

**DATED**

**2022**

**(1) DIGNITY FINANCE PLC  
as Issuer**

**(2) NATWEST MARKETS PLC  
as Liquidity Facility Provider**

**(3) BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED  
as Note Trustee**

**- and -**

**(4) DIGNITY FUNERALS LIMITED  
as Cash Administrator**

**AMENDMENT AND  
RESTATEMENT AGREEMENT**  
relating to  
**a facilities agreement originally dated 11  
April 2003 as previously amended and  
restated on 17 October 2014**

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## CONTENTS

1.	DEFINITIONS AND INTERPRETATION .....	1
2.	RESTATEMENT AND FURTHER ASSURANCE .....	2
3.	REPRESENTATIONS .....	2
4.	COSTS AND EXPENSES.....	3
5.	MISCELLANEOUS .....	3
6.	GOVERNING LAW AND ENFORCEMENT.....	4
	SCHEDULE 1: CONDITIONS PRECEDENT .....	5
	SCHEDULE 2: AMENDED FACILITIES AGREEMENT .....	6
	EXECUTION PAGE .....	7

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**BETWEEN:**

- (1) **DIGNITY FINANCE PLC**, a public limited company incorporated in England and Wales with company number 4488292 and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP as issuer (the "**Issuer**");
- (2) **NATWEST MARKETS PLC**, acting through its office at 250 Bishopsgate, London EC2M 4AA as liquidity facility provider (the "**Liquidity Facility Provider**" which expression includes its successors and/or assignees);
- (3) **BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED**, acting through its office at One Canada Square, London E14 5AL as note trustee (in its capacity as the "**Note Trustee**" which expression includes its successors and/or assignees); and
- (4) **DIGNITY FUNERALS LIMITED**, a private limited company incorporated in England and Wales with company number 41598 and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP as cash administrator (the "**Cash Administrator**" which expression includes its successors and/or assignees).

**BACKGROUND**

- A This Agreement is supplemental to a facilities agreement originally dated 11 April 2003 and made between (1) the Issuer, (2) the Liquidity Facility Provider, (3) the Note Trustee, and (4) the Cash Administrator (as previously amended and restated on 17 October 2014 the "**Original Facilities Agreement**").
- B The Liquidity Facility Provider has agreed, subject to the terms of this Agreement, to make certain amendments to the Original Facilities Agreement that have been requested by the Issuer.

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Agreement:

"**Amended Facilities Agreement**" means the facilities agreement in the form set out in schedule 2 (*Amended Facilities Agreement*);

"**Effective Date**" means the date on which the Liquidity Facility Provider gives written notice to the other Parties that each of the documents and other evidence listed in Schedule 1 (*Conditions Precedent*) have been received by it in a form and substance satisfactory to it;

"**Party**" means a party to this Agreement; and

"**Repeating Issuer Warranties**" means each Issuer Warranty made pursuant to clause 15 of the Amended Facilities Agreement.

**1.2 Incorporation of Defined Terms and Construction**

- (a) Unless a contrary indication appears, terms defined in, or construed for the purposes of, the Original Facilities Agreement have the same meanings when used in this Agreement (unless the same are otherwise defined in this Agreement).

- (b) The principles of construction as set out in clause 1.2 (*Construction*) of the Original Facilities Agreement shall have effect as though they were set out in full in this Agreement but so that each reference in that clause to "**this Agreement**" shall be read as a reference to this Agreement.

### **1.3 Clauses**

- (a) In this Agreement any reference to a "**clause**" or "**schedule**" is, unless the context otherwise requires, a reference to a clause or schedule of this Agreement.
- (b) Clause and schedule headings are for ease of reference only.

### **1.4 Continuing Obligations**

Subject to the provisions of this Agreement:

- (a) the Original Facilities Agreement and all the other Issuer Transaction Documents shall remain in full force and effect;
- (b) the Original Facilities Agreement shall be read and construed as one document with this Agreement; and
- (c) nothing in this Agreement shall constitute or be construed as a waiver or release of any right or remedy under the Issuer Transaction Documents, nor otherwise prejudice any right or remedy under the Original Facilities Agreement or any other Issuer Transaction Document.

## **2. RESTATEMENT AND FURTHER ASSURANCE**

### **2.1 Restatement**

With effect from the Effective Date, the Original Facilities Agreement shall be amended and restated so that it shall be read and be construed for all purposes as set out in schedule 2 (*Amended Facilities Agreement*).

### **2.2 Further Assurance**

The Issuer shall at the request of the Liquidity Facility Provider and at its own expense, do all such acts and things necessary or desirable to give effect to the amendments effected or to be effected pursuant to this Agreement.

## **3. REPRESENTATIONS**

### **3.1 Representations**

- (a) The Issuer represents and warrants to the Liquidity Facility Provider, the Note Trustee and the Cash Administrator on the date of this Agreement and on the Effective Date that:
  - (i) the board resolutions referred to in paragraph 1(b) of schedule 1 (*Conditions Precedent*) were duly and properly passed after compliance with all appropriate formalities and remain in full force and effect;
  - (ii) it is authorised to execute this Agreement; and

- (iii) it is authorised to make the representations and warranties as provided in clauses 3.1(a)(i) and 3.1(a)(ii) above.
- (b) The Issuer makes the Repeating Issuer Warranties in relation to itself on the date of this Agreement (whether or not the Effective Date shall have occurred by such date) and on the Effective Date, by reference to the facts and circumstances existing at such dates.

### **3.2 Reliance**

The Issuer acknowledges that the Liquidity Facility Provider has entered into this Agreement in full reliance on the representations and warranties made by it in the terms stated in clause 3.1 (*Representations*).

## **4. COSTS AND EXPENSES**

Each Party shall bear its own costs and expenses (including legal fees) incurred in connection with the negotiation, preparation, printing and execution of this Agreement and any other documents referred to in this Agreement.

## **5. MISCELLANEOUS**

### **5.1 Incorporation of terms**

- (a) The provisions of paragraphs 10.1 (*Issuer Transaction Documents*) and 18 (*Notices*) Part 1 of the Common Terms shall apply to this Agreement as if set out in full in this Agreement and as if references in those paragraphs to "this Agreement" or "the Issuer Transaction Documents" are references to this Agreement.
- (b) The address for each Party to which all notices or other communications should be given or made is that identified with its name below or any substitute address that a Party may notify to the other Parties in accordance with paragraph 18.1 (*Communications in writing*) of Part 1 of the Common Terms.

### **5.2 Counterparts**

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

### **5.3 Issuer Transaction Document**

The Parties agree that this Agreement is an Issuer Transaction Document.

### **5.4 Third party rights**

- (a) Unless expressly provided to the contrary in an Issuer Transaction Document, a person (other than a Finance Party) who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Agreement.
- (b) The consent of any person who is not a party to this Agreement is not required to rescind or vary this Agreement at any time.

## **6. GOVERNING LAW AND ENFORCEMENT**

### **6.1 Governing law**

This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

### **6.2 Jurisdiction of English courts**

The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement).

This Agreement has been entered into on the date stated at the beginning of this Agreement.

## **SCHEDULE 1: CONDITIONS PRECEDENT**

### **1. ISSUER AND CASH ADMINISTRATOR**

- (a) A certificate addressed to the Liquidity Facility Provider of the Issuer and Cash Administrator (signed by a director) attaching a copy of its constitutional documents and certifying that such documents remain in full force and effect.
- (b) A copy of a resolution of the board of directors of the Issuer and Cash Administrator:
  - (i) approving the terms of, and the transactions contemplated by, and resolving that it execute this Agreement;
  - (ii) authorising a specified person or persons to execute this Agreement on its behalf; and
  - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with this Agreement.
- (c) A specimen of the signature of each person authorised by the resolution referred to in paragraph 1(b) in relation to this Agreement.
- (d) A certificate addressed to the Liquidity Facility Provider of the Issuer and Cash Administrator (signed by a director) certifying that each copy document relating to it specified in this schedule 1 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.

### **2. TRANSACTION DOCUMENTS**

This Agreement duly executed by the Parties.

**SCHEDULE 2: AMENDED FACILITIES AGREEMENT**



**ORIGINALLY DATED 11 APRIL 2003 AND  
PREVIOUSLY AMENDED AND RESTATED ON 17  
OCTOBER 2014, AS FURTHER AMENDED AND  
RESTATED ON 2022**

**(1) DIGNITY FINANCE PLC  
as Issuer**

**(2) NATWEST MARKETS PLC  
as Liquidity Facility Provider**

**(3) BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED  
as Note Trustee**

**- and -**

**(4) DIGNITY FUNERALS LIMITED  
as Cash Administrator**

**AMENDED AND RESTATED LIQUIDITY  
FACILITY AGREEMENT  
relating to the issue by Dignity Finance Plc  
of £238,904,000 Class A secured 3.5456%  
notes due 2034  
£356,402,000 Class B secured 4.6956% notes  
due 2049**

## CONTENTS

SECTION A INTERPRETATION.....	2
1. INTERPRETATION.....	2
2. COMMON TERMS.....	12
SECTION B THE FACILITY .....	13
3. THE FACILITY .....	13
SECTION C AVAILABILITY OF THE LIQUIDITY FACILITY .....	14
4. AVAILABILITY OF LF REVOLVING DRAWINGS.....	14
5. AVAILABILITY OF LIQUIDITY RESERVE DRAWINGS AND LIQUIDITY REVOLVING DRAWINGS.....	14
SECTION D INTEREST.....	17
6. LF REVOLVING DRAWING PERIODS, LIQUIDITY REVOLVING DRAWING PERIODS AND LIQUIDITY RESERVE LOAN PERIODS .....	17
7. PAYMENT AND CALCULATION OF INTEREST .....	18
SECTION E INCREASE, RENEWAL, REPAYMENT AND CANCELLATION .....	19
8. INCREASING AND RENEWING THE LIQUIDITY FACILITY .....	19
9. REPAYMENT .....	21
10. TERMINATION.....	24
11. CANCELLATION.....	24
SECTION F CHANGE IN CIRCUMSTANCES .....	25
12. INCREASED COSTS.....	25
13. ILLEGALITY .....	27
14. MITIGATION .....	27
SECTION G WARRANTIES AND COVENANTS.....	28
15. ISSUER'S WARRANTIES.....	28
16. LIQUIDITY FACILITY PROVIDER'S WARRANTIES .....	29
17. ISSUER'S AND CASH ADMINISTRATOR'S COVENANTS .....	30
SECTION H LF EVENTS OF DEFAULT.....	31
18. LF EVENTS OF DEFAULT .....	31
SECTION I RELATIONSHIP BETWEEN ISSUER, TRUSTEE, CASH ADMINISTRATOR AND LIQUIDITY FACILITY PROVIDER.....	32
19. RELATIONSHIP.....	32
SECTION J SECURITY AND ENFORCEMENT .....	33
20. SECURITY .....	33
SECTION K FEES, COSTS, EXPENSES, INDEMNITIES AND PAYMENTS.....	33
21. COMMITMENT AND ARRANGEMENT FEES .....	33
22. COSTS AND EXPENSES.....	34

---

23.	DEFAULT INTEREST .....	34
24.	ISSUER'S INDEMNITIES .....	35
25.	PAYMENTS .....	35
	SECTION L MISCELLANEOUS .....	36
26.	ASSIGNMENTS .....	36
27.	CALCULATIONS AND EVIDENCE OF DEBT .....	37
28.	EXECUTION.....	38
	SCHEDULE 1: AMENDMENTS TO COMMON TERMS .....	1
	SCHEDULE 2: CONDITIONS PRECEDENT .....	2
	SCHEDULE 3: LF REVOLVING DRAWING NOTICE.....	3
	SCHEDULE 4: LIQUIDITY RESERVE DRAWING NOTICE.....	4
	SCHEDULE 5: LIQUIDITY REVOLVING DRAWING NOTICE .....	5
	SCHEDULE 6: LIQUIDITY FACILITY RENEWAL LETTER.....	6
	SCHEDULE 7: REFERENCE RATE TERMS .....	7
	SCHEDULE 8: DAILY NON-CUMULATIVE COMPOUNDED RFR RATE.....	9

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**THIS AMENDED AND RESTATED AGREEMENT** was originally made on 11 April 2003, was previously amended and restated on 17 October 2014 and is further amended and restated on \_\_\_\_\_ 2022

**BETWEEN:**

- (1) **DIGNITY FINANCE PLC**, a public limited company incorporated in England and Wales with company number 4488292 and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP as issuer (the "**Issuer**");
- (2) **NATWEST MARKETS PLC**, acting through its office at 250 Bishopsgate, London EC2M 4AA as liquidity facility provider (the "**Liquidity Facility Provider**" which expression includes its successors and/or assignees);
- (3) **BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED**, (formerly BNY Corporate Trustee Services Limited), acting through its office at One Canada Square, London E14 5AL as note trustee (in its capacity as the "**Note Trustee**" which expression includes its successors and/or assignees); and
- (4) **DIGNITY FUNERALS LIMITED**, a private limited company incorporated in England and Wales with company number 41598 and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP as cash administrator (the "**Cash Administrator**" which expression includes its successors and/or assignees).

