provisions relating to specific Early Redemption Events*), an **“Instrument Tax Event”** shall occur in respect of the Instruments if:

- (i) on the due date for any payment in respect of the Instruments, the Issuer will be required by Applicable Law to make a Tax Deduction other than a FATCA Withholding from such payment; or
- (ii) on the due date for any payment in respect of the Instruments, such a Tax Deduction is actually made by or on behalf of the Issuer in respect of such payment in respect of the Instruments,

in each case, other than where such event constitutes an “Instrumentholder-related Tax Event”.

“Instruments”

means the instruments issued by the Issuer, and includes any Global Instrument representing them, and in the case of a Bearer Instrument includes that Bearer Instrument, any related Coupon, Receipt or Talon, whether or not attached, and in the case of a Registered Instrument, includes the related Certificate and in each case any replacements issued under the Conditions.

“Interest”

in the context of amounts payable in respect of the Instruments, shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 7 (*Interest*).

“Interest Accrual Period”

means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount”

means:

- (i) in respect of an Interest Accrual Period, the Fixed Coupon Amount payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) any excess amounts (the **“Inflation Linked Interest Amount”**) standing to the balance of the Issuer Collection Account following a distribution from the Collateral and provided clause 5.2(i) to (v) (*Directions for operation of the Issuer Account*) under the Account Bank Agreement have been settled on each Interest Payment Date.

A projection of the Inflation Linked Interest Amounts to be paid are set out in the Annex to these Issue Terms based on projected UK retail price index levels (which may change) under the column heading “Projected Inflation Amounts”.

“Interest Commencement Date”	means the Issue Date.
“Interest Payment Date”	means 3 Business Days following receipt by the Issuer of a distribution from the Collateral. Each expected Interest Payment Date is specified as such in Annex 2 to these Terms and Conditions (adjusted in accordance with the Business Day Convention).
“Interest Period”	means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.
“Interest Period Date”	means each Interest Period Start Date or Interest Period End Date, as applicable, in each case as specified in Annex 2 to these Terms and Conditions. Each Interest Period Date shall not be adjusted for the purposes of determining the Interest Accrual Period.
“Involuntary Dispossession Law 1996”	has the meaning given to it in Condition 16(f) (<i>Prescription</i>).
“Issue Date”	means 30 March 2020.
“Issuer”	means the party named in the Constituting Document as the issuer of the Instruments.
“Issuer Application Date”	means each of: <ul style="list-style-type: none">(i) where no Physical Redemption Amount is deliverable in respect of any Instruments, the Early Redemption Date or Relevant Date, or, if later, the third Business Day after the earliest date on which the Early Redemption Amount, the Final Redemption Amount and any interest or Instalment Amount that has become due and payable on the Maturity Date, have been determined pursuant to the Terms and Conditions and/or the terms of the relevant Transaction Document(s), as applicable and, to the extent not all the Collateral has been Liquidated in full or the cash proceeds of such Liquidation have not been received by or on behalf of the Issuer by such time, each day that is three Business Days following receipt by the Issuer of additional proceeds resulting from the related Liquidation; or(ii) where a Physical Redemption Amount is deliverable in respect of any Instruments, the Early Redemption Date or Relevant Date, or, if later, the date falling three Business Days after the Physical Redemption Priority Payment Amount has been received by or on behalf of the Issuer (the Issuer Application Date pursuant to subparagraph (i) or (ii), as the case may be, the “Initial Issuer Application Date”); and(iii) in respect of each sum received by the Issuer from the Mortgaged Property that has not already been applied on the Initial Issuer

Application Date, the date falling three Business Days following receipt by the Issuer of such sum.

“Issuer Collection Account”

means the account in the name of the Issuer for distributions received on the Underlying Collateral as provided for in the Account Bank Agreement.

“Issuer Tax Event”

subject to Condition 9(d) (*Additional provisions relating to specific Early Redemption Events*), an “Issuer Tax Event” shall occur in respect of the Instruments if the Issuer is or will be:

- (i) obligated under any Applicable Law to pay or account for Tax to any authority in respect of its income, profits or gains in respect of the Instruments; or
- (ii) otherwise obligated to pay or account for any Tax to any authority under any Applicable Law in respect of or as a result of issuing the Instruments.

in each case such that the Issuer would be unable to make a payment due in respect of the Instruments in full on the date such payment falls due.

“Issuing and Paying Agent”

means HSBC Bank plc or any Successor thereto or replacement Issuing and Paying Agent appointed by the Issuer, in each case at its Specified Office.

Specified Office: 8 Canada Square, London, E14 5HQ, United Kingdom

L

“Last Look Cut-off Date”	has the meaning given to it in Condition 10(a) (<i>Liquidation process</i>).
“Last Look Option”	has the meaning given to it in Condition 10(a) (<i>Liquidation process</i>).
“Liquidation”	means, in respect of any Collateral, the realisation of such Collateral for cash proceeds whether by way of sale, early redemption, early repayment or agreed termination, provided that any Liquidation shall be conducted in accordance with the Disposal Agency Agreement and “Liquidate” , “Liquidated” and “Liquidating” shall be construed accordingly.
“Liquidation Commencement Date”	means the later of (i) the earlier of the day on which the Disposal Agent receives an Early Redemption Notice and the date on which the Disposal Agent otherwise determines to commence liquidation of the Collateral in accordance with Condition 10(a) (<i>Liquidation process</i>), and (ii) the Settlement Option Cut-off Date.
“Liquidation Event”	means the occurrence of an Early Redemption Notice Date.
“Liquidation Expenses”	means (i) any Taxes and (ii) any reasonable transaction fees or commissions applicable to such Liquidation, including any brokerage or exchange commissions, provided that such transaction fees or commissions are limited to and no higher than those that would necessarily and routinely be charged by the third party market participant to whom such fees or commissions are payable for a sale transaction of that type to third parties on an arm’s length basis. Save for such reasonable transaction fees or commissions, Liquidation Expenses shall not include any Disposal Agent Fees.
“Liquidation Proceeds”	means, with respect to a Liquidation Event or Enforcement Event, as of a particular day: (i) all cash sums derived from any Liquidation of Collateral for the Instruments and all other cash sums available to the Issuer or the Trustee, as the case may be, derived from the Mortgaged Property (including, for the avoidance of doubt, any amounts realised from the enforcement of the Transaction Security); less (ii) any cash sums which have already been applied by the Issuer on any Issuer Application Date or by the Trustee on any Trustee Application Date, in each case pursuant to Condition 13(a) (<i>Application of Liquidation Proceeds</i>).

For the avoidance of doubt, where a Physical Redemption Amount is deliverable by the Issuer in respect of any Instruments, the Collateral comprised in such Physical Redemption Amount shall not constitute Liquidation Proceeds.

M

“Matter Site”

means the online data room operated, managed and maintained by or on behalf of the Corporate Services Provider who from time to time, shall upload all relevant documents received by the Issuer in relation to the Collateral.

“Maturity Date”

means, the later of:

- (a) 14 April 2044 (being 3 Business Days following 11 April 2044, which is the end date of the “A Unit Entitlement Period” as defined under the terms and conditions of the Underlying Collateral), subject to the Business Day Convention (the “**Scheduled Maturity Date**”); or
- (b) the date on which the Issuer receives the full payment of excepted amounts due under the Collateral (provided an Early Redemption Event has not been triggered); or
- (c) where either the Sale Process or the Instrumentholder Settlement Option procedure is ongoing and is passed the Scheduled Maturity Date, the date on which the relevant timeline has ended.

“Mortgaged Property”

means the items described in paragraphs (i) to (xiii) of Condition 5(a) (*Transaction Security*) and the rights, title and interest of the Issuer in any other assets, property, income, rights and/or agreements of the Issuer (other than the Issuer’s share capital) from time to time charged or assigned or otherwise made subject to the security created by the Issuer in favour of the Trustee pursuant to the Trust Deed, as the case may be, in each case securing the Secured Payment Obligations and includes, where the context permits, any part of that Mortgaged Property.

N

“Net Liquidation Proceeds”

means the sum of:

- (i) Liquidation Proceeds as of the Early Valuation Date provided that if any Collateral has not been Liquidated by the Early Valuation Date then the Net Liquidation Proceeds in respect of such Collateral not then Liquidated shall be deemed to be the fair bid-side market value of such Collateral as of the Early Valuation Date (as calculated by the Calculation Agent) net of any Taxes, costs or charges that would be incurred on the sale of the Collateral; and
- (ii) all amounts standing to the credit of the Expense Account as of the Early Valuation Date.

“Non-Compliance Event of Default”

means that the Issuer does not perform or comply with any one or more of its material obligations under the Instruments or the Trust Deed, other than such obligations as may, with the passage of time, constitute a Payment Event of Default, and (unless such default is in the opinion of the Trustee incapable of remedy) is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been given to the Issuer (with a copy to the Calculation Agent and each Counterparty) by the Trustee.