**BACKGROUND:**

- A On 11 April 2003 (the "**Initial Securitisation Closing Date**") the Issuer issued £110,000,000 Class A Secured 6.310% Notes due 2023 and £100,000,000 Class B Secured 8.151% Notes due 2031 (the "**First Initial Securitisation Notes**"). On 21 February 2006 the Issuer further issued £45,550,000 Class A Secured 6.310% Notes due 2023 and £100,000,000 Class B Secured 8.151% Notes due 2031 (the "**Second Initial Securitisation Notes**"). On 27 September 2010 the Issuer further issued £48,650,000 Class A Secured 6.310% Notes due 2023 and £33,100,000 Class B Secured 8.151% Notes due 2031 (the "**Third Initial Securitisation Notes**"). On 30 July 2013 the Issuer further issued £50,250,000 Class A Secured 6.310% Notes due 2023 and £40,750,000 Class B Secured 8.151% Notes due 2031 (the "**Fourth Initial Securitisation Notes**" and together with the First Initial Securitisation Notes, Second Initial Securitisation Notes and Third Initial Securitisation Notes, the "**Initial Securitisation Notes**"). On the relevant issuance date of the Initial Securitisation Notes, the Issuer used the proceeds of such relevant issuance to make an Issuer/Borrower Loan to the Borrower (the "**Existing Advances**").
- B On the Closing Date, the Issuer either redeemed the Initial Securitisation Notes or exchanged the Initial Securitisation Notes for replacement notes (the "**Replacement Notes**"), which were to be delivered to the Issuer's existing noteholders in exchange for such existing noteholders delivering all of their outstanding Initial Securitisation Notes back to the Issuer for cancellation as part of an exchange offer and consent solicitation process being undertaken by the Issuer in connection with the refinancing of its existing bond indebtedness. In addition, on the Closing Date, the Issuer was to issue additional new notes (the "**Additional Notes**") which would increase the principal amount outstanding such that the Replacement Notes and the Additional Notes (together, the "**Notes**") would represent an aggregate principal amount of 595,306,000.

- C In conjunction with the exchange of the Initial Securitisation Notes and the issuance of the Notes, on the 2014 Amendment Date the parties agreed to amend and restate the liquidity facility agreement dated the Initial Securitisation Closing Date in accordance with the terms hereof, whereas, the Liquidity Facility Provider agreed to make funds available to the Issuer by way of loan to assist in funding Liquidity Shortfalls.
- D Pursuant to a deed of novation dated 21 December 2018 and entered into between (1) NatWest Markets Plc (formerly known as The Royal Bank of Scotland PLC) acting as agent for National Westminster Bank plc as the existing liquidity facility provider, (2) NatWest Markets plc as the new liquidity facility provider, (3) the Issuer, (4) the Cash Administrator and (5) the Note Trustee, the rights and obligations of National Westminster Bank plc (acting through its agent NatWest Markets plc (formerly known as The Royal Bank of Scotland plc)) as Liquidity Facility Provider were transferred by way of novation to NatWest Markets plc.
- E The parties now agree to further amend and restate this Agreement on the date and in the form hereof to address the transition of the calculation of interest to a risk free compounded rate. For the avoidance of doubt, the liquidity facility agreement as amended and restated hereto replaces and supersedes any previous side agreements between any of the parties hereto in respect of this Agreement.

**IT IS AGREED:**

## **SECTION A INTERPRETATION**

### **1. INTERPRETATION**

- (a) Unless otherwise defined in this Agreement or the context requires otherwise, words and expressions used in this Agreement have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in Schedule 1 of the issuer master framework agreement dated the Initial Securitisation Closing Date, as may be or may have been amended, restated, varied and/or supplemented from time to time (the "**Issuer Master Framework Agreement**").
- (b) In this Agreement, the following defined terms shall have the following meanings:
- "2014 Amendment Date"** means the date of the previous amendment and restatement of this Agreement being 17 October 2014;
- "2022 Amendment and Restatement Agreement"** means the amendment and restatement agreement in respect of this Agreement dated \_\_\_\_\_ 2022 and made between the Issuer, the Liquidity Facility Provider, the Note Trustee and the Cash Administrator;
- "Aggregate Mandatory LF Prepayment Amount"** means, at any time, an amount equal to the aggregate of any Mandatory LF Prepayment Amounts paid in accordance with clause 9.8 (*Mandatory Prepayment of Liquidity Reserve Drawing*);
- "Available Liquidity Facility"** means, at any time, the Liquidity Facility Amount minus the amount of each then outstanding LF Revolving Drawing or, if a LF Funded Liquidity Reserve Loan is outstanding, zero;

**"Applicable Liquidity Facility Margin"** means:

- (a) 2.50% per annum; or
- (b) following the occurrence of a Renewal Liquidity Event:
  - (i) 1.10% per annum for the period from the occurrence of the Renewal Liquidity Event to the date that is one year following such Renewal Liquidity Event (the **"First Margin Step-Up Period"**); or
  - (ii) 1.10% per annum for the period from the end of the First Margin Step-Up Period to the date that is two years following the occurrence of the Renewal Liquidity Event (the **"Second Margin Step-Up Period"**); or
  - (iii) 1.75% per annum for the period from the end of the Second Margin Step-Up Period to the date that is three years following the occurrence of the Renewal Liquidity Event (the **"Third Margin Step-Up Period"**); or
  - (iv) 1.75% per annum for the period from the end of the Third Margin Step-Up Period to the date that is four years following the occurrence of the Renewal Liquidity Event (the **"Fourth Margin Step-Up Period"**); or
  - (v) 2.50% per annum for the period from the end of the Fourth Margin Step-Up Period to the date that is five years following the occurrence of the Renewal Liquidity Event (the **"Fifth Margin Step-Up Period"**); and
  - (vi) for the period from the end of the Fifth Margin Step-Up Period, 2.50% per annum,  
  
increasing by 0.25% every six months from the date of the end of the Fifth Margin Step-Up Period to a maximum aggregate margin of 6.00% per annum; or
- (c) following the occurrence of a Ratings Liquidity Event, 2.50% per annum, increasing by 0.25% every six months following the date of such Ratings Liquidity Event to a maximum aggregate margin of 5.00% per annum;

**"Business Day"** means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

**"Central Bank Rate"** has the meaning given to that term in the Reference Rate Terms;

**"Central Bank Rate Adjustment"** has the meaning given to that term in the Reference Rate Terms;

**"Central Bank Rate Spread"** has the meaning given to that term in the Reference Rate Terms;

**"Class A Final Maturity Date"** has the meaning given to it in Condition 8(a)(i) (Redemption, Purchase and Cancellation – Final Redemption);

**"Class B Final Maturity Date"** has the meaning given to it in Condition 8(a)(ii) (Redemption, Purchase and Cancellation – Final Redemption);

**"Compounded Reference Rate"** means, in relation to any Business Day during a LF Interest Period of a Loan, the percentage rate per annum which is the aggregate of:

- (a) the Daily Non-Cumulative Compounded RFR Rate for that Business Day; and
- (b) the relevant Credit Adjustment Spread;

**"Compounding Methodology Supplement"** means, in relation to the Daily Non-Cumulative Compounded RFR Rate, a document which:

- (a) is agreed in writing by the Issuer and the Liquidity Facility Provider;
- (b) specifies a calculation methodology for that rate; and
- (c) has been made available to the Issuer and the Liquidity Facility Provider;

**"CPI"** means in respect of any Financial Year for which a multiplier of any amount is to be calculated, the quantum of the Consumer Prices Index most recently published by the Office of National Statistics or any successor agency or index as at the start of that period divided by the quantum of the Consumer Prices Index most recently so published as at 1 January 2014;

**"Credit Adjustment Spread"** means the applicable rate which is either:

- (a) specified as such in the Reference Rate Terms; or
- (b) determined by the Liquidity Facility Provider in accordance with the methodology specified in the Reference Rate Terms;

**"Daily Non-Cumulative Compounded RFR Rate"** means, in relation to any Business Day during a LF Interest Period for a Loan, the percentage rate per annum determined by the Liquidity Facility Provider in accordance with the methodology set out in schedule 8 (*Daily Non-Cumulative Compounded RFR Rate*) or in any relevant Compounding Methodology Supplement;

**"Daily Rate"** means the rate specified as such in the Reference Rate Terms;

**"Dplc Excess Account"** means the account numbered 50062697 held with RBS;

**"Dplc Permitted Payments"** means payments made in relation to:

- (a) Non-Obligor Investments;
- (b) loans to Obligors for any purpose permitted by clause 17 of the Issuer/Borrower Loan Agreement;
- (c) corporation tax liabilities of Dignity plc and its subsidiaries (provided that such subsidiaries are not Obligors);

- (d) dividends to shareholders of Dignity plc (excluding any amounts in respect of dividends that are or will be funded via the issuance of New Notes or Further Notes);
- (e) operating costs of Dignity plc and its subsidiaries (provided that such subsidiaries are not Obligor);
- (f) Voluntary LF Prepayments of the Liquidity Facility in whole or in part; and
- (g) any other amount as may be agreed between the Liquidity Facility Provider and the Issuer from time to time,

provided that the aggregate amount of any Non-Obligor Investments and any loans to Obligor for any purpose permitted by clause 17 of the Issuer/Borrower Loan Agreement paid out of the Dplc Reserve Account in any Relevant Financial Period, shall not exceed the Projected Acquisition Costs in such Relevant Financial Period;

**"Dplc Reserve Account"** means the account which is established on or before the Relevant Liquidity Reserve Amortisation Date with the Liquidity Facility Provider and identified as the Dplc Reserve Account;

**"Dplc Retention Balance"** means the aggregate of:

- (a) Projected Acquisition Costs;
- (b) Projected Corporation Tax;
- (c) Projected Dividends;
- (d) Projected Operating Costs; and
- (e) such other amount as may be agreed between the Liquidity Facility Provider and the Issuer from time to time;

**"Financial Year"** means the 52 week period ending on the Friday immediately preceding or on 31 December of each year;

**"Interest Payment"** means the aggregate amount of interest that is, or is scheduled to become, payable under this Agreement;

**"LF Default Interest Period"** means a period for the computation of interest in respect of a LF Unpaid Sum, determined in accordance with the provisions of this Agreement;

**"LF Default Margin"** means 2.50% per annum increasing by 0.25% every six months from the date that such LF Default Margin becomes payable in accordance with the terms hereof and provided that the relevant amount remains unpaid to a maximum aggregate margin of 5.00% per annum;

**"LF Event of Default"** means one of the events specified in clause 18 (*LF Events of default*);

**"LF Facility Office"** means the office of the Liquidity Facility Provider specified against the name of the Liquidity Facility Provider in the Notices Details or such other



office in the United Kingdom as it may select by notice to the Issuer in accordance with the provisions of this Agreement;

**"LF Funded Liquidity Reserve Loan"** means, at any time, an amount equal to the Liquidity Reserve Loan minus the Aggregate Mandatory LF Prepayment Amount;

**"LF Interest Payment Date"** means a day which is one Business Day prior to an Interest Payment Date;

**"LF Interest Period"** means:

- (a) in relation to a LF Revolving Drawing, each LF Revolving Drawing Period;
- (b) in relation to the LF Funded Liquidity Reserve Loan, each Liquidity Reserve Loan Period; and
- (c) in relation to a LF Unpaid Sum, each LF Default Interest Period;

**"LF Loans"** means the LF Revolving Loan, Liquidity Revolving Loan and any Liquidity Reserve Loan;

**"LF Minimum Long-term Ratings"** means, in respect of any relevant person, its long term unsecured, unsubordinated, unguaranteed debt obligations being rated in the case of Fitch, BBB+, and in the case of S&P, BBB, or such lower ratings provided that any such lower rating would not lead to any downgrade or the placing on "credit watch negative" (or equivalent) of the then current ratings of the Notes;

**"LF Notice of Drawing"** means a LF Revolving Drawing Notice and/or a Liquidity Reserve Drawing Notice, as the context may require;

**"LF Potential Event of Default"** means any event which may become (with the passage of time, the giving of notice, the making of any determination or any combination thereof) a LF Event of Default;

**"LF Revolving Drawing"** means a drawing made by the Issuer, prior to any Liquidity Reserve Drawing, in accordance with the terms of this Agreement following the delivery by the Issuer of a LF Revolving Drawing Notice or, as the case may be, the principal amount of such drawing for the time being outstanding;

**"LF Revolving Drawing Notice"** means a notice substantially in the form set out in schedule 3 (*LF Revolving Drawing Notice*) of this Agreement;

**"LF Revolving Drawing Period"** means, in respect of a LF Revolving Drawing, the period for which such LF Revolving Drawing is to be outstanding, determined in accordance with the provisions of this Agreement;

**"LF Revolving Loan"** means at any time the aggregate of all LF Revolving Drawings which have been drawn down by the Issuer and are still outstanding;

**"LF Unpaid Sum"** means the unpaid balance of any sum referred to in clause 23.1 (*LF Default Interest Periods*);

**"Liquidity Event"** means, in relation to the Liquidity Facility Provider, any of the following events:

- (a) the long-term unsecured, unguaranteed, unsubordinated debt rating of the Liquidity Facility Provider shall be rated lower than any of the LF Minimum Long-term Ratings (a **"Ratings Liquidity Event"**); or
- (b) the Liquidity Facility Provider notifies the Issuer and the Cash Administrator that it refuses to renew the Liquidity Facility Availability Period in accordance with clause 8.4 (*New Liquidity Facility Availability Period*) of this Agreement (a **"Renewal Liquidity Event"**);

**"Liquidity Facility"** means the committed, sterling, revolving liquidity facility made available to the Issuer by the Liquidity Facility Provider in accordance with the terms of this Agreement;

**"Liquidity Facility Amount"** means £55,000,000 or the amount to which such sum is increased or decreased from time to time in accordance with the terms of this Agreement;

**"Liquidity Facility Availability Period"** means the period commencing on and including the Liquidity Facility Commencement Date and ending on the Scheduled Liquidity Facility Termination Date;

**"Liquidity Facility Commencement Date"** means the Closing Date or such other date specified as such in a Liquidity Facility Renewal Letter agreed under clause 8.4 (*New Liquidity Facility Availability Period*);

**"Liquidity Facility Provider"** means NatWest Markets plc, acting through its office at 250 Bishopsgate, London EC2M 4AA, or such other entity or entities appointed as liquidity facility provider from time to time, subject to and in accordance with the terms of this Agreement;

**"Liquidity Facility Renewal Letter"** means a letter from the Issuer to the Liquidity Facility Provider substantially in the form set out in schedule 6 (*Liquidity Facility Renewal Letter*);

**"Liquidity Facility Subordinated Amounts"** means such amounts (if any) which following the 2014 Amendment Date the Issuer is or may become obliged to pay to the Liquidity Facility Provider and which are designated by the Issuer and the Liquidity Facility Provider as "Liquidity Facility Subordinated Amounts" pursuant to and in accordance with this Agreement;

**"Liquidity Facility Termination Date"** means the earlier of:

- (a) the later of:
  - (i) the Class A Final Maturity Date; and
  - (ii) the Class B Final Maturity Date;
- (b) the day on which the Issuer has redeemed in whole the Class A Notes and the Class B Notes;

- (c) the day on which the Liquidity Facility is cancelled in accordance with clause 11 (*Cancellation*), clause 13 (*Illegality*) or clause 18 (*LF Events of default*); or
- (d) the day on which the Liquidity Facility Provider's commitment is cancelled and reduced to zero in accordance with clause 9.8 (*Mandatory Prepayment of Liquidity Reserve Drawing*);

**"Liquidity Reserve Account"** means a reserve account opened by, and held in the name of, the Issuer and maintained with and by the Liquidity Facility Provider or, as the case may be, the Issuer Account Bank, in accordance with the provisions of this Agreement;

**"Liquidity Reserve Drawing"** means a drawing made by the Issuer in accordance with the terms of this Agreement following the delivery by the Issuer of a Liquidity Reserve Drawing Notice;

**"Liquidity Reserve Drawing Notice"** means a notice substantially in the form set out in schedule 4 (*Liquidity Reserve Drawing Notice*);

**"Liquidity Reserve Loan"** means, at any time, the amount equal to the aggregate of:

- (a) the amount then credited to the Liquidity Reserve Account; and
- (b) the amounts withdrawn from the Liquidity Reserve Account pursuant to clause 5.4(a) and 5.4(b) of this Agreement during the relevant Liquidity Reserve Loan Period;

**"Liquidity Reserve Loan Period"** means, in respect of the LF Funded Liquidity Reserve Loan, each period for the computation of interest determined in accordance with the terms of this Agreement;

**"Liquidity Revolving Drawing"** means a drawing made by the Issuer, after a Liquidity Reserve Drawing has occurred and is continuing, pursuant to clause 5.5 (*Liquidity Revolving Drawings*) of this Agreement or, as the case may be, the principal amount of such drawing for the time being outstanding;

**"Liquidity Revolving Drawing Period"** means in respect of a Liquidity Revolving Drawing, the period for which such Liquidity Revolving Drawing is to be outstanding, determined in accordance with the provisions of this Agreement;

**"Liquidity Revolving Loan"** means at any time the aggregate of all Liquidity Revolving Drawings which have been drawn down by the Issuer and are still outstanding;

**"Liquidity Revolving Drawing Notice"** means a notice substantially in the form set out in schedule 6 (*Liquidity Revolving Drawing Notice*);

**"Liquidity Shortfall"** means in relation to an Interest Payment Date:

- (a) the aggregate amount due by the Issuer on such Interest Payment Date with respect to:
  - (i) paragraphs 1 to 8 inclusive of the Issuer Pre-Enforcement Priority of Payments (excluding, however, any premium payable under paragraphs 5 and 8); and
  - (ii) the amount that the Issuer has to advance to the Borrower under clause 2.5 (Liquidity Advances) of the Issuer/Borrower Loan Agreement, less
- (b) the amount available to the Issuer on the Issuer Transaction Account one Business Day prior to such Interest Payment Date;

**"Lookback Period"** means the number of days specified as such in the Reference Rate Terms;

**"Mandatory LF Prepayment Amount"** has the meaning given to that term in paragraph (c) of the definition of "Restricted Payment Order of Payment" in this clause 1(b);

**"Non-Obligor Investment"** has the meaning given to such term in the Issuer/Borrower Loan Agreement.

**"Party"** means a party to this Agreement;

**"Projected Acquisition Costs"** means £20 million in respect of the Financial Year ending in December 2014 and, in respect of subsequent Financial Years, £20 million x CPI or, where the Relevant Financial Period encapsulates more than one Financial Year, the weighted average for those Financial Years (pro-rated to reflect the actual number of days within each Financial Year within the applicable Relevant Financial Period);

**"Projected Corporation Tax"** means, in respect of any Relevant Financial Period, an amount equal to the aggregate, projected corporation tax to be paid by Dignity plc and any subsidiary that is not an Obligor for that Relevant Financial Period;

**"Projected Dividends"** means, in respect of any Relevant Financial Period, an amount equal to the aggregate, projected dividend payments to be paid by Dignity plc for that Relevant Financial Period, provided that such estimation or projection of such dividends to be paid by Dignity plc is prepared in good faith and based on reasonable assumptions, and provided further that the aggregate amount of Projected Dividends for any Relevant Financial Period shall be reduced by an amount equal to the amount of any dividends which have been or are to be paid by Dignity plc in such Relevant Financial Period through the proceeds of the issuance of any New Notes or Further Notes;

**"Projected Operating Costs"** means £1 million in respect of the Financial Year ending in December 2014 and, in respect of each subsequent Financial Year, £1 million x CPI or, where the Relevant Financial Period encapsulates more than one Financial Year, the weighted average for those Financial Years (pro-rated to reflect the actual

number of days within each Financial Year within the applicable Relevant Financial Period), provided that such Projected Operating Costs may be increased:

- (a) with the consent of the Liquidity Facility Provider; or
- (b) if the Issuer has demonstrated to the satisfaction of the Liquidity Facility Provider (acting reasonably) that the aggregate anticipated operating costs of Dignity plc and its subsidiaries (excluding Obligors) in the ordinary course of business are expected to be higher in the Relevant Financial Period and provided further that for any subsequent Financial Year following such increase, the Projected Operating Costs for such Financial Year shall be calculated as though no increase (other than in respect of CPI) for the immediately preceding Financial Year had been agreed unless otherwise agreed in writing between the Liquidity Facility Provider and the Issuer;

**"Reference Rate Supplement"** means a document which:

- (a) is agreed in writing by the Issuer and the Liquidity Facility Provider;
- (b) specifies the relevant terms which are expressed in this Agreement to be determined by reference to Reference Rate Terms; and
- (c) has been made available to the Issuer and the Liquidity Facility Provider;

**"Reference Rate Terms"** means the terms set out in schedule 7 (*Reference Rate Terms*) or in any Reference Rate Supplement;

**"Relevant Financial Period"** means the period ending 12 months after the date of the relevant Restricted Payment;

**"Relevant Liquidity Reserve Drawing"** means a Liquidity Reserve Drawing which:

- (a) has been made pursuant to clause 5.1(a)(i) hereof; and
- (b) has been continuously outstanding for more than five years from its original drawdown date (and such five year anniversary date, the **"Relevant Liquidity Reserve Amortisation Date"**);

**"Renewal Date"** means the date upon which the Liquidity Facility is renewed by the Liquidity Facility Provider;

**"Restricted Payment"** has the meaning given to such term in the Issuer/Borrower Loan Agreement;

**"Restricted Payment Order of Payment"** means the following order of payment, which shall apply to any Restricted Payment (other than Restricted Payments that are or will be funded via the issuance of New Notes or Further Notes) made following the Relevant Liquidity Reserve Amortisation Date:

- (a) **First**, payment into the Dplc Reserve Account of an amount equal to the amount necessary to ensure that the balance of the Dplc Reserve Account is equal to the amount of the Dplc Retention Balance on such Interest Payment Date (the amount remaining of the relevant Restricted Payment after making any such payment into the Dplc Reserve Account, being the "Dplc Remaining

Amount"), provided that funds held in the Dplc Reserve Account shall only be used for the purpose of making Dplc Permitted Payments;

For the avoidance of doubt, if the actual balance of the Dplc Reserve Account is greater than the Dplc Retention Balance, then the Dplc Remaining Amount shall be deemed to be an amount equal to the full amount of such Restricted Payment on the relevant Interest Payment Date;

- (b) **Second**, payment of an amount equal to 50% of the Dplc Remaining Amount to the Dplc Excess Account, to be applied by Dignity plc without restriction; and
- (c) **Third**, payment of the remaining 50% of the Dplc Remaining Amount (being the "Mandatory LF Prepayment Amount") to the Liquidity Facility Provider in accordance with clause 9.8(a) of this Agreement,

or such other distribution of any Restricted Payment following the Relevant Liquidity Reserve Amortisation Date as the Issuer and the Liquidity Facility Provider may agree in writing from time to time (and the Note Trustee and Cash Administrator shall be promptly notified of the same);

**"RFR"** means the rate specified as such in the Reference Rate Terms;

**"Scheduled Liquidity Facility Termination Date"** means the date that falls 364 days after the 2014 Amendment Date or the then applicable Liquidity Facility Commencement Date;

**"US"** means the United States of America;

**"Voluntary LF Prepayments"** means any amounts voluntarily repaid or prepaid to the Liquidity Facility Provider from funds standing to the credit of the Dplc Reserve Account;

**"Working Capital Facility Agreement"** means the agreement to provide working capital to the Borrower dated 11 April 2003 and originally entered into between the Borrower, the Security Trustee and the Working Capital Facility Provider (as may be or may have been amended, restated, varied and/or supplemented from time to time and as amended and restated most recently on the Closing Date) or any replacement working capital facility agreement entered into by the Borrower with the consent of the Security Trustee;

**"Working Capital Facility Provider"** means The Royal Bank of Scotland plc (as agent for National Westminster Bank Plc) or such other entity appointed as working capital facility provider from time to time subject to and in accordance with the Working Capital Facility Agreement.

- (c) A reference in this Agreement to a page or screen of an information service displaying a rate shall include:
  - (i) any replacement page of that information service which displays that rate; and
  - (ii) the appropriate page of such other information service which displays that rate from time to time in place of that information service,

and, if such page or service ceases to be available, shall include any other page or service displaying that rate specified by the Liquidity Facility Provider after consultation with the Issuer.

- (d) A reference in this Agreement to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.
- (e) Any Reference Rate Supplement relating to a currency overrides anything relating to that currency in:
  - (i) schedule 7 (*Reference Rate Terms*); or
  - (ii) any earlier Reference Rate Supplement.
- (f) A Compounding Methodology Supplement relating to the Daily Non-Cumulative Compounded RFR Rate overrides anything relating to that rate in:
  - (i) schedule 8 (*Daily Non-Cumulative Compounded RFR Rate*); or
  - (ii) any earlier Compounding Methodology Supplement.
- (g) Unless expressly provided to the contrary in this Agreement a person who is not a party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or to enjoy the benefit of any term of this Agreement. Notwithstanding any term of this Agreement, the consent of any person who is not a party is not required to rescind or vary this Agreement at any time.

## **2. COMMON TERMS**

### **2.1 Incorporation of Common Terms**

The Common Terms apply to this Agreement and shall be binding on the parties to this Agreement as if set out in full in this Agreement except that paragraph 5 (*Costs*) of Part 2 of the Common Terms does not apply to this Agreement.

### **2.2 Amendments to the Common Terms**

The paragraphs of the Common Terms not disapplied in accordance with clause 2.1 (*Incorporation of Common Terms*) are varied, to the extent they apply to this Agreement, in the manner set out in schedule 1 (*Amendments to Common Terms*).

### **2.3 Conflict with Common Terms**

If there is any conflict between the provisions of the Common Terms and the provisions of this Agreement, the provisions of this Agreement shall prevail.

### **2.4 Further Assurance**

Paragraph 1 (Further Assurance) of Part 1 of the Common Terms applies to this Agreement as if set out in full in this Agreement and as if the Liquidity Facility Provider and the Note Trustee were each a beneficiary for the purposes of such paragraph.

## **SECTION B THE FACILITY**

### **3. THE FACILITY**

#### **3.1 Grant of the Facility**

The Liquidity Facility Provider grants to the Issuer through the LF Facility Office, upon the terms and subject to the conditions hereof, a committed, sterling, revolving liquidity facility in a maximum aggregate amount of £55,000,000, such amount being adjusted from time to time in accordance with the terms of this Agreement.

#### **3.2 Purpose and Application**

- (a) The Liquidity Facility is intended for the purpose of funding any Liquidity Shortfall (including, for the avoidance of doubt, any amounts of principal, interest, fees, expenses and other amounts then due and payable but unpaid under the Liquidity Facility) provided that, for as long as any Class A Notes are outstanding, in the case of paragraphs 7 and 8 of the Issuer Pre- Enforcement Priority of Payments, the maximum aggregate amount which can be drawn down under this Agreement and used to repay such items (including any outstanding loan which was used to repay such items) at any time will not exceed 45% of the Liquidity Facility Amount. Upon full redemption of the Class A Notes, such limit will no longer be applicable in respect of paragraphs 7 and 8 and the Issuer will be allowed to draw down up to the Available Liquidity Facility or, after a Liquidity Reserve Drawing (and as long as the Liquidity Event which gave rise to such Liquidity Reserve Drawing has not been cured), up to the Liquidity Reserve Loan.
- (b) The Issuer shall apply all amounts raised by it hereunder for such purpose in accordance with this Agreement and the Issuer Cash Administration and Account Bank Agreement and the Liquidity Facility Provider shall not be obliged to concern itself with such application.
- (c) Each LF Revolving Drawing will be equal to the lesser of the Liquidity Shortfall and the Available Liquidity Facility, however, if the Liquidity Shortfall is less than £100,000, for the purpose of the calculation of the amount which has to be drawn down under this Agreement only, the Liquidity Shortfall will be deemed to be equal to £100,000.
- (d) Each Liquidity Revolving Drawing has to be equal to the lesser of the Liquidity Shortfall and the Liquidity Reserve Loan.