“Non-Permitted Transferee”

means:

- (i) a U.S. person (as defined in Rule 902(k)(1) of Regulation S of the U.S. Securities Act of 1933, as amended); or
- (ii) a U.S. person (as defined in the final risk retention rules promulgated under Section 15G of the U.S. Securities Exchange Act of 1934, as amended); or
- (iii) a person who comes within any definition of U.S. person for the purposes of the U.S. Commodity Exchange Act of 1936, as amended, or any rule, guidance or order proposed or issued by the U.S. Commodity Futures Trading Commission (the “**CFTC**”) thereunder (including but not limited to any person who is not a “Non-United States person” under CFTC Rule 4.7(a)(1)(iv) and also including but not limited to a “U.S. Person” as described in and for the purposes of the CFTC’s Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed Reg. 45292 (July 26, 2013), as amended from time to time); or
- (iv) a person who is Jersey resident for income tax purposes.

O

“Obligation”

means any obligation of the Issuer, which shall include, without limitation, any Instrument and any other obligation that may be entered into by the Issuer in the form of bonds, notes, loans, warrants, options, swaps or other obligations.

P

“Paying Agent”	means the Issuing and Paying Agent or any Successors thereto or replacement Paying Agent(s) appointed by the Issuer, in each case at their respective Specified Offices. Specified Office: 8 Canada Square, London, E14 5HQ, United Kingdom
“Payment Business Centre”	means London and Jersey.
“Payment Business Day”	means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Payment Business Centres.
“Payment Business Day Convention”	means the Business Day Convention.
“Payment Event of Default”	means default is made for more than 14 days in the payment of any interest or Underlying Collateral Amortisation Redemption Amount or Instalment Amount in respect of the Instruments or any of them, other than any interest, Underlying Collateral Amortisation Redemption Amount or Instalment Amount due and payable on the Maturity Date, and other than where any such default occurs as a result of a Collateral Event, an Instrument Tax Event or an Underlying Collateral Tax Event.
“Physical Redemption Amount”	means the aggregate of all Collateral held by or on behalf of the Issuer in respect of the Instruments on the relevant Early Redemption Date (for the avoidance, of doubt, following any application by the Issuer of an amount equal to the Physical Redemption Priority Payment Amount in satisfaction of all payment obligations of the Issuer ranking in priority to the Instrumentholders pursuant to Condition 13(a) (<i>Application of Liquidation Proceeds</i>)).
“Physical Redemption Priority Payment Amount”	means an amount equal to the aggregate of all payment obligations of the Issuer ranking in priority to the Instrumentholders pursuant to Condition 13(a) (<i>Application of Liquidation Proceeds</i>).
“Potential Collateral Event”	has the meaning given to it in Condition 9(d)(i) (<i>Additional provisions relating to Collateral Events</i>).
“Potential Event of Default”	means any event or circumstance that could with the giving of notice, lapse of time and/or issue of a certificate become an Event of Default.
“principal”	shall be deemed to include any premium payable in respect of the Instruments, all Instalment Amounts, Underlying Collateral Redemption Amounts, the Final Redemption Amount, any Default Redemption Amount, any Early Redemption Amount and all other amounts in the nature of principal payable pursuant to Condition 8 (<i>Scheduled redemption and purchase</i>), Condition 9 (<i>Early redemption</i>) and/or Condition 11 (<i>Events of Default</i>).
“Proceedings”	has the meaning given to it in Condition 24(b) (<i>Jurisdiction</i>).

“Proposed Exercise of Rights”

has the meaning given to it in Condition 5(b) (*Issuer’s rights as beneficial owner of Collateral*).

“Proposed Exercise of Rights Cut-Off Date”

has the meaning given to it in Condition 5(b) (*Issuer’s rights as beneficial owner of Collateral*).

“Purchase Agreement”

means the purchase agreement in respect of the Instruments entered into by the Issuer, the Seller and any other parties specified in the Constituting Document by the execution by such parties of the Constituting Document.

R

“Rate of Interest”	means 2.65 per cent. per annum payable quarterly in arrear.
“Receipts”	has the meaning given to it is the introduction to these Terms and Conditions.
“Reference Dealers”	mean leading dealers, banks or banking corporations, investment funds or investment firms which deal in obligations of the same type as the Collateral, selected by the Disposal Agent acting in a commercially reasonable manner. For the avoidance of doubt, this definition does not preclude the Arranger nor any Instrumentholder from having the right to participate as a Reference Dealer on an arms-length basis
“Relevant Date”	means, in respect of any Instrument, Receipt or Coupon, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Instrumentholders that, upon further presentation of the Instrument, Receipt or Coupon being made in accordance with the Terms and Conditions, such payment will be made, provided that payment is in fact made upon such presentation.
“Relevant Stock Exchange”	means any stock exchange or market on which the Instruments may be listed or admitted to trading from time to time.
“Reserved Matters”	means proposals for any one or more of the following: <ul style="list-style-type: none">(i) to amend the dates of scheduled maturity or redemption of the Instruments (or the method for determining any such dates), any Instalment Date, any Underlying Collateral Amortisation Redemption Date or any date for payment of interest or Interest Amounts on the Instruments;(ii) to reduce or cancel the principal amount of, or any Instalment Amount or Underlying Collateral Amortisation Redemption Amount of, or any premium payable on redemption of, the Instruments;(iii) to reduce the rate or rates of interest in respect of the Instruments or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Instruments;(iv) to vary any method of, or basis for, calculating the Final Redemption Amount, Default Redemption Amount or the Early Redemption Amount;(v) to vary the currency or currencies of payment or denomination of the Instruments;(vi) to modify the provisions concerning the quorum required at any meeting of Instrumentholders or the majority required to pass an Extraordinary Resolution;

- (vii) to modify the provisions of the Trust Deed concerning this exception;
- (viii) to modify Condition 5 (*Security*) or to hold an Extraordinary Resolution for purposes of Condition 5(b) (*Issuer's rights as beneficial owner of Collateral*);
- (ix) to modify Conditions 13 (*Application of proceeds*) or 14 (*Limited recourse and non-petition*);
- (x) to modify Conditions 8(b) (*Redemption by instalments*) or 8(c) (*Underlying Collateral Amortisation redemption*); or
- (xi) to modify Condition 9 (*Early redemption*) or Condition 11 (*Events of Default*).

"RPI"

means the UK retail price index, as published by the UK Office for National Statistics or any successor thereto.

S

“Schedule”	has the meaning given to it in the definition of Master Agreement in this Definitions Annex to the Terms and Conditions.
“Secured Creditor”	means: (i) each Instrumentholder; (ii) each holder of a Coupon or Receipt; and (iii) each Transaction Party, in each case, which is entitled to the benefit of Secured Payment Obligations.
“Secured Payment Obligation”	means any payment obligations of the Issuer to any Transaction Party under the Transaction Documents and each Instrument, Receipt and Coupon.
“Seller”	means Deutsche Bank AG, London Branch.
“Settlement Option Cut-off Date”	has the meaning given to it in Condition 9(f) (<i>Instrumentholder Settlement Option Procedure</i>).
“Special Quorum”	has the meaning given to it in Condition 18(b) (<i>Quorum requirements and voting</i>).
“Specified Currency”	means Sterling.
“Specified Denomination”	means GBP 5,000,000.00 and subsequent increments of GBP 1.00 thereafter.
“Specified Office”	means, in relation to a party, the office identified with its name in these Terms and Conditions or any other office notified to the Trustee and the Instrumentholders in accordance with the Trust Deed.
“Sterling”, “£” and “GBP”	means the lawful currency of the United Kingdom.
“Successor”	means, in relation to an Agent, such other or further person as may from time to time be appointed by the Issuer as such Agent with the written approval of, and on terms approved in writing by, the Trustee.

I

“TARGET System”	means the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) system or any successor thereto.
“Tax” or “Taxes”	means any present or future tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed by any authority of any jurisdiction.
“Tax Deduction”	means a deduction or withholding for or on account of Tax.
“Terms and Conditions”	means these Terms and Conditions, as completed, amended, supplemented and/or varied by the terms of the Global Instrument. References to a particularly numbered “Condition” shall be construed as a reference to the Condition so numbered in the Terms and Conditions.
“Trade Date”	means 20 March 2020.
“Transaction Document”	means, in respect of the Instruments, the Trust Deed, the Agency Agreement, the Calculation Agency Agreement, the Disposal Agency Agreement, the Dealer Agreement, the Purchase Agreement, the Account Bank Agreement and the Constituting Document.
“Transaction Party”	means each party to a Transaction Document other than the Issuer.
“Transaction Security”	means the security constituted by the Trust Deed for the Instruments.
“Trust Deed”	has the meaning given to it in the introduction to these Terms and Conditions.
“Trustee”	means HSBC Corporate Trustee Company (UK) Limited, which definition shall include all persons for the time being acting as the trustee or trustees under the Trust Deed.
“Trustee Application Date”	means each date on which the Trustee determines to apply the Liquidation Proceeds in accordance with the Terms and Conditions and the provisions of the Trust Deed.
“Trust Terms”	has the meaning given to it in the introduction to these Terms and Conditions.

U

“Underlying Collateral”

means, in connection with the issue of the Instruments, the Issuer’s rights, title and/or interests in and to the A Units of the Drury Jersey Property Unit Trust, a unit trust scheme pursuant to Article 7(3) of the Trusts (Jersey) Law 1984 on and subject to the terms of a trust instrument dated 23 July 2019 (the “**Jersey Trust Instrument**”) as identified below:

Underlying Collateral Obligor:	Drury Trustee 1 Limited and Drury Trustee 2 Limited
Address:	47 Esplanade, St Helier, Jersey JE10BD, Channel Islands
Country of incorporation:	Jersey
Nature of business:	Trustees for property unit trust
Asset:	
Coupon:	Distributions shall be made in accordance with the Jersey Trust Instrument based on the rental income received for the A Unitholders during their entitlement period.
Entitlement period:	The period commencing on 23 July 2019 and ending on 19 May 2044
Currency:	GBP
Legal nature:	Class of unit issued under trust instrument
Governing law:	Jersey, pursuant to Trusts (Jersey) Law 1984

The relevant property under the Jersey Trust Instrument is the freehold interest in the property known as Hythe Riverside Park Colchester with registered title number EX624826 and as more particularly described in the lease agreement dated 20 May 2019 between (1) British Overseas Bank Nominees Limited and W.G.T. C. Nominees Limited and (2) Sainsbury’s Supermarkets Ltd, as amended from time to time.

The term “**Underlying Collateral**” shall include the rights, title and/or interests in and to (a) any further Underlying Collateral acquired by the Issuer in connection with any further issue of instruments that are to be consolidated and form a single series with the Instruments, (b) any Underlying Collateral acquired by the Issuer by way of substitution or replacement of any Underlying Collateral previously held by it, respectively and (c) any asset or property (which may, for the avoidance of doubt, include the benefit of contractual rights) into which any of the Underlying Collateral is converted or exchanged or that is issued to the Issuer (or any relevant person holding such Underlying Collateral for or on behalf of the Issuer) by virtue of its holding thereof. For the avoidance of doubt Underlying Collateral shall not include any Counterparty Posted Collateral or any other securities, cash or other assets or property deriving therefrom.

Underlying Collateral Amortisation	means any Underlying Collateral is redeemed in part in accordance with its terms on the date scheduled therein for such redemption in part.
“Underlying Collateral Amortisation Redemption Amount”	means, in connection with an Underlying Collateral Amortisation and an Instrument, such Instrument’s pro rata share of the redemption proceeds received by or on behalf of the Issuer in connection with such Underlying Collateral Amortisation.
“Underlying Collateral Amortisation Redemption Date”	means, in connection with an Underlying Collateral Amortisation, the day falling three Business Days following receipt by or on behalf of the Issuer of the proceeds of such Underlying Collateral Amortisation.
“Underlying Collateral Early Payment Date”	means, following the occurrence of an Underlying Collateral Repayment, the day on which the Underlying Collateral that is the subject of the Underlying Collateral Repayment is scheduled to redeem or repay early.
“Underlying Collateral Obligor”	means the Collateral Obligor in respect of the Underlying Collateral from time to time.
“Underlying Collateral Payment Failure”	means, in respect of any Underlying Collateral, the failure by the relevant Underlying Collateral Obligor to make a scheduled payment on the date, in the place and in the currency such payment was originally scheduled to be made (disregarding any terms allowing for non-payment, deferral or adjustments to any scheduled payments and any notice or grace period in respect thereof) in respect of such Underlying Collateral.
“Underlying Collateral Repayment”	means notice is given that any of the Underlying Collateral is called for redemption or repayment or prepayment (whether in whole or in part) prior to its scheduled maturity date.
“Underlying Collateral Tax Event”	subject to Condition 9(d) (<i>Additional provisions relating to specific Early Redemption Events</i>), an “Underlying Collateral Tax Event” shall occur in respect of the Instruments if the Issuer is or will be unable to receive any payment due in respect of any Underlying Collateral in full on the due date therefor without a Tax Deduction; provided that the Issuer, using reasonable efforts prior to the due date for the relevant payment, is (or would be) unable to avoid any such Tax Deduction(s) by filing a valid declaration that it is not a resident of such jurisdiction and/or by executing any certificate, form or other document in order to make a claim under a double taxation treaty or other exemption reasonably available to it (other than by any action which in the sole opinion of the Issuer would involve any material expense or be unduly onerous). Without prejudice to the generality of the foregoing, a Tax Deduction imposed on payments in respect of any Underlying Collateral as a result of FATCA shall constitute an Underlying Collateral Tax Event in respect of the Instruments. For the purposes of this definition, if on the date falling 60 days prior to the earliest date on which FATCA Withholding could apply to payments under, or in respect of sales proceeds of, the relevant Underlying Collateral in respect of the Instruments (such 60th day prior being the “FATCA Test Date”), the Issuer is a “nonparticipating foreign financial institution” (as such term is used under section 1471 of the Code or in any regulations or guidance thereunder), the Issuer will be deemed on the FATCA Test Date to be unable to receive a payment due in respect of such Underlying Collateral in full on the due date therefor without a Tax Deduction and, therefore, an

Underlying Collateral Tax Event will be deemed to have occurred in respect of the Instruments on the FATCA Test Date.

“unit”

has the meaning given to such term in Condition 15(b) (*Rounding*).

“USD”, “U.S. dollars” and
“U.S.\$”

means United States dollars.

V

W

“Written Resolution”

has the meaning given to it in Condition 18(c) (*Written Resolutions and Electronic Consent*).

Annex 2

Interest Amounts

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Interest Period Start Date	Interest Period End Date	Expected Interest Payment Date	Fixed Coupon Amount	Projected Inflation Amounts	Instalment Amounts	Projected outstanding Aggregate Nominal Amount
30-Mar-20	10-Apr-20	13-Apr-20	25,556.16	-	362,646.1	31,637,353.9
10-Apr-20	13-Jul-20	13-Jul-20	209,023.23	-	179,179.0	31,458,174.9
10-Jul-20	16-Oct-20	16-Oct-20	221,543.12	-	166,659.1	31,291,515.8
15-Oct-20	13-Jan-21	13-Jan-21	202,194.63	-	186,007.6	31,105,508.1
12-Jan-21	13-Apr-21	13-Apr-21	203,251.06	-	185,450.9	30,920,057.2
12-Apr-21	13-Jul-21	13-Jul-21	204,284.16	-	184,417.8	30,735,639.4
12-Jul-21	18-Oct-21	18-Oct-21	211,991.70	-	176,710.3	30,558,929.1
15-Oct-21	12-Jan-22	12-Jan-22	195,242.25	-	193,459.7	30,365,469.3
11-Jan-22	13-Apr-22	13-Apr-22	200,620.08	-	188,081.9	30,177,387.4
12-Apr-22	13-Jul-22	13-Jul-22	199,377.45	-	189,324.5	29,988,062.9
12-Jul-22	18-Oct-22	18-Oct-22	211,189.91	-	177,512.1	29,810,550.8
17-Oct-22	11-Jan-23	11-Jan-23	183,967.85	-	204,734.1	29,605,816.6
10-Jan-23	12-Apr-23	12-Apr-23	195,601.17	-	193,100.8	29,412,715.8
11-Apr-23	12-Jul-23	12-Jul-23	194,325.38	-	194,376.6	29,218,339.2
11-Jul-23	18-Oct-23	18-Oct-23	207,890.48	-	180,811.5	29,037,527.6
17-Oct-23	11-Jan-24	11-Jan-24	179,197.35	-	209,504.7	28,828,023.0
10-Jan-24	11-Apr-24	11-Apr-24	190,462.40	-	198,239.6	28,629,783.4
10-Apr-24	11-Jul-24	11-Jul-24	189,152.66	28,475.63	230,791.4	28,398,992.0
10-Jul-24	16-Oct-24	16-Oct-24	199,998.93	28,475.63	219,945.1	28,179,046.9
15-Oct-24	13-Jan-25	13-Jan-25	177,991.21	28,475.63	241,952.8	27,937,094.0
10-Jan-25	11-Apr-25	11-Apr-25	182,547.86	28,475.63	236,704.8	27,700,389.2
10-Apr-25	11-Jul-25	11-Jul-25	183,012.30	28,475.63	236,240.4	27,464,148.9
10-Jul-25	16-Oct-25	16-Oct-25	193,415.33	28,475.63	225,837.3	27,238,311.5
15-Oct-25	13-Jan-26	13-Jan-26	176,004.27	28,475.63	243,248.4	26,995,063.1
12-Jan-26	13-Apr-26	13-Apr-26	172,472.57	28,475.63	246,780.1	26,748,283.0
10-Apr-26	13-Jul-26	13-Jul-26	176,721.88	28,475.63	242,530.8	26,505,752.2
10-Jul-26	16-Oct-26	16-Oct-26	186,665.85	28,475.63	232,586.8	26,273,165.4
15-Oct-26	13-Jan-27	13-Jan-27	169,767.84	28,475.63	249,484.8	26,023,680.6
12-Jan-27	13-Apr-27	13-Apr-27	170,045.15	28,475.63	249,207.5	25,774,473.1