#### **3.3 Conditions Precedent**

Except as the Liquidity Facility Provider may otherwise agree, the Issuer may not deliver any LF Notice of Drawing unless:

- (a) the Notes have been issued on the Closing Date; and
- (b) the Liquidity Facility Provider has confirmed to the Issuer that it has received all of the documents and other evidence listed in schedule 2 (*Conditions precedent*) and that each is, in form and substance, satisfactory to the Liquidity Facility Provider.



**SECTION C**  
**AVAILABILITY OF THE LIQUIDITY FACILITY**

**4. AVAILABILITY OF LF REVOLVING DRAWINGS**

The Issuer (or the Cash Administrator on behalf of the Issuer) may make a LF Revolving Drawing if:

- (a) not later than 12:00 noon not less than two Business Days prior to the relevant LF Interest Payment Date, the Liquidity Facility Provider has received from the Issuer a completed LF Revolving Drawing Notice;
- (b) the date for the making of such LF Revolving Drawing and specified in the LF Revolving Drawing Notice is a LF Interest Payment Date;
- (c) the proposed amount of such LF Revolving Drawing has been calculated pursuant to clause 3.2 (*Purpose and Application*);
- (d) on such LF Interest Payment Date:
  - (i) the Note Trustee has not delivered a Note Enforcement Notice to the Issuer; and
  - (ii) the warranties made by the Issuer in clause 15 (*Issuer's warranties*) are true in all material respects;
- (e) no LF Event of Default or LF Potential Event of Default has occurred and is continuing or would result from the proposed drawdown;
- (f) a Liquidity Shortfall has occurred and is continuing;
- (g) the amount of the LF Revolving Drawing is no greater than the then current Liquidity Shortfall amount; and
- (h) the specified drawdown date is not on or after the Scheduled Liquidity Facility Termination Date or the Liquidity Facility Termination Date.

**5. AVAILABILITY OF LIQUIDITY RESERVE DRAWINGS AND LIQUIDITY REVOLVING DRAWINGS**

**5.1 Liquidity Reserve Drawing**

The Issuer (or the Cash Administrator on behalf of the Issuer) shall make a Liquidity Reserve Drawing if:

- (a)
  - (i) the Liquidity Facility Provider does not have a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings; or
  - (ii) the Liquidity Facility Provider has refused a request from the Issuer pursuant to clause 8.4 (*New Liquidity Facility Availability Period*);

and, in either such case, the Issuer has not entered into a replacement liquidity facility which is satisfactory for the purposes of clause 11.2 (*Cancellation in changed circumstances*);

- (b) not later than 12:00 noon on the proposed date for the making of such Liquidity Reserve Drawing, the Liquidity Facility Provider has received from the Issuer a completed Liquidity Reserve Drawing Notice;
- (c) the proposed date for the making of such Liquidity Reserve Drawing is a Business Day within the Liquidity Facility Availability Period which, as the case may require, is either:
  - (i) if the Liquidity Reserve Drawing is being drawn down pursuant to clause 5.1(a)(i), not later than 30 days after the date on which the Liquidity Facility Provider has notified the Issuer that the long term unsecured unsubordinated and unguaranteed debt obligations of the Liquidity Facility Provider have ceased to have a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings; or
  - (ii) if the Liquidity Reserve Drawing is being drawn down pursuant to clause 5.1(a)(ii), not more than one Business Days prior to the Scheduled Liquidity Facility Termination Date or the Liquidity Facility Termination Date;
- (d) the first Liquidity Reserve Loan Period in respect of the Liquidity Reserve Drawing specified in the Liquidity Reserve Drawing Notice complies with the requirements of clause 6.2 (*Duration of Liquidity Reserve Loan Periods*);
- (e) the proposed amount of the Liquidity Reserve Drawing is an amount equal to the Available Liquidity Facility;
- (f) on and as of the date of the making of such Liquidity Reserve Drawing:
  - (i) the Note Trustee has not delivered a Note Enforcement Notice;
  - (ii) the warranties made by the Issuer in clause 15 (*Issuer's warranties*) are true in all material respects; and
- (g) no LF Event of Default or LF Potential Event of Default has occurred and is continuing or would result from the proposed drawdown; and
- (h) the proposed date for the making of such Liquidity Reserve Drawing is not on or after the Liquidity Facility Termination Date.

## **5.2 Payment of Liquidity Reserve Drawing**

Upon making a Liquidity Reserve Drawing, the Liquidity Facility Provider shall forthwith pay the Liquidity Reserve Drawing into the Liquidity Reserve Account, which shall be:

- (a) if the Liquidity Event leading to the making of the Liquidity Reserve Drawing is a Ratings Liquidity Event, an account in the name of the Issuer with the Issuer Account Bank; or

- (b) if the Liquidity Event leading to the making of the Liquidity Reserve Drawing is a Renewal Liquidity Event, an account in the name of the Issuer with the Liquidity Facility Provider, provided that if the Liquidity Facility Provider ceases to have a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings, the Issuer and the Cash Administrator shall use reasonable commercial efforts to transfer the Liquidity Reserve Account, together with an amount equal to the Liquidity Reserve Loan, to the Issuer Account Bank or such other bank which has a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings within 60 days of the date on which the Liquidity Facility Provider no longer has the LF Minimum Long-term Ratings.

### **5.3 Remuneration and Replenishment of Liquidity Reserve Account**

If the Liquidity Reserve Drawing is made in accordance with clause 5.2(a):

- (a) the Issuer and the Cash Administrator shall use all reasonable endeavours to ensure that the rate of interest earned on such account will be an arm's-length commercial rate, as provided in clause 17.3 (Remuneration of Liquidity Reserve Account) of the Issuer Cash Administration and Account Bank Agreement;
- (b) before the last day of each Liquidity Reserve Loan Period the Issuer and the Cash Administrator shall realise any LF Eligible Investments made with funds withdrawn from the Liquidity Reserve Account pursuant to clause 5.4(b) during such Liquidity Reserve Loan Period and pay into the Liquidity Reserve Account an amount equal to the realised value of such LF Eligible Investments;
- (c) on the last day of each Liquidity Reserve Loan Period the Liquidity Facility Provider shall pay into the Liquidity Reserve Account an amount equal to any LF Eligible Investment Loss;
- (d) the Issuer shall be authorised on the last day of the relevant Liquidity Reserve Loan Period to net any amount owed to it by the Liquidity Facility Provider pursuant to clause 5.3(c) with any amount owed by it to the Liquidity Facility Provider with respect to the LF Funded Liquidity Reserve Loan; and
- (e) all interest earned on the Liquidity Reserve Account shall be for the account of the Issuer who, subject to the provisions of the Issuer Cash Administration and Account Bank Agreement, shall be entitled to withdraw and retain all interest earned on the Liquidity Reserve Account.

### **5.4 Drawings from the Liquidity Reserve Account**

The Issuer (or the Cash Administrator on behalf of the Issuer) shall only make withdrawals from the Liquidity Reserve Account:

- (a) to make a Liquidity Revolving Drawing;
- (b) to make LF Eligible Investments in accordance with clause 19 (*Investment in LF Eligible Investments*) of the Issuer Cash Administration and Account Bank Agreement;  
or

- (c) in order to repay the Liquidity Facility Provider in accordance with clause 9.5 (*Repayment of Liquidity Reserve Loan on Improved Rating*) or clause 9.6 (*Other Repayment of Liquidity Reserve Loan*).

## **5.5 Liquidity Revolving Drawings**

The Issuer (or the Cash Administrator on behalf of the Issuer) may make a Liquidity Revolving Drawing if:

- (a) the date for the making of such Liquidity Revolving Drawing is a LF Interest Payment Date;
- (b) the proposed amount of such Liquidity Revolving Drawing has been calculated pursuant to clause 3.2 (*Purpose and Application*);
- (c) on such LF Interest Payment Date:
  - (i) the Note Trustee has not delivered a Note Enforcement Notice to the Issuer; and
  - (ii) the warranties made by the Issuer in clause 15 (*Issuer's warranties*) are true in all material respects;
- (d) no LF Event of Default or LF Potential Event of Default has occurred and is continuing or would result from the proposed drawdown;
- (e) the proposed date for the making of such Liquidity Revolving Drawing is not on or after the Liquidity Facility Termination Date;
- (f) a Liquidity Shortfall has occurred and is continuing; and
- (g) the amount of the Liquidity Revolving Drawing is no greater than the then current Liquidity Shortfall amount.

## **5.6 Notification of Liquidity Revolving Drawing**

The Issuer or the Cash Administrator (on behalf of the Issuer) shall notify the Note Trustee and the Liquidity Facility Provider of the making of a Liquidity Revolving Drawing by delivery of a Liquidity Revolving Drawing Notice, which shall be irrevocable, on the date of the relevant drawing.

# **SECTION D INTEREST**

## **6. LF REVOLVING DRAWING PERIODS, LIQUIDITY REVOLVING DRAWING PERIODS AND LIQUIDITY RESERVE LOAN PERIODS**

### **6.1 LF Revolving Drawing Periods**

The duration of a LF Revolving Drawing Period shall be from (and including) the day on which the LF Revolving Drawing was made to (but excluding) the following LF Interest Payment Date.

## **6.2 Duration of Liquidity Reserve Loan Periods**

The duration of a Liquidity Reserve Loan Period shall be from (and including) one LF Interest Payment Date to (but excluding) the following LF Interest Payment Date except with respect to:

- (a) the first Liquidity Reserve Loan Period, which shall begin on the day the Issuer makes the Liquidity Reserve Drawing; and
- (b) the last Liquidity Reserve Loan Period which shall end on the day on which the LF Funded Liquidity Reserve Loan is repaid in full to the Liquidity Facility Provider.

## **6.3 Liquidity Revolving Drawing Periods**

The duration of a Liquidity Revolving Drawing Period shall be from (and including) the day on which the Liquidity Revolving Drawing was made to (but excluding) the following LF Interest Payment Date.

## **6.4 Non Business Days**

Any rules specified as "Business Day Conventions" in the Reference Rate Terms shall apply to each LF Interest Period.

# **7. PAYMENT AND CALCULATION OF INTEREST**

## **7.1 Interest on LF Revolving Drawings**

On the last day of each LF Revolving Drawing Period the Issuer shall pay accrued interest on the LF Revolving Drawing to which such LF Revolving Drawing Period relates.

## **7.2 Interest on Liquidity Reserve Loan**

On each LF Interest Payment Date the Issuer shall pay accrued interest in arrears on the amount of any LF Funded Liquidity Reserve Loan.

## **7.3 Calculation of Interest**

- (a) The rate of interest applicable to a LF Revolving Drawing or a LF Funded Liquidity Reserve Loan for any day during any applicable LF Interest Period shall be the rate per annum which is the sum of:
  - (i) the Applicable Liquidity Facility Margin; and
  - (ii) the Compounded Reference Rate for that day.
- (b) If any day during a LF Interest Period for a Loan is not a Business Day, the rate of interest on that Loan for that day will be the rate applicable to the immediately preceding Business Day.

## **7.4 Accrual of Interest**

Interest shall accrue on the outstanding daily balance of each LF Revolving Drawing or LF Funded Liquidity Reserve Loan on a daily basis during any applicable LF Revolving Drawing Period or Liquidity Reserve Loan Period and will be calculated:

- (a) on the basis of actual days elapsed and a year of 365 days; and
- (b) subject to clause 7.6 (*Rounding*), to the extent reasonably practicable for the Liquidity Facility Provider (taking into account the capabilities of any software used for that purpose), without rounding.

#### **7.5 Accrual of Default Interest**

Interest under clause 23.2 (*Default Interest*) (if unpaid) shall accrue daily on the outstanding daily balance of the overdue amount (including any accrued unpaid interest) and shall be calculated:

- (a) on the basis of actual days elapsed and a year of 365 days; and
- (b) subject to clause 7.6 (*Rounding*), to the extent reasonably practicable for the Liquidity Facility Provider (taking into account the capabilities of any software used for that purpose), without rounding.

#### **7.6 Rounding**

The aggregate amount of any accrued interest which becomes payable by the Issuer under this Agreement shall be rounded to 2 decimal places.

#### **7.7 Notification**

- (a) The Liquidity Facility Provider shall promptly upon an Interest Payment being determinable notify the Issuer of:
  - (i) that Interest Payment; and
  - (ii) each applicable rate of interest relating to the determination of that Interest Payment.
- (b) This clause 7.7 shall not require the Liquidity Facility Provider to make any notification to any Party on a day which is not a Business Day.

### **SECTION E INCREASE, RENEWAL, REPAYMENT AND CANCELLATION**

#### **8. INCREASING AND RENEWING THE LIQUIDITY FACILITY**

##### **8.1 Request for increase**

The Issuer and the Liquidity Facility Provider may, at any time, increase the Liquidity Facility Amount to the amount requested by the Issuer in a notice to the Liquidity Facility Provider and as may be agreed by the Liquidity Facility Provider, at its discretion, in a notice to the Issuer, each such notice complying with the Common Terms. Entering into this Agreement will not cause the Liquidity Facility Provider to incur any obligation to advance funds in excess of the Liquidity Facility Amount as at the 2014 Amendment Date or after the expiry of the Liquidity Facility Availability Period as at the 2014 Amendment Date.

## 8.2 Agreement of increase

If the Liquidity Facility Provider agrees to increase the Liquidity Facility Amount to the amount notified to it pursuant to clause 8.1 (*Request for increase*), then the Liquidity Facility Amount shall, from the later of:

- (a) such date as may be specified in the notice from the Issuer to the Liquidity Facility Provider; and
- (b) the date upon which the Liquidity Facility Provider gives notice of its agreement to the requested increase in the Liquidity Facility Amount,

be increased to the requested amount.