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12-Apr-27	13-Jul-27	13-Jul-27	170,288.06	28,475.63	248,964.6	25,525,508.5
12-Jul-27	18-Oct-27	18-Oct-27	176,056.08	28,475.63	243,196.6	25,282,311.9
15-Oct-27	12-Jan-28	12-Jan-28	161,529.73	28,475.63	257,722.9	25,024,589.0
11-Jan-28	12-Apr-28	12-Apr-28	165,333.69	28,475.63	253,919.0	24,770,670.0
11-Apr-28	12-Jul-28	12-Jul-28	163,656.08	28,475.63	255,596.6	24,515,073.4
11-Jul-28	18-Oct-28	18-Oct-28	174,426.43	28,475.63	244,826.2	24,270,247.2
17-Oct-28	11-Jan-29	11-Jan-29	149,777.35	28,475.63	269,475.3	24,000,771.9
10-Jan-29	11-Apr-29	11-Apr-29	156,826.96	28,475.63	262,425.7	23,738,346.2
10-Apr-29	11-Jul-29	11-Jul-29	156,835.68	69,206.26	296,073.6	23,442,272.6
10-Jul-29	17-Oct-29	17-Oct-29	166,793.38	69,206.26	286,115.9	23,156,156.7
16-Oct-29	11-Jan-30	11-Jan-30	144,583.24	69,206.26	308,326.0	22,847,830.7
10-Jan-30	11-Apr-30	11-Apr-30	149,293.36	69,206.26	302,831.4	22,544,999.3
10-Apr-30	11-Jul-30	11-Jul-30	148,951.41	69,206.26	303,173.3	22,241,826.0
10-Jul-30	16-Oct-30	16-Oct-30	156,637.30	69,206.26	295,487.5	21,946,338.5
15-Oct-30	13-Jan-31	13-Jan-31	138,622.69	69,206.26	313,502.1	21,632,836.5
10-Jan-31	11-Apr-31	11-Apr-31	141,354.29	69,206.26	310,770.5	21,322,066.0
10-Apr-31	11-Jul-31	11-Jul-31	140,871.68	69,206.26	311,253.1	21,010,812.9
10-Jul-31	16-Oct-31	16-Oct-31	147,967.93	69,206.26	304,156.8	20,706,656.1
15-Oct-31	13-Jan-32	13-Jan-32	133,799.04	69,206.26	318,325.7	20,388,330.4
12-Jan-32	13-Apr-32	13-Apr-32	134,702.63	69,206.26	317,422.1	20,070,908.3
12-Apr-32	13-Jul-32	13-Jul-32	132,605.47	69,206.26	319,519.3	19,751,389.0
12-Jul-32	18-Oct-32	18-Oct-32	136,230.47	69,206.26	315,894.3	19,435,494.7
15-Oct-32	12-Jan-33	12-Jan-33	124,174.17	69,206.26	327,950.6	19,107,544.1
11-Jan-33	13-Apr-33	13-Apr-33	126,240.66	69,206.26	325,884.1	18,781,660.0
12-Apr-33	13-Jul-33	13-Jul-33	124,087.60	69,206.26	328,037.2	18,453,622.9
12-Jul-33	18-Oct-33	18-Oct-33	129,959.01	69,206.26	322,165.7	18,131,457.1
17-Oct-33	11-Jan-34	11-Jan-34	111,893.44	69,206.26	340,231.3	17,791,225.8
10-Jan-34	12-Apr-34	12-Apr-34	117,543.95	69,206.26	334,580.8	17,456,645.0
11-Apr-34	12-Jul-34	12-Jul-34	115,333.42	113,234.10	373,049.0	17,083,596.0
11-Jul-34	18-Oct-34	18-Oct-34	121,550.96	113,234.10	366,831.5	16,716,764.5
17-Oct-34	11-Jan-35	11-Jan-35	103,163.05	113,234.10	385,219.4	16,331,545.1
10-Jan-35	11-Apr-35	11-Apr-35	106,714.34	113,234.10	380,939.1	15,950,606.1

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10-Apr-35	11-Jul-35	11-Jul-35	105,383.25	113,234.10	382,270.1	15,568,335.9
10-Jul-35	17-Oct-35	17-Oct-35	110,769.78	113,234.10	376,883.6	15,191,452.3
16-Oct-35	11-Jan-36	11-Jan-36	94,852.93	113,234.10	392,800.5	14,798,651.9
10-Jan-36	11-Apr-36	11-Apr-36	97,772.46	113,234.10	389,880.9	14,408,770.9
10-Apr-36	11-Jul-36	11-Jul-36	95,196.58	113,234.10	392,456.8	14,016,314.1
10-Jul-36	16-Oct-36	16-Oct-36	98,709.41	113,234.10	388,944.0	13,627,370.1
15-Oct-36	13-Jan-37	13-Jan-37	88,055.21	113,234.10	399,598.2	13,227,771.9
12-Jan-37	13-Apr-37	13-Apr-37	84,512.78	113,234.10	403,140.6	12,824,631.3
10-Apr-37	13-Jul-37	13-Jul-37	84,730.41	113,234.10	402,923.0	12,421,708.3
10-Jul-37	16-Oct-37	16-Oct-37	87,479.46	113,234.10	400,173.9	12,021,534.4
15-Oct-37	13-Jan-38	13-Jan-38	77,678.87	113,234.10	409,974.5	11,611,559.9
12-Jan-38	13-Apr-38	13-Apr-38	75,872.80	113,234.10	411,780.6	11,199,779.3
12-Apr-38	13-Jul-38	13-Jul-38	73,995.25	113,234.10	413,658.1	10,786,121.1
12-Jul-38	18-Oct-38	18-Oct-38	74,394.68	113,234.10	413,258.7	10,372,862.4
15-Oct-38	12-Jan-39	12-Jan-39	66,272.64	113,234.10	421,380.7	9,951,481.7
11-Jan-39	13-Apr-39	13-Apr-39	65,747.94	113,234.10	421,905.5	9,529,576.2
12-Apr-39	13-Jul-39	13-Jul-39	62,960.47	166,424.57	463,752.7	9,065,823.5
12-Jul-39	18-Oct-39	18-Oct-39	63,845.75	166,424.57	462,867.5	8,602,956.0
17-Oct-39	11-Jan-40	11-Jan-40	53,090.85	166,424.57	473,622.4	8,129,333.6
10-Jan-40	11-Apr-40	11-Apr-40	53,709.28	166,424.57	472,244.4	7,657,089.2
10-Apr-40	11-Jul-40	11-Jul-40	50,589.23	166,424.57	475,364.4	7,181,724.8
10-Jul-40	17-Oct-40	17-Oct-40	51,098.46	166,424.57	474,855.2	6,706,869.6
16-Oct-40	11-Jan-41	11-Jan-41	41,876.59	166,424.57	484,077.1	6,222,792.5
10-Jan-41	11-Apr-41	11-Apr-41	40,661.26	166,424.57	485,292.4	5,737,500.1
10-Apr-41	11-Jul-41	11-Jul-41	37,906.80	166,424.57	488,046.9	5,249,453.2
10-Jul-41	16-Oct-41	16-Oct-41	36,969.09	166,424.57	488,984.6	4,760,468.6
15-Oct-41	13-Jan-42	13-Jan-42	30,069.21	166,424.57	495,884.5	4,264,584.1
10-Jan-42	11-Apr-42	11-Apr-42	27,865.84	166,424.57	498,087.8	3,766,496.3
10-Apr-42	11-Jul-42	11-Jul-42	24,884.67	166,424.57	501,069.0	3,265,427.3
10-Jul-42	16-Oct-42	16-Oct-42	22,996.66	166,424.57	502,957.0	2,762,470.3
15-Oct-42	13-Jan-43	13-Jan-43	17,850.10	166,424.57	508,103.6	2,254,366.7
12-Jan-43	13-Apr-43	13-Apr-43	14,403.24	166,424.57	511,550.4	1,742,816.2

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10-Apr-43	13-Jul-43	13-Jul-43	11,514.52	166,424.57	514,439.2	1,228,377.1
10-Jul-43	16-Oct-43	16-Oct-43	8,650.80	166,424.57	517,302.9	711,074.2
15-Oct-43	13-Jan-44	13-Jan-44	4,594.71	166,424.57	521,359.0	189,715.2
12-Jan-44	13-Apr-44	13-Apr-44	1,253.42	501,409.61	189,715.2	-
14-Apr-44	<i>Maturity Date</i>	<i>Maturity Date</i>	-	-	-	-

CLEARING AND SETTLEMENT

Form of Global Instruments

The Instruments will be issued as Bearer Instruments as specified in the Terms and Conditions. Bearer Instruments may be issued in definitive form or may be represented by a Global Bearer Instrument.

If the Global Bearer Instrument is a classic global note (a "**Classic Global Note**" or "**CGN**"), upon the initial deposit of a Global Bearer Instrument with a common depository for Euroclear and Clearstream, Luxembourg (the "**Common Depository**"), Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Instruments equal to the nominal amount thereof for which it has subscribed and paid.

Relationship of accountholders with clearing systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system ("**Alternative Clearing System**") as the holder of an Instrument represented by a Global Instrument must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) (the "**relevant clearing system**") for his share of each payment made by the Issuer to the holder of such Global Instrument, and in relation to all other rights arising under the Global Instruments, subject to and in accordance with the respective rules and procedures of the relevant clearing system. Such persons shall have no claim directly against the Issuer in respect of payments due on the Instruments for so long as the Instruments are represented by such Global Instrument.

Exchange

Temporary Global Bearer Instruments (Tefra D)

Each Temporary Global Bearer Instrument will be exchangeable, free of charge to the holder, on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Trust Deed for interests in a Permanent Global Bearer Instrument or for Definitive Instruments.

Permanent Global Bearer Instruments

In the event that a Permanent Global Bearer Instrument is exchanged for a Bearer Instrument in definitive form, such Bearer Instrument in definitive form shall be issued in Specified Denomination(s) only.

An Instrumentholder who holds Instruments with a principal amount of less than the minimum Specified Denomination will not receive a Bearer Instrument in definitive form in respect of such Instruments. Such Instrumentholder in order to receive a Bearer Instrument in definitive form would be required to purchase a principal amount of Instruments so as to hold an amount equal to one or more Specified Denominations.

Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Bearer Instrument, the first day following the expiry of 40 days after its issue date and, in relation to a Permanent Global Bearer Instrument, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the Specified Office of the Issuing and Paying Agent is located.

Definitive Instruments

"**Definitive Instruments**" means, in relation to any Global Bearer Instrument, the definitive Bearer Instruments for which such Global Bearer Instrument may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest that have not already been paid on the Global Bearer Instrument). Definitive Instruments will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange of the entire amount of each Permanent Global Bearer Instrument, the Issuer will, if the Instrumentholder so requests, procure that such Permanent Global Bearer Instrument is cancelled and returned to the Instrumentholder together with the relevant Definitive Instruments.

Delivery of Instruments

On or after any due date for exchange of a Global Bearer Instrument, the holder of a Global Bearer Instrument may surrender such Global Bearer Instrument to or to the order of the Issuing and Paying Agent. In exchange for any Global Bearer Instrument, the Issuer will:

- (i) in the case of a Temporary Global Bearer Instrument exchangeable for a Permanent Global Bearer Instrument, deliver, or procure the delivery of, a Permanent Global Bearer Instrument in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Bearer Instrument that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Bearer Instrument to reflect such exchange: or
- (ii) in the case of a Global Bearer Instrument exchangeable for Definitive Instruments, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Instruments.

U.S. TEFRA compliance

Instruments will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**").

U.S. Legend

Each Bearer Instrument issued in compliance with the D Rules and having a maturity of more than one year, Receipt and Coupon will bear the following legend:

"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".

For the avoidance of doubt, notwithstanding this legend, no United States person may hold this obligation and the Instruments may not be offered, sold, pledged, transferred or delivered at any time within the United States or to a U.S. person as described in the section of this Information Memorandum headed *Subscription and Sale – United States of America*.

Amendment to Terms and Conditions

The Temporary Global Bearer Instruments and Permanent Global Bearer Instruments contain provisions that apply to the Instruments that they represent, some of which modify the effect of the Terms and Conditions. Certain of those provisions are summarised below:

Payments

Payments on any Temporary Global Bearer Instrument issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Trust Deed. All payments in respect of Instruments represented by a Global Instrument will be made against presentation and, if no further payment falls to be made in respect of the Instruments, surrender of that Global Instrument to the Issuing and Paying Agent or such other Paying Agent. A record of each payment so made will be endorsed on each Global Instrument, which endorsement will be prima facie evidence that such payment has been made in respect of the Instruments.

Cancellation

Cancellation of any Instrument represented by a Global Instrument that is required by the Terms and Conditions to be cancelled (other than upon its redemption) will be effected by a reduction in the nominal amount of the relevant Global Instrument.

Trustee's powers

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

Amendments

While any Global Bearer Instrument is held on behalf of a clearing system, and where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be by:

- (a) accountholders in the relevant clearing system(s) with entitlements to such Global Bearer Instrument; 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 for whom such entitlement is held; and

in both cases, with a signed copy of the Written Resolution delivered to the Issuer and/or the Trustee in accordance with the provisions of the Trust Deed.

For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by the relevant clearing system or issued by an accountholder of them or an intermediary in a holding chain in relation to the holding of interests in the Instruments. Any resolution passed in such a manner shall be binding on all Instrumentholders and Couponholders, even if the relevant consent or instructions proves to be defective. Any such certificate or other document shall in the absence of manifest error be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Creation Online system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Instruments is clearly identified together with the amount of such holding. Neither the Issuer 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.

Instrumentholder settlement option

Where the person or persons appearing as the accountholder(s) for the relevant clearing system holds all outstanding Instruments, then if instructed by such person or persons such accountholder(s) shall in accordance with their instructions and by giving the appropriate notices through the relevant clearing system, elect on behalf of such person or persons to receive either the Early Cash Redemption Amount or the Physical Redemption Amount.

DESCRIPTION OF THE SECURITY ARRANGEMENTS

The Instruments will be secured obligations. The security interests described below and any additional security created in relation to the Instruments shall be known as the Mortgaged Property. This security is granted in favour of the Trustee who will hold this on trust for itself, the Instrumentholders and for the other parties to whom the Issuer owes obligations in relation to the Instruments (these parties are together known as the Secured Creditors). The security constituted by the Trust Deed and/or any other Security Document for the Instruments shall be known as the Transaction Security. The Terms and Conditions will set out the order of priority in which the Secured Creditors will be paid if the Transaction Security is enforced. The order of priority is specified for the Instruments as the Instrumentholder Priority as defined in the Terms and Conditions.

The various payment obligations of the Issuer in respect of the Instruments shall be secured, pursuant to the Trust Deed, over some or all of the following assets:

The Collateral

- the Collateral; and
- all the Issuer's rights, title and interest attaching to or in respect of the Collateral,

and in each case all property, income, sums or other assets derived therefrom;

The Agency Agreement, Account Bank Agreement, Disposal Agency Agreement and Calculation Agency Agreement

- the Issuer's rights, title and interest under:
 - the Agency Agreement;
 - the Account Bank Agreement;
 - the Disposal Agency Agreement;
 - the Calculation Agency Agreement;
- all sums held by the Issuing and Paying Agent, the Account Bank and/or any Paying Agent to meet payments due in respect of any Secured Payment Obligation;
- all sums standing to the credit of the Issuer Collection Account and the Expense Account; and
- all property, sums and assets held or received by the Disposal Agent relating to the Transaction Documents and the Collateral;

Other agreements

- if at any time the Collateral has not been delivered to the Issuer as provided in the Purchase Agreement, the Issuer's rights, title and interest under the Purchase Agreement, and all sums, money, securities or other property received or receivable by or on behalf of the Issuer under the Purchase Agreement.

DESCRIPTION OF EARLY REDEMPTION EVENTS

A summary description of each of the main Early Redemption Events is set out below:

COLLATERAL-RELATED EARLY REDEMPTION EVENTS

Collateral Event A Collateral Event means the occurrence of an Underlying Collateral Repayment or an Underlying Collateral Payment Failure.

TAX-RELATED EARLY REDEMPTION EVENTS

Underlying Collateral Tax Event An Underlying Collateral Tax Event shall occur in respect of the Instruments in the circumstances set out in the Terms and Conditions relating to the Issuer being unable to receive amounts due under the Underlying Collateral without a Tax Deduction.

Following an Underlying Collateral Tax Event, if 100 per cent. of Instrumentholders make an Instrumentholder Tax Continuation Election, then such Underlying Collateral Tax Event shall be deemed not to have occurred, the Instruments shall not be redeemed as a result of that Underlying Collateral Tax Event and the aggregate amounts payable under the Instruments shall be reduced by the aggregate amount of tax deducted or withheld (or to be deducted or withheld) from payments under the Underlying Collateral.