## 8.3 Request for Renewal

The Liquidity Facility shall be a 364 day facility, however, the Issuer may, not less than 60 days before the Scheduled Liquidity Facility Termination Date, by written notice substantially in the form set out in schedule 6 (*Liquidity Facility Renewal Letter*), to the Liquidity Facility Provider, request the Liquidity Facility Provider to agree to provide a sterling, committed, revolving liquidity facility on the same terms as the terms of this Agreement and commencing on the Business Day prior to the Scheduled Liquidity Facility Termination Date (the "**Renewal Date**").

## 8.4 New Liquidity Facility Availability Period

Following a request pursuant to clause 8.3 (*Request for Renewal*), the Liquidity Facility Provider shall notify the Issuer (with a copy to the Cash Administrator) whether it agrees or refuses such request not less than 30 days before the Scheduled Liquidity Facility Termination Date and:

- (a) if it agrees to such request, the Liquidity Facility Provider shall deliver to the Issuer a letter confirming its acceptance and:
  - (i) the existing Liquidity Facility Availability Period shall be cancelled and the new Scheduled Liquidity Facility Termination Date will take effect and the new Liquidity Facility Availability Period will commence with effect from the Renewal Date;
  - (ii) any LF Revolving Loan and other moneys outstanding hereunder shall be treated as outstanding under a new 364 day committed revolving facility granted by the Liquidity Facility Provider to the Issuer on the terms of this Agreement subject to such amendments as may be agreed between the Liquidity Facility Provider and the Issuer; and
  - (iii) except where amendments are agreed pursuant to clause 8.4(a)(ii) and subject to the provisions of such notice, no further documentation other than this Agreement shall be required to evidence such new facility or any aspect thereof,
- (b) if the Liquidity Facility Provider does not agree to such request, it may refuse the same whereupon the Liquidity Facility Provider shall act in accordance with clause 5.1 (*Liquidity Reserve Drawing*). Following the drawing of the Available Liquidity Facility by reason of the refusal to agree with a request for renewal made pursuant to clause 8.3

(*Request for Renewal*), the Liquidity Facility Amount shall be reduced to zero from such date as shall be notified by the Liquidity Facility Provider to the Issuer (with a copy to the Cash Administrator); and

- (c) failure to respond to a Liquidity Facility Renewal Letter by the date falling 29 days before the Scheduled Liquidity Facility Termination Date shall constitute a refusal of the request.

## **9. REPAYMENT**

### **9.1 Repayment of LF Revolving Drawings**

Subject to the other provisions of this clause, the Issuer shall repay each LF Revolving Drawing on the last day of the LF Revolving Drawing Period applicable to such LF Revolving Drawing.

### **9.2 Repayment Mechanics**

On each LF Interest Payment Date, the Issuer (or the Cash Administrator on behalf of the Issuer) may make a new LF Revolving Drawing pursuant to clause 4 (*Availability of LF Revolving Drawings*) to repay an outstanding LF Revolving Drawing which is payable on such LF Interest Payment Date. The amount drawn down pursuant to such new LF Revolving Drawing and the amount due and payable under such outstanding LF Revolving Drawing shall be netted, such that:

- (a) if, on that LF Interest Payment Date, the amount of such new LF Revolving Drawing minus the amount of such outstanding LF Revolving Drawing is a negative number, the Issuer shall pay to the Liquidity Facility Provider on that LF Interest Payment Date an amount equal to the absolute value of such number; and
- (b) if, on that LF Interest Payment Date, the amount of such new LF Revolving Drawing minus the amount of such outstanding LF Revolving Drawing is a positive number, the Liquidity Facility Provider shall pay to the Issuer on that LF Interest Payment Date an amount equal to such number.

### **9.3 Repayment of LF Revolving Drawings following occurrence of Liquidity Event**

Any LF Revolving Drawings that have been made prior to the occurrence of a Liquidity Event shall, following the occurrence of a Liquidity Event which has not been subsequently cured, be repaid by crediting such amounts to the Liquidity Reserve Account on the last day of the LF Revolving Drawing Period applicable to such LF Revolving Drawing.

### **9.4 Repayment of Liquidity Revolving Drawings**

During the Liquidity Reserve Loan Period, any Liquidity Revolving Drawing which has been withdrawn from the Liquidity Reserve Account in accordance with clause 5.5 (*Liquidity Revolving Drawings*) shall be repaid by crediting such amount to the Liquidity Reserve Account on the last day of the Liquidity Revolving Drawing Period applicable to such Liquidity Revolving Drawing. Any Liquidity Revolving Drawing which is outstanding after the repayment of the LF Funded Liquidity Reserve Loan pursuant to clause 9.5 (*Repayment of Liquidity Reserve Loan on Improved Rating*) or clause 9.6 (*Other Repayment of Liquidity Reserve Loan*) shall be repaid to the Liquidity Facility Provider on the last day of the Liquidity Revolving Drawing Period applicable to such Liquidity Revolving Drawing.



## **9.5 Repayment of Liquidity Reserve Loan on Improved Rating**

If, during any Liquidity Reserve Loan Period which commenced by reason of the application of the provisions of clause 5.1(a)(i), the Liquidity Facility Provider is ascribed a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings then:

- (a) the Liquidity Facility Provider shall notify the Issuer (with a copy to the Cash Administrator) and the Note Trustee as soon as practicable;
- (b) the Issuer shall pay to the Liquidity Facility Provider, one Business Day after receiving such notification, an amount equal to the LF Funded Liquidity Reserve Loan less any amounts to be paid in accordance with clause 9.4 (*Repayment of Liquidity Revolving Drawings*);
- (c) subject to clause 9.5(b), any interest accrued with respect to the LF Funded Liquidity Reserve Loan and any amounts earned on the LF Eligible Investments made with funds withdrawn from the Liquidity Reserve Account pursuant to clause 5.4(a) will be paid to the Issuer on the following LF Interest Payment Date; and
- (d) the Available Liquidity Facility shall again become available in an amount equal to the amount of the LF Funded Liquidity Reserve Loan repaid and the Issuer shall again be entitled to make LF Revolving Drawings in accordance with clause 4 (*Availability of LF Revolving Drawings*).

## **9.6 Other Repayment of Liquidity Reserve Loan**

Any LF Funded Liquidity Reserve Loan outstanding shall be repaid by the Issuer to the Liquidity Facility Provider, unless such LF Funded Liquidity Reserve Loan is repaid earlier in accordance with this Agreement, in full on the later of:

- (a) the Class A Final Maturity Date; and
- (b) the Class B Final Maturity Date, in each case following the application of the relevant Issuer Priority of Payments on such date.

## **9.7 No other repayments**

The Issuer shall not repay all or any part of any LF Revolving Drawing, Liquidity Revolving Drawing or all or any part of any Liquidity Reserve Loan except at the time and in the manner expressly provided in this Agreement but, subject to the other terms of this Agreement, shall be entitled to borrow any amount repaid.

## **9.8 Mandatory Prepayment of Liquidity Reserve Drawing**

- (a) On each Interest Payment Date commencing on and following a Relevant Liquidity Reserve Amortisation Date, the Issuer (or the Cash Administrator on its behalf) shall:
  - (i) apply the proceeds of any Restricted Payment which became available on the immediately preceding Loan Payment Date in accordance with the Restricted Payment Order of Payment; and
  - (ii) pay to the Liquidity Facility Provider an amount equal to the Mandatory LF Prepayment Amount in prepayment of any Relevant Liquidity Reserve

Drawing together with any accrued interest thereon, provided that such amounts shall be paid in accordance with the Restricted Payment Order of Payments,

provided that, if the Restricted Payment Condition has not been met on such Interest Payment Date, the Issuer (or the Cash Administrator on its behalf) shall pay to the Liquidity Facility Provider the relevant Mandatory LF Prepayment Amount payable for such Interest Period on the next following business day on which the Restricted Payment Condition is satisfied.

- (b) Any amounts prepaid pursuant to this clause 9.8 (*Mandatory Prepayment of Liquidity Reserve Drawing*) and/or any Voluntary LF Prepayments shall not be available to be redrawn and:
  - (i) the Liquidity Facility Amount shall be reduced; and
  - (ii) the Liquidity Facility Provider's commitment to advance such Liquidity Facility Amount shall be cancelled, in each case by an amount equal to such prepayment amount.
- (c) If a replacement liquidity facility is provided by a replacement liquidity facility provider which has a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings in accordance with the terms hereof, and such replacement liquidity facility provider's commitment is in an amount equal to or greater than the aggregate of the Liquidity Facility Amount and the Aggregate Mandatory LF Prepayment Amount, then amounts standing to the credit of the Liquidity Reserve Account less any amounts due and payable to the Liquidity Facility Provider shall be paid to the Issuer.
- (d) Any Mandatory LF Prepayment Amount and/or any Voluntary LF Prepayments shall be taken into account when determining whether (or for what amount) a request for a Liquidity Revolving Drawing may be made.
- (e) On each Interest Payment Date commencing on and following a Relevant Liquidity Reserve Amortisation date up to and including the Liquidity Facility Termination Date, the Issuer (or the Cash Administrator on its behalf) shall supply a compliance certificate to the Liquidity Facility Provider confirming the Mandatory LF Prepayment Amount.
- (f) The compliance certificate shall, amongst other things, set out calculations and the basis of such calculations in reasonable detail sufficient for the Liquidity Facility Provider to confirm the calculation of the Mandatory LF Prepayment Amount and to prove compliance with this clause 9.8 including, without limitation, the balances on the Dplc Excess Account and Dplc Reserve Account, any Dplc Permitted Payments, the Dplc Retention Balance, the Dplc Remaining Amount, Projected Acquisition Costs, Projected Corporation Tax, Projected Dividends and Projected Operating Costs, and any further information as may be reasonably requested by the Liquidity Facility Provider.
- (g) Each compliance certificate shall be signed by the Issuer (or the Cash Administrator on its behalf). The format of the compliance certificate shall be agreed between the Liquidity Facility Provider and the Issuer (or the Cash Administrator on its behalf) acting reasonably within 30 days of the Relevant Liquidity Reserve Amortisation Date and may be amended from time to time as may be agreed between the Liquidity Facility Provider and the Issuer (or the Cash Administrator on its behalf).

- (h) The amount of any Mandatory LF Prepayment Amount shall be calculated by the Cash Administrator in accordance with the terms of the Obligor Cash Administration and Account Bank Agreement and notified to the Liquidity Facility Provider on the Loan Payment Date immediately preceding the relevant Interest Payment Date on which such Mandatory LF Prepayment Amount is due to be paid.

## **9.9 Repayments to the Liquidity Facility Provider**

Without prejudice to the provisions of this clause 9 (*Repayment*) any amounts due or payable to the Liquidity Facility Provider (including, for the avoidance of doubt, any Liquidity Facility Subordinated Amounts) shall be payable in accordance with the terms hereof and the Issuer Cash Administration Account Bank Agreement to such account as the Liquidity Facility Provider may notify to the Issuer and the Cash Administrator from time to time.

## **10. TERMINATION**

On the Liquidity Facility Termination Date the Liquidity Facility shall terminate and any LF Revolving Loan, Liquidity Revolving Loan or LF Funded Liquidity Reserve Loan shall be repaid to the Liquidity Facility Provider in accordance with this Agreement. The commitments of the Liquidity Facility Provider shall be automatically cancelled at the close of business on the Liquidity Facility Termination Date.

## **11. CANCELLATION**

### **11.1 Voluntary cancellation**

- (a) The Issuer (or the Cash Administrator on behalf of the Issuer) may, by giving to the Liquidity Facility Provider not less than 30 Business Days' prior notice to that effect, cancel the whole or any part (being an amount or integral multiple of £100,000) of the undrawn Liquidity Facility Amount whereupon the Available Liquidity Facility shall be reduced by the amount so cancelled. No such notice of cancellation may be delivered by the Issuer (or the Cash Administrator on behalf of the Issuer) unless:
  - (i) the Issuer has obtained the prior written consent of the Note Trustee and has provided the Liquidity Facility Provider with a copy of such consent; and
  - (ii) the Rating Agencies have confirmed in writing to the parties hereto that such cancellation would not result in a downgrading of any class of Notes below the then current rating.

During such notice period the Issuer may not deliver a LF Revolving Drawing Notice or a Liquidity Reserve Drawing Notice purporting to draw all or any part of the amount the subject of such notice of cancellation.

- (b) The Liquidity Facility Provider may suggest to the Issuer to cancel the whole or any part of the undrawn Liquidity Facility Amount in accordance with clause 11.1(a), in which case the Issuer shall, at its own expense, in accordance with clause 11.1(a), seek the consent of the Note Trustee to such cancellation and the confirmation from the Rating Agencies that such cancellation would not result in a downgrading of any class of Notes below the then current rating.

## 11.2 Cancellation in changed circumstances

If:

- (a) at any time the Liquidity Facility Provider does not have a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings; or
- (b) the Liquidity Facility Provider has refused a request for renewal made in accordance with Clause 9.3 (Request for Renewal); and
- (c) the Issuer has notified the Note Trustee and has made satisfactory arrangements for obtaining a replacement liquidity facility on substantially the same terms as this Agreement with a bank which has a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings,

then the Issuer (or the Cash Administrator on behalf of the Issuer) may, by giving to the Liquidity Facility Provider not less than 30 Business Days' prior notice, cancel the whole (but not part only) of the Liquidity Facility Amount whereupon the Available Liquidity Facility shall be reduced to zero and no further LF Revolving Drawing or Liquidity Reserve Drawing may be made hereunder and if any LF Revolving Drawing is then outstanding, the Issuer shall repay such LF Revolving Drawing on the last day of its LF Revolving Drawing Period.