Instrument Tax Event An Instrument Tax Event shall occur in respect of the Instruments in the circumstances set out in the Terms and Conditions relating to the Issuer being required to apply a Tax Deduction (other than a FATCA Withholding) to payments under the Instruments.

If, following an Instrument Tax Event, 100 per cent. of Instrumentholders make an Instrumentholder Tax Continuation Election, then such Instrument Tax Event shall be deemed not to have occurred, the Instruments shall not be redeemed as a result of that Instrument Tax Event and the Issuer shall make such Tax Deductions from the amount(s) payable to the Instrumentholders under the Instruments as required by Applicable Law.

Issuer Tax Event An Issuer Tax Event shall occur in respect of the Instruments in the circumstances set out in the Terms and Conditions relating to the Issuer being or becoming obligated to pay or account for Tax to any authority in relation to the Instruments such that the Issuer would be unable to make payments in respect of the Instruments in full.

If, following an Issuer Tax Event, 100 per cent. of Instrumentholders make an Instrumentholder Tax Continuation Election, then such Issuer Tax Event shall be deemed not to have occurred, the Instruments shall not be redeemed as a result of that Issuer Tax Event and the aggregate amounts payable under the Instruments shall be reduced by amounts equal to the aggregate amounts of tax which the Issuer is required to pay or account for to authorities in relation to such Issuer Tax Event.

OTHER EARLY REDEMPTION EVENTS

Illegality Event An Illegality Event shall occur if it becomes unlawful for the Issuer to perform its payment or delivery obligations in respect of the Instruments or any related agreement, hold or receive payment or delivery in respect of Collateral or comply with any other material provision of the Instruments or any related agreements, for any of the reasons set out in the definition of Illegality Event.

Additional Redemption Event An Additional Redemption Event means the occurrence of Increased Cost Event under the Terms and Conditions.

DESCRIPTION OF THE EXPENSE COVERAGE, THE LIQUIDATION OF COLLATERAL, ENFORCEMENT OF SECURITY AND LIMITED RECOURSE PROVISIONS

Expense Coverage

The Account Bank has opened the Expense Account in the name of the Issuer for the purpose of settling certain expenses of the Issuer from time to time, and for the holding of the retained profit of the Issuer as received under the relevant priority of payments (see Condition 7(d) (*Pre-liquidation and enforcement application of proceeds*)). On the Issue Date, the Expense Account will be funded in an amount equal to the Expense Account Threshold Amount applicable on the Issue Date. On each Interest Payment Date, the Expense Account shall be topped up with the Expense Top-Up Amount. The calculation of the Expense Top-Up Amount is designed to ensure that the amounts credited to the Expense Account do not fall below the Expense Account Threshold following any Interest Payment Date. The Instrumentholders may, in certain circumstances as set out in the definition thereof, adjust the amount of the Expense Account Threshold.

Liquidation of Collateral in a pre-enforcement scenario

The Instruments may redeem early before their maturity date in various circumstances known as Early Redemption Events (see the section of this Information Memorandum entitled "Description of Early Redemption Events"). In order to trigger the early redemption of the Instruments in the case of an Early Redemption Event, an Early Redemption Notice will need to be given by the Issuer to the Instrumentholders and the Disposal Agent. The giving of the Early Redemption Notice will trigger a process which will require the Disposal Agent to liquidate the Collateral in accordance with the provisions set out in the Terms and Conditions and the Disposal Agency Agreement.

Following liquidation, the Instruments will be redeemed at their Early Cash Redemption Amount on the Early Redemption Date. The Early Cash Redemption Amount per Instrument will be determined based on:

- the net liquidation proceeds of the Collateral as at the third Business Day before the Early Redemption Date (after payment of the expenses of liquidation); minus
- any amounts ranking in priority to the Instrumentholders,

and subject to a maximum of the outstanding principal amount of such Instrument plus any unpaid accrued interest thereon.

If not all of the Collateral has been liquidated by such date then a deemed valuation is applied to the Collateral in order to calculate the Early Cash Redemption Amount.

Instrumentholder(s) holding in aggregate all of the Instruments may elect for physical delivery of Collateral to themselves (*pro-rata* by reference to the principal amount outstanding of the Instruments held by each Instrumentholder) or to one or more Designated Settlement Agent on their behalf, instead of payment of a cash amount upon early redemption. Such election would need to be made at any time prior to the delivery of an Early Redemption Notice on ten Business Days prior written notice or within five Business Days following delivery of the Early Redemption Notice. In such circumstances the Instrumentholders shall be required (joint and severally) to pay to the Issuer an amount known as the 'Physical Redemption Priority Payment Amount' that takes into account payment obligations of the Issuer ranking in priority to the Instrumentholders pursuant to Condition 13(a) (*Application of Liquidation Proceeds*), as well as the costs and expenses payable in connection with the delivery of the Physical Redemption Amount.

Enforcement of security

In certain circumstances the Trustee will enforce the Transaction Security and realise the Collateral. In the context of delivery of an Enforcement Notice after an Early Redemption Event, the Trustee will take control of realising the Collateral. The process and manner of enforcement of the Transaction Security, and the rights and obligations of the parties in respect thereof, is subject to the terms of the Trust Deed.

At any time after the Trustee has been notified of the occurrence of an Enforcement Event, it may, and if requested by holders of at least one-fifth in principal amount of the Instruments then outstanding, or directed by an Extraordinary Resolution, shall (in each case subject to being indemnified and/or secured and/or prefunded to its

satisfaction), deliver an Enforcement Notice to the Issuer and enforce all of the Transaction Security. The Trustee shall be obliged to act on the first such direction received and shall have no liability to any person for so doing.

An Enforcement Event (as defined in the Terms and Conditions) will occur where:

- there has been an Early Redemption Event and payment and/or delivery of the Early Redemption Amount has not been made on the Early Redemption Date;
- there has been an Event of Default and payment of the Default Redemption Amount (together with any unpaid accrued interest thereon) is not immediately made; or
- amounts due on the Maturity Date have not been paid on such date or there has been a failure to pay interest or amortisation when due.

In order to enforce the Transaction Security the Trustee may:

- sell, call in, collect and convert the Mortgaged Property into money in such manner and on such terms as it shall think fit, and the Trustee may, at its discretion, take possession of all or part of the Mortgaged Property over which the Transaction Security shall have become enforceable;
- take such action, step or proceeding against any Collateral Obligor as it deems appropriate but without any liability to the Instrumentholders or Couponholders or any other Secured Creditor as to the consequence of such action, step or proceeding on individual Instrumentholders or Couponholders or any other Secured Creditor;
- do all other acts and things which it may consider desirable or necessary for realising any Mortgaged Property or incidental or conducive to any of the rights, powers or discretions conferred on a receiver under or by virtue of the Trust Deed or law;
- exercise in relation to any Mortgaged Property all the powers, authorities and things which it would be capable of exercising if it were the absolute beneficial owner of that Mortgaged Property;
- take any such other action or step or enter into any such other proceedings as it deems appropriate (including, without limitation, taking possession of all or any of the Mortgaged Property and/or appointing a receiver) as are permitted under the terms of the Trust Deed and/or any other Security Document (if applicable); and
- use the name of the Issuer for any of the above purposes.

The Trustee shall hold the proceeds of enforcement of the Transaction Security received by it under the Trust Deed on trust and apply them in accordance with the order of priority specified in the Terms and Conditions. See Condition 13(a) (*Application of Liquidation Proceeds*) for a description of the different orders of priority.

Limited recourse

The limited recourse and non-petition provisions provide that claims against the Issuer by Instrumentholders and each other creditor relating the Instruments will be limited to the assets applicable to the Instruments. If, following liquidation or enforcement of security as described above, the available cash sums pursuant to Condition 13(a) (*Application of Liquidation Proceeds*) or assets available for delivery, as the case may be, are insufficient for the holders of Instruments to receive payment in full of any Early Redemption Amount, Final Redemption Amount, Default Redemption Amount or other amount payable on the Maturity Date and, in each case, any interest accrued thereon, the holders of Instruments will receive an amount which is less than any such amount and the provisions of Condition 14 (*Limited recourse and non-petition*) will apply. No other assets of the Issuer will be available to meet such shortfall, the claims of such Instrumentholders and any other creditors relating to such Instruments in respect of any such shortfall shall be extinguished. No Instrumentholders will be able to petition for the winding-up of the Issuer as a consequence of any such shortfall or launch proceedings against the Issuer.

THE ISSUER

The Issuer is a special purpose vehicle incorporated as a public limited company under the laws of England and Wales on 20 December 2019 under the name of Peaslake Investments 1 PLC.

A copy of the Articles of Association of the Issuer was published in the register of companies Companies House on 20 December 2019 and the Issuer is registered with number 12374252.