## 11.3 Notice of Cancellation or Prepayment

Any notice of cancellation given by the Issuer (or the Cash Administrator on behalf of the Issuer) pursuant to clause 11.1 (*Voluntary cancellation*) or 11.2 (*Cancellation in changed circumstances*) shall be irrevocable and shall specify the date upon which such cancellation is to be made and the amount of such cancellation.

## SECTION F CHANGE IN CIRCUMSTANCES

## 12. INCREASED COSTS

### 12.1 Increased costs

Subject to clause 12.3 (*Exclusions*) the Issuer shall within three Business Days of a demand by the Liquidity Facility Provider, pay to the Liquidity Facility Provider the amount of any Increased Costs incurred by the Liquidity Facility Provider as a result of:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation after the 2014 Amendment Date;
  - (b) compliance with any law or regulation made after the 2014 Amendment Date;
- or
- (c) the implementation or application of, or compliance with, Basel III or CRD IV or any law or regulation that implements or applies Basel III or CRD IV.

In this Agreement "**Increased Costs**" means:

- (i) a reduction in the rate of return from the Liquidity Facility or on the Liquidity Facility Provider's overall capital;
- (ii) an additional or increased cost; or
- (iii) a reduction of any amount due and payable under this Agreement and/or any side letter or fee letter related to this Agreement,

which is incurred or suffered by the Liquidity Facility Provider to the extent that it is attributable to the Liquidity Facility Provider having entered into a commitment or funding or performing its obligations under this Agreement and/or any side letter or fee letter related to this Agreement;

"**Basel III**" means:

- (i) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;
- (ii) the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and
- (iii) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III"; and

"**CRD IV**" means:

- (i) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms; and
- (ii) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

## **12.2 Increased costs claims**

If the Liquidity Facility Provider intends to make a claim pursuant to clause 12.1 (*Increased costs*) it shall notify the Issuer (with a copy to the Cash Administrator) of the event giving rise to such claim.

## **12.3 Exclusions**

Clause 13.1 (Increased costs) does not apply to the extent any Increased Cost is:

- (a) attributable to a Tax Deduction required by law to be made by the Issuer;

- (b) compensated for by paragraph 3.5 (*Tax Indemnity*) of Part 2 of the Common Terms or would have been so compensated but was not so compensated solely because any of the exclusions in paragraph 3.6 (*Exception to clause 3.5*) of Part 2 of the Common Terms applied; or
- (c) attributable to the wilful breach by the Liquidity Facility Provider of any law or regulation.

### **13. ILLEGALITY**

**13.1** If, in any applicable jurisdiction, it becomes unlawful for the Liquidity Facility Provider to perform any of its obligations as contemplated by this Agreement or to fund or maintain any LF Loan, then the Liquidity Facility Provider shall, promptly after becoming aware of this, deliver to the Issuer (with a copy to the Cash Administrator) and the Note Trustee a notice to such effect and:

- (a) the Issuer shall not thereafter be entitled to make any LF Revolving Drawing, or any Liquidity Reserve Drawing and the Liquidity Facility Amount and the Available Liquidity Facility shall be immediately reduced to zero; and
- (b) the Issuer shall on such date as the Liquidity Facility Provider shall have specified repay to the Liquidity Facility Provider any then outstanding LF Revolving Drawings, Liquidity Revolving Drawing and/or LF Funded Liquidity Reserve Loan, together with accrued interest and all other amounts owing under this Agreement.

### **14. MITIGATION**

#### **14.1 Mitigation**

If circumstances arise which would, or would upon the giving of notice, result in:

- (a) an increase in any sum payable to the Liquidity Facility Provider or for its account pursuant to paragraph 3.3 (*Tax gross-up*) of Part 2 of the Common Terms;
- (b) a claim for indemnification pursuant to clause 12 (*Increased costs*) or paragraph 3.5 (*Tax indemnity*) of Part 2 of the Common Terms;
- (c) the reduction of the Liquidity Facility Amount and the Available Liquidity Facility to zero or any repayment being required to be made by the Issuer pursuant to clause 13 (*Illegality*),

then, without in any way limiting, reducing or otherwise qualifying the rights of the Liquidity Facility Provider or the obligations of the Issuer under any of the provisions referred to above, the Liquidity Facility Provider shall, promptly upon becoming aware of such circumstances, notify the Issuer (with a copy to the Cash Administrator) and, in consultation with the Issuer, to the extent that it can do so lawfully and without prejudice to its own position, take reasonable steps (including a change in the location of its LF Facility Office or the transfer of its rights, benefits and obligations under this Agreement to another financial institution acceptable to the Issuer and willing to participate in the Liquidity Facility) to mitigate the effects of such circumstances.

## **14.2 Limitation on Mitigation**

The Liquidity Facility Provider shall be under no obligation to take any action contemplated by clause 14.1 (*Mitigation*) if, in the opinion of the Liquidity Facility Provider, to do so might have any adverse effect upon its business, operations or financial condition (other than any minor costs and expenses of an administrative nature).

## **SECTION G WARRANTIES AND COVENANTS**

## **15. ISSUER'S WARRANTIES**

### **15.1 Warranties**

The Issuer represents and warrants to the Note Trustee, the Cash Administrator and the Liquidity Facility Provider on the terms of the Issuer Warranties but:

- (a) as if references in the Issuer Warranties to the "Notes" were references to:
  - (i) the "Class A Notes"; and
  - (ii) the "Class B Notes";
- (b) as if references in the Issuer Warranties to the "Prospectus" were references to the Prospectus dated the Closing Date; and
- (c) as if references in the Issuer Warranties to the "Transaction Documents" and the "Relevant Transaction Documents" were respectively references to the Primary Issuer Transaction Documents and the Relevant Primary Issuer Transaction Documents.

The Issuer acknowledges that the Liquidity Facility Provider has entered into this Agreement in reliance on such representations and warranties.

### **15.2 Repetition of Warranties**

The Issuer Warranties shall be deemed to be repeated by the Issuer, by reference to the facts and circumstances then existing, on the day of each LF Revolving Drawing Notice, Liquidity Revolving Drawing Notice or Liquidity Reserve Drawing Notice, on the first day of each LF Revolving Drawing Period, Liquidity Revolving Drawing Period or Liquidity Reserve Loan Period but:

- (a) as if references in the Issuer Warranties to the "Closing Date" were references to the most recent Closing Date;
- (b) as if references in the Issuer Warranties to the "Notes" were references to the Notes issued on or prior to the date on which the relevant representation and warranty is being made and references to the "Class A Notes" and the "Class B Notes" were respectively references to all Class A Notes and all Class B Notes issued on or prior to such date;
- (c) as if references in the Issuer Warranties to "the Prospectus" were references to each prospectus issued by the Issuer on or prior to the date on which the relevant representation and warranty is being made;

- (d) as if references in the Issuer Warranties to the "Temporary Global Notes" and the "Permanent Global Notes" were respectively references to all Temporary Global Notes and all Permanent Global Notes issued on or prior to the date on which the relevant representation and warranty is being made; and
- (e) as if references in the Issuer Warranties to the "Transaction Documents" and the "Relevant Transaction Documents" were respectively references to all Primary Transaction Documents and all Relevant Primary Transaction Documents executed on or prior to the date on which the relevant representation and warranty is being made.

## **16. LIQUIDITY FACILITY PROVIDER'S WARRANTIES**

### **16.1 Liquidity Facility Provider's Warranties**

The Liquidity Facility Provider represents and warrants to the Issuer, the Cash Administrator and the Note Trustee that:

- (a) Status: the Liquidity Facility Provider is duly incorporated with limited liability under the laws of its jurisdiction of incorporation and is an authorised person under the Financial Services and Markets Act 2000;
- (b) Rating: it has a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings and is not on "credit watch" or comparable status;
- (c) Tax status: the Liquidity Facility Provider is a bank as defined for the purposes of Section 879 of the Income Tax Act 2007 and is beneficially entitled to payments of interest received by it under this Agreement and is within the charge to United Kingdom corporation tax as respects such interest or would be within such charge as respects such interest apart from section 18A CTA 2009;
- (d) Powers and authorisations: the documents which contain or establish the constitution of the Liquidity Facility Provider include provisions which give power, and all necessary corporate authority has been obtained and action taken, for the Liquidity Facility Provider to sign and deliver, and perform the transactions contemplated in, this Agreement and the agreements entered into in connection with this Agreement and the agreements entered into by the Liquidity Facility Provider in connection with this Agreement constitute valid, legal and binding obligations of the Liquidity Facility Provider; and
- (e) Non-violation: neither the signing and delivery of this Agreement nor the performance of any of the transactions contemplated in it does or will contravene or constitute a default under, or cause to be exceeded any limitation on the Liquidity Facility Provider or the powers of its directors imposed by or contained in:
  - (i) any law by which it or any of its assets is bound or affected;
  - (ii) the documents which contain or establish its constitution; or
  - (iii) any agreement to which it is a party or by which any of its assets is bound.



## **16.2 Survival**

The representations and warranties set out in this clause 16.2 (*Survival*) shall survive the signing and delivery of this Agreement and be deemed to be repeated by the Liquidity Facility Provider, by reference to the facts and circumstances then existing, on the first day of each LF Revolving Drawing Period and on the first day of each Liquidity Reserve Loan Period and on each date on which interest is payable by the Issuer to the Liquidity Facility Provider.

## **17. ISSUER'S AND CASH ADMINISTRATOR'S COVENANTS**

### **17.1 Issuer's Covenants**

- (a) The Issuer covenants with the Note Trustee and the Liquidity Facility Provider on the terms of the Issuer Covenants.
- (b) The Issuer covenants that if a Liquidity Event occurs it will use reasonable endeavours to enter into a replacement liquidity facility agreement on substantially the same terms as this Agreement with a bank having a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings.
- (c) The Issuer covenants with the Liquidity Facility Provider that, at all times until the Liquidity Facility Termination Date, the amount borrowed or available to be borrowed by the Issuer under the Working Capital Facility Agreement will not exceed £5,000,000.
- (d) The Issuer covenants with the Liquidity Facility Provider that, at all times until the Liquidity Facility Termination Date, it will comply with the purpose and limitations set out in clause 3.2 (*Purpose and Application*) and that amounts drawn down under this Agreement or withdrawn from the Liquidity Reserve Account will be applied in accordance with the provisions of this Agreement and the Issuer Cash Administration and Account Bank Agreement.

### **17.2 Issuer's and Cash Administrator's Covenant**

The Issuer and the Cash Administrator covenant with the Liquidity Facility Provider to invest amounts standing to the credit of the Liquidity Reserve Account in LF Eligible Investments as the Liquidity Facility Provider may direct and in accordance with this Agreement and the Cash Administration and Account Bank Agreement.

### **17.3 Continuation of Covenants**

The covenants in this clause 17.3 (*Continuation of Covenants*) shall remain in force until the later of the Liquidity Facility Termination Date and the date upon which all amounts advanced hereunder have been paid, discharged and satisfied in full but without prejudice to any right or remedy of the Issuer or the Note Trustee arising from the breach of any such covenant prior to such date.

**SECTION H**  
**LF EVENTS OF DEFAULT**

**18. LF EVENTS OF DEFAULT**

**18.1 LF Events of Default**

If any of the following shall occur, namely:

- (a) Failure to Pay: without prejudice to clause 7.3 (*Subordination*) of Part 1 of the Common Terms, the Issuer fails to pay any sum due from it under this Agreement (including, for the avoidance of doubt, any Liquidity Facility Subordinated Amounts) at the time, in the currency and in the manner specified in this Agreement and such failure continues, in the case of failure to pay principal, for a period of five days;
- (b) Note Enforcement Notice: the Note Trustee delivers a Note Enforcement Notice;
- (c) Cashflow Insolvency: the Issuer is unable to pay its debts as they fall due within the meaning of section 123(1) of the Insolvency Act 1986 (after taking into account any amounts available to be drawn by it under this Agreement).
- (d) Insolvency:
  - (i) at any time when no administrative receiver or receiver of the whole or substantially the whole of the Issuer's property has been appointed in respect of the Issuer:
    - (A) an administrator is appointed in relation to the Issuer (whether by court order or otherwise);
    - (B) the Issuer goes into liquidation within the meaning of section 247(2) of the Insolvency Act 1986 (except for a winding up for the purpose of a merger, reorganisation or amalgamation the terms of which have previously been approved in writing by the Note Trustee); or
    - (C) the making of an order for administration or dissolution in relation to the Issuer;
  - (ii) any administrative receiver or receiver of the whole or substantially the whole of the Issuer's property appointed under the Issuer Security Deed or the Security Trust Deed is removed as a result of the appointment of a liquidator or an administrator.
- (e) Other Obligations: the Issuer fails duly to perform or comply with any obligation, condition or provision expressed to be assumed by it in this Agreement and such failure continues for 30 days after the Liquidity Facility Provider has given notice of such failure to perform or comply to the Issuer requiring remedy except where, in the opinion of the Note Trustee, any such failure by the Issuer is not capable of remedy in which case no such notice or continuation will be required;
- (f) The Issuer's Business: the Issuer ceases to carry on the business or a substantial part of the business it carries on at the 2014 Amendment Date; or

- (g) Illegality: at any time it is or becomes unlawful for the Issuer to perform or comply with any or all of its obligations under this Agreement or any of the obligations of the Issuer under this Agreement are not or cease to be legal, valid, binding and enforceable;

then, and at any time thereafter whilst the relevant event is continuing, the Liquidity Facility Provider may by notice to the Issuer take the action described in clause 18.2 (*Acceleration and cancellation*).