The registered office of the Issuer is at 3rd Floor, Suite 2 11-12 St. James's Square, London, SW1Y 4LB. The telephone number of the Issuer is 020 3872 7341.

The Issuer' website is <https://peaslakeinvestments1.co.uk> and is distinct from the Matter Site.

Share capital

The authorised issued share capital of the Issuer is GBP 50,000. The share capital of the Issuer is divided into 50,000 Shares (as defined in the Articles) of GBP 1.00 each.

Ownership of the Issuer

The Issuer has issued 50,000 Shares, all of which are held by CHT Nominees Limited.

Activities of the Issuer

The Issuer has been established as a special purpose vehicle. The principal activities of the Issuer are the issuance of financial instruments, the acquisition of assets and the entering into of other legally binding arrangements.

The above description of the Issuer is to be understood in its broadest sense. The corporate object of the Issuer shall include any transaction or agreement which is entered into by the Issuer, provided such transaction or agreement is not inconsistent with the purposes stated above.

Management and supervisory bodies

The Issuer is managed by the board of directors which is composed as follows:

Director	Business Address
Julius Manuel Bozzino	3rd Floor, Suite 2, 11-12 St. James's Square, London, SW1Y 4LB
Sunil Masson	3rd Floor, Suite 2, 11-12 St. James's Square, London, SW1Y 4LB

Sunil Masson has been appointed by the directors of the Issuer as chairman of the Board.

Corporate Services Provider

Vistra (UK) Limited (the "**Corporate Services Provider**").

Pursuant to the terms of the corporate services agreement dated on or around the Issue Date and entered into between the Corporate Services Provider and the Issuer, the Corporate Services Provider will perform certain administrative, accounting and related services. In consideration of the foregoing, the Corporate Services Provider will receive various fees payable to it by the Issuer at the rates agreed in the Corporate Services Agreement.

The appointment of the Corporate Services Provider may be terminated by either the Issuer or the Corporate Services Provider upon not less than 60 days' written notice.

Financial statements

Since the date of incorporation, the Issuer has not commenced operations and accordingly, no financial statements have been prepared as at the date of this Information Memorandum.

Any future published annual audited financial statements prepared for the Issuer will be obtainable free of charge from the registered office of the Issuer, as described in "General Information".

Restrictions

So long as any of the Instruments remain outstanding, the Issuer will be subject to the restrictions set out in Clause 4.3.36 of the Trust Deed applicable to the Instruments and the Articles. Such restrictions include that, except as provided for or contemplated in the Terms and Conditions, the Trust Deed applicable to the Instruments, any other Security Document or any other Transaction Document and subject to the provisions of Condition 10 (*Liquidation*), neither the Issuer nor the Issuer will:

- (i) incur any indebtedness or engage in any business other than acquiring and holding Mortgaged Property, entering into Obligations, the entry into of related agreements and transactions and the performing of acts incidental thereto or necessary in connection with any of the foregoing, and provided that:
 - (a) such Obligations are secured on assets of the Issuer other than the Issuer's share capital and any assets securing any other Obligations (other than Equivalent Obligations);
 - (b) such Obligations and any related agreements signed by the Issuer contain provisions that limit the recourse of any holder of, or counterparty to, such Obligations and of any party to any related agreement to assets other than those to which any other Obligations (other than Equivalent Obligations) have recourse; and
 - (c) such Obligations and any related agreements signed by the Issuer contain "non-petition" language substantially similar to that contained in the Trust Deed applicable to the Instruments;
- (ii) sell, transfer or otherwise dispose of any of the Mortgaged Property or any right or interest therein or create any mortgage, charge or other security or right of recourse in respect thereof in favour of any person;
- (iii) cause or permit the priority of the Transaction Security created by the Trust Deed applicable to the Instruments or any other Security Document to be amended, terminated or discharged;
- (iv) release any party to the Trust Deed applicable to the Instruments, the Constituting Document applicable to the Instruments or any other Security Document from any existing obligations thereunder;
- (v) have any subsidiaries;
- (vi) exercise any power of waiver pursuant to the terms of any Transaction Document;
- (vii) consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any person;
- (viii) have any employees;
- (ix) have any shares in issue other than those issued on the date of its incorporation or make any distribution to its shareholder(s);
- (x) open or have any interest in any account with a bank or financial institution unless (a) such account relates to the issuance or entry into of Obligations and such Obligations have the benefit of security over the Issuer's interest in such account or (b) such account is opened in connection with the administration and management of the Issuer and only moneys necessary for that purpose are credited to it;
- (xi) declare any dividends;
- (xii) purchase, own, lease or otherwise acquire any real property (including office premises or like facilities);
- (xiii) guarantee, act as surety for or become obliged for the debts of any other entity or person or enter into any agreement with any other entity or person whereby it agrees to satisfy the obligations of such entity or person or any other entity or person;
- (xiv) acquire any securities or shareholdings whatsoever from its shareholders or enter into any agreements whereby it would be acquiring the obligations and/or liabilities of its shareholders;

- (xv) except as is required in connection with the issuance or entry into of Obligations, advance or lend any of its moneys or assets, including but not limited to the Mortgaged Property, to any other entity or person; or
- (xvi) approve, sanction or propose any amendment to its constitutional documents.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and conditions contained in the dealer agreement (constituted by the execution of the Constituting Document in respect of the Instruments) (the "**Dealer Agreement**"), the Instruments may be sold to Deutsche Bank AG or any further financial institution appointed as dealer under the Dealer Agreement (together, the "**Dealers**"), who shall act as principals in relation to such sales.

The Issuer may pay a Dealer a commission as agreed between the Issuer and a Dealer in respect of the Instruments subscribed by it.

By entering into the relevant Dealer Agreement the Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Instruments. The Dealer Agreement may be terminated in relation to all the Dealers or any of them by the Issuer or, in relation to itself and itself only, by any Dealer, at any time on giving not less than ten days' notice.

The Dealers may sell Instruments to subsequent purchasers in individually negotiated transactions at negotiated prices, which may vary among different purchasers and which may be greater or less than the issue price of the Instruments.

United States of America

The Instruments have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under the Securities Act or under the securities law of any state or other jurisdiction United States. No person has registered nor will register as a commodity pool operator of the Issuer under CEA and the rules thereunder (the "**CFTC Rules**") of the CFTC, and the Issuer has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended, nor under any other United States federal laws. The Instruments are being offered and sold in reliance on an exemption from the registration requirements of the Securities Act pursuant to Regulation S.

The Instruments may not at any time be offered, sold, pledged or otherwise transferred except in an "Offshore Transaction" (within the meaning of Regulation S under the Securities Act) to or for the account or benefit of a Permitted Transferee.

The following definitions shall apply for the purposes of this United States selling and transfer restriction:

"**Permitted Transferee**" means any person who is not:

- (i) a U.S. person (as defined in Rule 902(k)(1) of Regulation S under the Securities Act);
- (ii) a U.S. person (as defined in the final risk retention rules promulgated under Section 15G of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**")); or
- (iii) a person who comes within any definition of U.S. person for the purposes of the CEA or any CFTC rule, guidance or order proposed or issued under the CEA (including but not limited to any person who is not a "Non-United States person" as such term is defined under CFTC Rule 4.7(a)(1)(iv) and also including but not limited to a "U.S. Person" as described in and for the purposes of the CFTC's Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, 78 Fed Reg. 45292 (July 26, 2013) as amended from time to time).

Transfers of Instruments within the United States or to any Non-Permitted Transferee are prohibited. Any transfer of Instruments to a Non-Permitted Transferee will be void *ab initio* and of no legal effect whatsoever. Accordingly, any purported transferee of any legal or beneficial ownership interest in an Instrument in such a transaction will not be entitled to any rights as a legal or beneficial owner of such interest in such Instrument. The Issuer shall have the right at any time after becoming aware that any legal or beneficial ownership interest in an Instrument is held by a Non-Permitted Transferee or Benefit Plan Investor to require such Non-Permitted Transferee or Benefit Plan Investor to sell such interest to (a) an affiliate of the Issuer (to the extent permitted by Applicable Law); or (b) a person who is not a Non-Permitted Transferee or Benefit Plan Investor, in each case in accordance with Condition 3(d).

As defined in Rule 902(k)(1) of Regulation S under the Securities Act, "**U.S. person**" means:

- (a) Any natural person resident in the United States;
- (b) Any partnership or corporation organized or incorporated under the laws of the United States;
- (c) Any estate of which any executor or administrator is a U.S. person;
- (d) Any trust of which any trustee is a U.S. person;
- (e) Any agency or branch of a foreign entity located in the United States;
- (f) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (g) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (h) Any partnership or corporation if:
 - (i) Organized or incorporated under the laws of any foreign jurisdiction; and
 - (ii) Formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in §230.501(a)) who are not natural persons, estates or trusts.

As defined Section 15G of the Exchange Act, "**U.S. person**" means:

- (a) Any natural person resident in the United States;
- (b) Any partnership, corporation, limited liability company, or other organization or entity organized or incorporated under the laws of any U.S. state or under the laws of the United States;
- (c) Any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) Any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) Any agency or branch of a foreign entity located in the United States;
- (f) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (g) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (h) Any partnership or corporation if:
 - (i) Organized or incorporated under the laws of any foreign jurisdiction; and
 - (ii) Formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act.

As defined in CFTC Rule 4.7, modified as indicated above, "**Non-United States person**" means:

- (a) A natural person who is not a resident of the United States;
- (b) A partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction;
- (c) An estate or trust, the income of which is not subject to United States income tax regardless of source;
- (d) An entity organized principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons represent in the aggregate less than 10 per cent. of the beneficial interest in the entity, and

that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of part 4 of the Commodity Futures Trading Commission's regulations by virtue of its participants being Non-United States persons; and

- (e) A pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States.

As defined in the CFTC's interpretive guidance and policy statement regarding compliance with certain swap regulations, 78 Fed. Reg. 45292 (Jul. 26, 2013), "**U.S. person**" includes, but is not limited to:

- (a) Any natural person who is a resident of the United States;
- (b) Any estate of a decedent who was a resident of the United States at the time of death;
- (c) Any corporation, partnership, limited liability company, business or other trust, association, joint-stock company, fund or any form of enterprise similar to any of the foregoing (other than an entity described in clauses (d) or (e), below) (a "**legal entity**"), in each case that is organized or incorporated under the laws of a state or other jurisdiction in the United States or having its principal place of business in the United States;
- (d) Any pension plan for the employees, officers or principals of a legal entity described in clause (c), unless the pension plan is primarily for foreign employees of such entity;
- (e) Any trust governed by the laws of a state or other jurisdiction in the United States, if a court within the United States is able to exercise primary supervision over the administration of the trust;
- (f) Any commodity pool, pooled account, investment fund, or other collective investment vehicle that is not described in clause (c) and that is majority-owned by one or more persons described in clause (a), (b), (c), (d), or (e), except any commodity pool, pooled account, investment fund, or other collective investment vehicle that is publicly offered only to non-U.S. persons and not offered to U.S. persons;
- (g) Any legal entity (other than a limited liability company, limited liability partnership or similar entity where all of the owners of the entity have limited liability) that is directly or indirectly majority-owned by one or more persons described in clause (a), (b), (c), (d), or (e) and in which such person(s) bears unlimited responsibility for the obligations and liabilities of the legal entity; and
- (h) Any individual account or joint account (discretionary or not) where the beneficial owner (or one of the beneficial owners in the case of a joint account) is a person described in clause (a), (b), (c), (d), (e), (f), or (g).

"**Benefit Plan Investor**" means:

- (a) an employee benefit plan (as defined in section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended, ("**ERISA**")), whether or not subject to ERISA;
- (b) a plan described in section 4975(e)(1) of the Code; or
- (c) an entity whose underlying assets include plan assets by reason of a plan's investment in the entity under U.S. Department of Labor Regulations § 2510.3-101 (29 c.f.r. § 2510.3-101).

Each prospective purchaser of the Instruments, by accepting delivery of this Information Memorandum and the Instruments, and each transferee of the Instruments by accepting the transfer of the Instruments, will be deemed to have represented and agreed as follows:

- (a) it understands that the Instruments have not been and will not be registered under the Securities Act and agrees that it will not, at any time during the term of the Instruments, offer, sell, pledge or otherwise transfer the Instruments, in an "Offshore Transaction" (within the meaning of Regulation S under the Securities Act) to or for the account of a Permitted Transferee, or;
- (b) it understands and acknowledges that no person has registered nor will register as a commodity pool operator of the Issuer under the CEA and the CEA Rules;

- (c) (i) it is not a Non-Permitted Transferee and (ii) if it is acting for the account or benefit of another person, such other person is not a Non-Permitted Transferee;
- (d) it understands and agrees that the Issuer has the right to compel any legal or beneficial owner of an interest in the Instruments to certify periodically that such legal or beneficial owner is a Permitted Transferee;
- (e) it understands and acknowledges that the Issuer has the right to refuse to honour the transfer of an interest in the Instruments in violation of the transfer restrictions applicable to the Instruments;
- (f) it understands and acknowledges that the Issuer has the right at any time after becoming aware that any legal or beneficial ownership interest in an Instrument is held by a Non-Permitted Transferee or Benefit Plan Investor to require such Non-Permitted Transferee or Benefit Plan Investor to sell such interest to (i) an affiliate of the Issuer (to the extent permitted by Applicable Law) or (ii) a person who is not a Non-Permitted Transferee or Benefit Plan Investor, in each case in accordance with Condition 3(d);
- (g) it agrees to provide notice of the restrictions set forth herein to any transferee of its interest in the Instruments;
- (h) it understands that Instruments will bear a legend regarding the restrictions set forth herein; and
- (i) it understands that any purported transfer in violation of the transfer restrictions applicable to the Instruments will be void *ab initio* and will not operate to transfer any rights to the Non-Permitted Transferee.

Prohibition of Sales to EEA Retail Investors

The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed will be required to represent and agree, that:

- (a) in relation to any Instruments which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Instruments other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Instruments would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of any Instruments in circumstances in which Section 21(1) of FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to any Instruments in, from or otherwise involving the United Kingdom.

Ireland

Each Dealer has represented and agreed, and each further Dealer appointed will be required to represent and agree, that:

- (a) it will not underwrite the issue of, or place the Instruments, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended the “**MiFID Regulations**”), including, without limitation, Regulations 7 (Authorisation) and 152 (Restrictions and advertising) thereof or any codes of conduct made under the MiFID Regulations and the provisions of the Investor Compensation Act 1998;
- (b) it will not underwrite the issue of, or place, the Instruments, otherwise than in conformity with the provisions of the Companies Act 2014 of Ireland, the Central Bank Acts 1942-2014 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended); and
- (c) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Instruments, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended)(as replaced with effect from 3 July 2016 by the Market Abuse Regulation EU 596/2014) and any rules issued under Section 1370 of the Companies Act 2014 by the Central Bank of Ireland.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Terms and Conditions or in a supplement to this Information Memorandum.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Instruments, or possession or distribution of this Information Memorandum or any other offering material or the Terms and Conditions, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Instruments or has in its possession or distributes this Information Memorandum, any other offering material or the Terms and Conditions and neither the Issuer nor any other Dealer shall have responsibility therefor.

GENERAL INFORMATION

Authorisation	This Information Memorandum and the issue of the Instruments was approved by a resolution of the Board of the Issuer passed on 19 February 2020.
No significant change	There has been no significant change in the financial or trading position of the Issuer, and no material adverse change in the financial position or prospects of the Issuer in each case, since the date of its incorporation.
No legal proceedings	There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had since the date of its incorporation, a significant effect on the financial position or profitability of the Issuer.
ISIN/Common Code	Instruments have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The Common Code, the International Instruments Identification Number (ISIN).
Euroclear/Clearstream	The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg.
Post issuance information	The Issuer does not intend to provide any post-issuance information in relation to any issues of Instruments or in relation to the Collateral, except as required by any Applicable Law or as specified in the Terms and Conditions.
Websites	Any websites referred to herein do not form part of the Information Memorandum. The Issuer's website is https://peaslakeinvestments1.co.uk .
Use of proceeds	The net proceeds of the Instruments will be used to purchase the Underlying Collateral and/or enter into the Transaction Documents and/or in meeting certain expenses and fees payable in connection with the operations of the Issuer and the issue of any Instruments.
Underlying Collateral	The Underlying Collateral in respect of the Instruments is set out in the Terms and Conditions.
Listing Agent	Binder Grösswang Rechtsanwälte GmbH is acting solely in its capacity as listing agent for the Issuer in relation to the Instruments and is not itself seeking admission of the Instruments to listing on the Vienna MTF of the Vienna Stock Exchange.

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Registered office of the Issuer

Peaslake Investments 1 plc

3rd Floor, Suite 2
11-12 St. James's Square
London SW1Y 4LB
United Kingdom

Trustee

HSBC Corporate Trustee Company (UK) Limited

8 Canada Square
London E14 5HQ
United Kingdom

Issuing and Paying Agent, Paying Agent, Account Bank and Calculation Agent

HSBC Bank plc

8 Canada Square
London E14 5HQ
United Kingdom

Arranger, Dealer and Disposal Agent

Deutsche Bank AG, London Branch

1 Great Winchester St
London EC2N 2DB
United Kingdom

Legal advisers

to the Arranger in respect of English law

Sidley Austin LLP
25 Basinghall Street
London EC2V 5HA
United Kingdom

to the Trustee in respect of English law

Allen & Overy LLP
One Bishop's Square
London E1 6AD
United Kingdom