## **18.2 Acceleration and cancellation**

Upon the occurrence of a LF Event of Default and at any time thereafter whilst it is continuing the Liquidity Facility Provider may by notice in writing to the Issuer:

- (a) declare all then outstanding LF Revolving Drawings and any outstanding LF Funded Liquidity Reserve Loan immediately due and payable to the Liquidity Provider (whereupon the same shall become so payable together with accrued interest and any other sums then owed by the Issuer under this Agreement); and/or
- (b) declare that any undrawn portion of the Liquidity Facility shall be cancelled, whereupon the same shall be cancelled and the Available Liquidity Facility shall be reduced to zero.

## **SECTION I RELATIONSHIP BETWEEN ISSUER, TRUSTEE, CASH ADMINISTRATOR AND LIQUIDITY FACILITY PROVIDER**

### **19. RELATIONSHIP**

#### **19.1 Limitations on Issuer's, Cash Administrator's and Note Trustee's responsibilities**

Except as expressly set out in any of the Transaction Documents, none of the Note Trustee, the Issuer and the Cash Administrator makes any representation or warranty to the Liquidity Facility Provider or assumes any responsibility to the Liquidity Facility Provider, with respect to:

- (a) the legality, validity or enforceability of the LF Loans or any of the Transaction Documents;
- (b) the financial condition of any person who is party to any of the Transaction Documents; or
- (c) the performance or observance by any person of his obligations in respect of the LF Loans or any of the Transaction Documents and, in particular, but without limitation, if any person shall fail to comply with any of its obligations in respect of the LF Loans, or under any of the Transaction Documents, the Liquidity Facility Provider acknowledges that (except as expressly set out in any of the Transaction Documents) it shall have no recourse to the Issuer, the Cash Administrator or the Note Trustee in respect of such failure.

#### **19.2 Independent appraisal**

The Liquidity Facility Provider confirms to the Issuer, the Cash Administrator and the Note Trustee that it has itself been, and will continue always to be, solely responsible for making its own independent appraisal of and investigations into the financial, economic, credit, legal and

other risks which, by becoming a party hereto, it is assuming; in particular, if any such risk materialises and as a result the Liquidity Facility Provider incurs any Liabilities, the Liquidity Facility Provider shall have no recourse (other than as expressly set out in the Transaction Documents) to the Issuer, the Cash Administrator or the Note Trustee in respect of such Liabilities.

### **19.3 Position of Trustee**

The Note Trustee has agreed to become a party to this Agreement only for the purpose of taking the benefit of clause 15 (*Issuer's warranties*), clause 16 (*Liquidity Facility Provider's Warranties*), clause 17.1 (*Issuer's Covenants*) and clause 19 (*Relationship*). The Note Trustee shall assume no obligations or liabilities whatsoever to the Liquidity Facility Provider or the Issuer by virtue of the terms of this Agreement.

### **19.4 Cash Administrator**

The exercise of any right or discretion by the Cash Administrator on behalf of the Issuer under this Agreement shall be binding on the Issuer.

## **SECTION J SECURITY AND ENFORCEMENT**

### **20. SECURITY**

#### **20.1 Security**

The Issuer agrees that its obligations to the Liquidity Facility Provider under this Agreement shall at all times be secured in accordance with the Issuer Security Deed.

#### **20.2 Issuer Security Deed**

The Liquidity Facility Provider acknowledges that its rights under this Agreement are subject in all respects to the Issuer Security Deed and that the Note Trustee holds the benefit of the Security on trust for the Liquidity Facility Provider and other Issuer Secured Creditors in accordance with the Issuer Security Deed and on the terms of paragraph 8 (Provisions relating to the Trust Documents) of Part 1 of the Common Terms.

## **SECTION K FEES, COSTS, EXPENSES, INDEMNITIES AND PAYMENTS**

### **21. COMMITMENT AND ARRANGEMENT FEES**

#### **21.1 Commitment Fee**

The Issuer shall pay to the Liquidity Facility Provider a commitment fee on the amount of the Available Liquidity Facility from day to day during the Liquidity Facility Availability Period, such commitment fee to be calculated at the rate of 1.10% per annum and payable in arrear on each LF Interest Payment Date.

#### **21.2 Arrangement Fees**

The Issuer shall pay or procure payment to the Liquidity Facility Provider the arrangement fees, calculated at the rate of 0.5% of the Available Liquidity Facility and payable on the Closing

Date or on such Interest Payment Date following the Closing Date as may be agreed between the Liquidity Facility Provider and the Issuer.

## **22. COSTS AND EXPENSES**

### **22.1 Transaction Expenses**

The Issuer shall, from time to time on demand of the Liquidity Facility Provider, reimburse the Liquidity Facility Provider for all costs and expenses (including legal fees), together with any applicable VAT, incurred by it in connection with the negotiation, preparation and execution of this Agreement, any other document referred to in this Agreement and the completion of the transactions contemplated by this Agreement.

### **22.2 Preservation and Enforcement of Rights**

The Issuer shall, from time to time, on demand of the Liquidity Facility Provider, reimburse the Liquidity Facility Provider for all costs and expenses (including legal fees) on a full indemnity basis, together with any applicable VAT, incurred in or in connection with the preservation and/or enforcement of any of the rights of the Liquidity Facility Provider under this Agreement and any other document referred to in this Agreement (including, without limitation, any costs and expenses relating to any investigation as to whether or not a LF Event of Default or a LF Potential Event of Default might have occurred or is likely to occur or any steps necessary or desirable in connection with any proposal for remedying or otherwise resolving a LF Event of Default or a LF Potential Event of Default).

### **22.3 Amendment Costs**

If the Issuer requests any amendment, waiver or consent then the Issuer shall, within five Business Days of demand by the Liquidity Facility Provider, reimburse the Liquidity Facility Provider for all costs and expenses (including legal fees), together with any applicable VAT, incurred by the Liquidity Facility Provider in responding to or complying with such request.

### **22.4 Stamp Taxes**

The Issuer shall pay all stamp, registration and other documentary taxes or duties to which this Agreement or any judgment given in connection with this Agreement is or may at any time be subject and shall from time to time on demand of the Liquidity Facility Provider indemnify the Liquidity Facility Provider against any Liabilities resulting from any failure to pay or delay in paying any such tax.

## **23. DEFAULT INTEREST**

### **23.1 LF Default Interest Periods**

If any sum due and payable by the Issuer (including, for the avoidance of doubt, any Liquidity Facility Subordinated Amounts) under this Agreement, other than amounts due under clause 7.2 (*Interest on Liquidity Reserve Loan*), is not paid on the due date for payment of such sum or if any sum due and payable by the Issuer under any judgment of any court in connection with this Agreement is not paid on the date of such judgment, the period beginning on such due date or, as the case may be, the date of such judgment and ending on the date upon which the obligation of the Issuer to pay such sum is discharged shall be divided into successive periods, each of which (other than the first) shall start on the last day of the preceding such period and the duration of each of which shall (except as otherwise provided in this clause 23 (*Default Interest*)) be selected by the Liquidity Facility Provider.

## **23.2 Default Interest**

A LF Unpaid Sum shall bear interest on each day during each LF Default Interest Period relating to such LF Unpaid Sum determined pursuant to clause 23.1 (*LF Default Interest Periods*) at the rate per annum which is the sum of the applicable:

- (a) LF Default Margin; and
- (b) Compounded Reference Rate for that day,

and if any day during a LF Default Interest Period is not a Business Day, the rate of interest on that LF Unpaid Sum for that day will be the rate applicable to the immediately preceding Business Day.

## **23.3 Payment of Default Interest**

Any interest which shall have accrued under this clause 23 (*Default Interest*) in respect of a LF Unpaid Sum shall be due and payable and shall be paid by the Issuer to the Liquidity Facility Provider on the last day of the LF Default Interest Period by reference to which it is calculated or on such other date as the Liquidity Facility Provider may specify by notice to the Issuer (with a copy to the Cash Administrator).

## **24. ISSUER'S INDEMNITIES**

The Issuer undertakes to indemnify the Liquidity Facility Provider against:

### **24.1 In respect of LF Events of Default**

Any Liabilities, whether or not reasonably foreseeable, which it may sustain or incur as a consequence of the occurrence of any LF Event of Default, any LF Potential Event of Default or any default by the Issuer in the performance of any of the obligations expressed to be assumed by it in this Agreement.

### **24.2 In respect of funding costs**

Any Liabilities it may suffer or incur as a result of its funding or making arrangements to fund a LF Revolving Drawing or a Liquidity Reserve Drawing requested by the Issuer but not drawn down by reason of the operation of any one or more of the provisions of this Agreement.

### **24.3 In respect of mitigation costs**

Any Liabilities it may suffer or incur in complying with its obligations under clause 14.1 (*Mitigation*).

## **25. PAYMENTS**

Subject to paragraph 7.3 (Subordination) of the Common Terms, on each date upon which this Agreement requires an amount to be paid by the Issuer, the Issuer shall make the same available to the Liquidity Facility Provider on the due date in Sterling for immediate value no later than 4:00pm (London time) by payment to such account as the Liquidity Facility Provider may from time to time specify.

**SECTION L  
MISCELLANEOUS**

**26. ASSIGNMENTS**

**26.1 Assignments by the Liquidity Facility Provider**

The Liquidity Facility Provider may, at any time, assign all or any of its rights and benefits hereunder to another entity which is able to give the representations and warranties set out in clause 16.1(c) which has a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings. No such assignment may be made:

- (a) without prior consultation with the Issuer for no more than five Business Days and prior notification to the Note Trustee (except in the case of an assignment to any subsidiary or holding company, or to any subsidiary of any holding company, of the Liquidity Facility Provider); or
- (b) if such assignment would result in a downgrading of any class of Notes below the then current rating.

**26.2 Disclosure of Information**

The Liquidity Facility Provider may disclose to:

- (a) any person with whom it is proposing to enter, or has entered into, any kind of transfer, participation or other agreement in relation to this Agreement; or
- (b) any person to whom information may be required to be disclosed pursuant to the operation of any law or regulation applicable to it or as may be required or requested by any regulatory or supervisory body or court of law:
  - (i) a copy of this agreement; and
  - (ii) any information which the Liquidity Facility Provider has acquired under or in connection with this Agreement,

provided, in the case of 26.2(b)(i), such person undertakes to the Issuer, the Cash Administrator and the Note Trustee to keep the information confidential.

**26.3 Change of Liquidity Facility Office**

The Liquidity Facility Provider may at any time by notice in writing to the Issuer (with a copy to the Cash Administrator) elect to change its LF Facility Office to another branch of the Liquidity Facility Provider situated in the United Kingdom.

**26.4 Assignment by the Issuer**

The Issuer may not assign, transfer, novate or dispose of any of, or any interest in, the Liquidity Facility and/or its rights and/or obligations under this Agreement other than to the Note Trustee pursuant to the Issuer Security Deed.

## **26.5 Security over the Liquidity Facility Provider's rights**

In addition to the other rights provided to the Liquidity Facility Provider under this clause 26 (*Assignments*), the Liquidity Facility Provider may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create Security (as defined below) in or over (whether by way of collateral or otherwise) all or any of its rights under this Agreement to secure obligations of the Liquidity Facility Provider including, without limitation any charge, assignment or other Security to secure obligations to a federal reserve or central bank, except that no such charge, assignment or Security shall:

- (a) release the Liquidity Facility Provider from any of its obligations under this Agreement or substitute the beneficiary of the relevant charge, assignment or Security for the Liquidity Facility Provider as a party to this Agreement; or
- (b) require any payments to be made by an Obligor other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the Liquidity Facility Provider under this Agreement.

**26.6** For the purposes of this clause 26, "**Security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

## **27. CALCULATIONS AND EVIDENCE OF DEBT**

### **27.1 Evidence of debt**

The Liquidity Facility Provider shall maintain in accordance with its usual practice accounts evidencing the amounts from time to time lent by and owing to it hereunder.

### **27.2 Prima Facie Evidence**

In any legal action or proceeding arising out of or in connection with this Agreement, the entries made in the accounts maintained pursuant to clause 27.1 (*Evidence of debt*) shall be prima facie evidence of the existence and amounts of the specified obligations of the Issuer.

### **27.3 Certificates of the Liquidity Facility Provider**

A certificate of the Liquidity Facility Provider as to:

- (a) the amount by which a sum payable to it under this Agreement is to be increased under paragraph 3.3 (*Tax gross-up*) of Part 2 of the Common Terms;
- (b) the amount for the time being required to indemnify it against any such cost, payment or liability as is mentioned in clause 12.1 (*Increased costs*) or clause 24 (*Issuer's indemnities*) or paragraph 3.5 (*Tax Indemnity*) of Part 2 of the Common Terms; or
- (c) the amount of any Tax Credit, as is mentioned in paragraph 3.4 (*Tax Credits*) of Part 2 of the Common Terms,

shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the specified obligations of the Issuer.



**28. EXECUTION**

The parties have executed this Agreement on the date stated at the beginning of this Agreement.

**EXECUTION PAGES NOT RESTATED**

## **SCHEDULE 1: AMENDMENTS TO COMMON TERMS**

1. Paragraph 3 (*Withholding Taxes*) of Part 2 of the Common Terms shall be varied by the deletion of the words "the Issuer or" from paragraph 3.3 (*Tax Gross-Up*).
2. Paragraph 3 (*Withholding Taxes*) of Part 2 of the Common Terms shall be further varied by the addition of the following:

### **"3.5 Tax indemnity**

Without prejudice to the foregoing provisions of this Clause, if the Liquidity Facility Provider is required to make any payment of or on account of Tax on or in relation to any sum received or receivable under this Agreement (including any sum deemed for the purposes of Tax to be received or receivable by the Liquidity Facility Provider, whether or not actually received or receivable) or if any liability in respect of any such payment is asserted, imposed, levied or assessed against the Liquidity Facility Provider the Issuer shall, upon demand of the Liquidity Facility Provider, promptly indemnify the Liquidity Facility Provider against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith.

### **3.6 Exception to clause 3.5**

The indemnity contained in clause 3.5 (*Tax indemnity*) shall not apply to:

- 3.6.1 any Tax imposed on and calculated by reference to the net income actually received or receivable by the Liquidity Facility Provider (but, for the avoidance of doubt, not including any sum deemed for the purposes of Tax to be received or receivable by the Liquidity Facility Provider but not actually received or receivable) by the jurisdiction in which the Liquidity Facility Provider is incorporated; or
- 3.6.2 any Tax imposed on and calculated by reference to the net income of the LF Facility Office actually received or receivable by the Liquidity Facility Provider (but, for the avoidance of doubt, not including any sum deemed for purposes of Tax to be received or receivable by the Liquidity Facility Provider but not actually received) by the jurisdiction in which the LF Facility Office is located.

### **3.7 Evidence of Payment of Tax**

If the Issuer makes any payment under this Agreement in respect of which it is required to make any deduction or withholding it shall pay the full amount required to be deducted or withheld to the relevant taxation or other authority within the time allowed for such payment under applicable law and shall deliver to the Liquidity Facility Provider, within thirty days after it has made such payment to the relevant authority, an original receipt (or a certified copy thereof) issued by such authority for all amounts so required to be deducted or withheld in respect of such payment."

## SCHEDULE 2: CONDITIONS PRECEDENT

**THIS SCHEDULE 2 APPEARS AS A MATTER OF RECORD ONLY.**

**THESE CONDITIONS PRECEDENT WERE SATISFIED OR WAIVER ON OR PRIOR TO THE CLOSING DATE**

1. The Notes have been issued by the Issuer on the Closing Date.
2. All the conditions precedent to be satisfied under clause 16.3 (*Conditions Precedent*) of the Subscription Agreement have been fulfilled or waived in accordance with the Subscription Agreement on or prior to the Closing Date.
3. A copy certified, as at a date no earlier than 15 Business Days prior to the 2014 Amendment Date, a true and up-to-date copy by an Authorised Signatory of the Issuer, of its constitutional documents.
4. A copy certified, as at a date no earlier than 15 Business Days prior to the 2014 Amendment Date, a true and up-to-date copy by an Authorised Signatory of the Issuer, of a board resolution of the Issuer approving the execution, delivery and performance of this Agreement and its terms and conditions and authorising a named person or persons to sign this Agreement and any documents to be delivered by the Issuer pursuant to this Agreement.
5. A certificate of an Authorised Signatory of the Issuer setting out the names and signatures of the persons authorised to sign, on behalf of the Issuer, this Agreement and any documents to be delivered by the Issuer pursuant to this Agreement.
6. A certificate of an Authorised Signatory of the Issuer confirming that utilisation of the Liquidity Facility would not breach any restriction on its borrowing powers.
7. A copy, certified a true copy by or on behalf of the Issuer, of each such law, decree, consent, licence, approval, registration or declaration as is, in the opinion of counsel to the Liquidity Facility Provider, necessary to render this Agreement legal, valid, binding and enforceable, to make this Agreement admissible in evidence in the Issuer's jurisdiction of incorporation and to enable the Issuer to perform its obligations hereunder.
8. A copy of any other authorisation or other document which the Liquidity Facility Provider considers to be necessary or desirable (if it has notified the Issuer accordingly) in connection with the entry into and performance of the transactions contemplated by this Agreement or for the validity and enforceability of this Agreement, or for its own "KYC" checks or for regulatory requirements of the Liquidity Facility Provider.
9. A capacity, authority and validity opinion from DLA satisfactory in form and substance to the Liquidity Facility Provider.
10. A transaction opinion from Clifford Chance satisfactory in form and substance to the Liquidity Facility Provider and such other opinions as may be requested by the Liquidity Facility Provider.
11. Evidence that the fees, costs and expenses required to be paid by the Issuer pursuant to clause 21 (*Commitment and arrangement fees*) and clause 22 (*Costs and expenses*) have been paid.

### SCHEDULE 3: LF REVOLVING DRAWING NOTICE

From: Dignity Finance PLC

To: NatWest Markets plc

Dated:

Dear Sirs,

1. We refer to the agreement (the "**Amended and Restated Liquidity Facility Agreement**") originally dated 11 April 2003, as previously amended and restated on 14 October 2017 and further amended and restated on [◆ ] 2022 and made between Dignity Finance PLC as Issuer, BNY Mellon Corporate Trustee Services Limited as Note Trustee, Dignity Funerals Limited as Cash Administrator and yourselves as Liquidity Facility Provider. Terms defined in the Amended and Restated Liquidity Facility Agreement shall have the same meaning in this notice.
2. This notice is irrevocable.
3. We hereby give you notice that, pursuant to the Amended and Restated Liquidity Facility Agreement and on [relevant LF Interest Payment Date], we wish to drawdown a LF Revolving Drawing in the amount of £□ in relation to the Class A Notes and £□ in relation to the Class B Notes upon the terms and subject to the conditions contained in the Amended and Restated Liquidity Facility Agreement.
4. We confirm that, at the date hereof, the Issuer Warranties are true in all material respects and no LF Event of Default or LF Potential Event of Default has occurred and is continuing.
5. The proceeds of this drawdown should be credited to the Issuer Transaction Account.

Yours faithfully

.....  
Authorised Signatory  
for and on behalf of  
**Dignity Finance PLC**

## SCHEDULE 4: LIQUIDITY RESERVE DRAWING NOTICE

From: Dignity Finance PLC

To: NatWest Markets plc

Dated:

Dear Sirs,

1. We refer to the agreement (the "**Amended and Restated Liquidity Facility Agreement**") originally dated 11 April 2003, as previously amended and restated on 14 October 2017 and further amended and restated on [◆ ] 2022 and made between Dignity Finance PLC as Issuer, BNY Mellon Corporate Trustee Services Limited as Note Trustee and Dignity Funerals Limited as Cash Administrator and yourselves as Liquidity Facility Provider. Terms defined in the Amended and Restated Liquidity Facility Agreement shall have the same meaning in this notice.
2. This notice is irrevocable.
3. Since\* [the Liquidity Facility Provider does not have a credit rating from both of the Rating Agencies which is equal to or better than the LF Minimum Long-term Ratings/the last day of the Liquidity Facility Availability Period will occur on □ and you have declined our request for a renewal of the Liquidity Facility] we hereby give you notice that, pursuant to the Amended and Restated Liquidity Facility Agreement and on [*date of proposed Liquidity Reserve Drawing*], we wish to draw down the Liquidity Reserve Drawing in the amount of £□ , being the Available Liquidity Facility, upon the terms and subject to the conditions contained in the Amended and Restated Liquidity Facility Agreement.
4. We confirm that, at the date hereof, the Issuer Warranties are true in all material respects and no LF Event of Default or LF Potential Event of Default has occurred and is continuing.
5. The proceeds of this drawdown should be credited to the Liquidity Reserve Account: [*reference of the Liquidity Reserve Account*].

Yours faithfully

.....  
Authorised Signatory  
for and on behalf of  
**Dignity Finance PLC**

**Note:** \* *delete as appropriate*

## SCHEDULE 5: LIQUIDITY REVOLVING DRAWING NOTICE

From: Dignity Finance PLC

To: NatWest Markets plc

BNY Mellon Corporate Trustee Services Limited

Dated:

Dear Sirs,

1. We refer to the agreement (the "**Amended and Restated Liquidity Facility Agreement**") originally dated 11 April 2003, as previously amended and restated on 14 October 2017 and further amended and restated on [◆ ] 2022 and made between Dignity Finance PLC as Issuer, BNY Mellon Corporate Trustee Services Limited as Note Trustee, Dignity Funerals Limited as Cash Administrator and NatWest Markets plc as Liquidity Facility Provider. Terms defined in the Amended and Restated Liquidity Facility Agreement shall have the same meaning in this notice.
2. This notice is irrevocable.
3. We hereby give you notice that, pursuant to the Amended and Restated Liquidity Facility Agreement and on [relevant LF Interest Payment Date], we will make a Liquidity Revolving Drawing in the amount of £□ in relation to the Class A Notes and £□ in relation to the Class B Notes upon the terms and subject to the conditions contained in the Amended and Restated Liquidity Facility Agreement.
4. We confirm that, at the date hereof, the Issuer Warranties are true in all material respects and no LF Event of Default or LF Potential Event of Default has occurred and is continuing.
5. The proceeds of this drawdown should be credited to the Issuer Transaction Account.

Yours faithfully

.....  
Authorised Signatory  
for and on behalf of  
**Dignity Finance PLC**

## SCHEDULE 6: LIQUIDITY FACILITY RENEWAL LETTER

From: Dignity Finance PLC

To: NatWest Markets plc

Dated:

Dear Sirs,

1. We refer to the agreement (the "**Amended and Restated Liquidity Facility Agreement**") originally dated 11 April 2003, as previously amended and restated on 14 October 2017 and further amended and restated on [◆ ] 2022 and made between Dignity Finance PLC as Issuer, BNY Mellon Corporate Trustee Services Limited as Note Trustee, Dignity Funerals Limited as Cash Administrator and yourselves as Liquidity Facility Provider. Terms defined in the Amended and Restated Liquidity Facility Agreement shall have the same meaning in this notice.
2. This letter is written to you pursuant to Clause 9.3 (Request for renewal) of the Amended and Restated Liquidity Facility Agreement. We confirm that we agree to enter into a new liquidity facility agreement with a Liquidity Facility Amount of [£55,000,000] to be granted to you on the same terms, mutatis mutandis, as the Amended and Restated Liquidity Facility Agreement (the "**New Liquidity Facility Agreement**") [save that the following amendments shall be made [details of amendments to apply to the new facility]].
3. It is a condition precedent to our entry into the New Liquidity Facility Agreement that the Liquidity Facility Amount under the Amended and Restated Liquidity Facility Agreement is cancelled and the LF Revolving Loan outstanding thereunder (if any) and any interest thereon which is accrued but unpaid is treated as outstanding under the New Liquidity Facility Agreement.
4. The Amended and Restated Liquidity Facility Agreement read together with this letter comprises the terms and conditions of the New Liquidity Facility Agreement, and we confirm that no further agreements need to be executed in respect thereof.
5. We agree that the Liquidity Facility Commencement Date for the New Liquidity Facility Agreement shall be □ [to be the Business Day prior to the existing Liquidity Facility Termination Date.]

Yours faithfully

.....  
Authorised Signatory  
for and on behalf of  
**Dignity Finance PLC**



## SCHEDULE 7: REFERENCE RATE TERMS

**Cost of funds as a fallback** Cost of funds will not apply as a fallback.

### **Definitions**

**Applicable Liquidity Facility Margin:** As defined in clause 1(b) (*Interpretation*).

**Break Costs:** None specified.

**Business Day Conventions (clause 6.4 (Non Business Days)):** If a LF Interest Period (or any other period for the accrual of commission or fees) would otherwise end on a day which is not a Business Day, that LF Interest Period (or other such period for the accrual of commission or fees) will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

**Central Bank Rate:** The Bank of England's Bank Rate as published by the Bank of England from time to time.

**Central Bank Rate Adjustment:** In relation to the Central Bank Rate prevailing at close of business on any Business Day, the 20% trimmed arithmetic mean (calculated by the Liquidity Facility Provider) of the Central Bank Rate Spreads for the five most immediately preceding Business Days for which the RFR is available.

**Central Bank Rate Spread:** In relation to any Business Day, the difference (expressed as a percentage rate per annum) calculated by the Liquidity Facility Provider between:

- (a) the RFR for that Business Day; and
- (b) the Central Bank Rate prevailing at close of business on that Business Day.

**Credit Adjustment Spread:**

Tenor:	Applicable Adjustment Spread (percentage per annum)
Overnight	-0.0024
1 week	0.0168
1 month	0.0326
2 months	0.0633
3 months	0.1193
6 months	0.2766
12 months	0.4644

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The Credit Adjustment Spread for each tenor above is fixed and shall apply for the term of the Liquidity Facility. The Credit Adjustment Spread applicable on each day of a relevant LF Interest Period shall be that which applies from the commencement of that LF Interest Period, and shall not be affected by any intra-period pre-payment (or other intra-period occurrence, including changes to the LF Interest Period). In any case where interest falls to be calculated by reference to a LF Interest Period which is not equal in length to a tenor specified above, the applicable Credit Adjustment Spread to be used will be determined by the Liquidity Facility Provider on the basis of a linear interpolation between the specified tenor which is next shorter in length and the specified tenor which is next longer in length.

**Daily Rate:**

The "**Daily Rate**" for any Business Day is:

- (a) the RFR for that Business Day; or
- (b) if the RFR is not available for that Business Day, the percentage rate per annum which is the aggregate of:
  - (i) the Central Bank Rate for that Business Day; and
  - (ii) the applicable Central Bank Rate Adjustment; or
- (c) if paragraph (b) applies but the Central Bank Rate for that Business Day is not available, the percentage rate per annum which is the aggregate of:
  - (i) the most recently published Central Bank Rate before that Business Day; and
  - (ii) the applicable Central Bank Rate Adjustment,

rounded, in either case, to four decimal places and if, in either case, the aggregate of that rate and the applicable Credit Adjustment Spread is less than zero, the Daily Rate shall be deemed to be such a rate that the aggregate of the Daily Rate and the applicable Credit Adjustment Spread is zero.

**Lookback Period:**

Five Business Days.

**RFR:**

The SONIA (sterling overnight index average) reference rate displayed on the relevant screen of any authorised distributor of that reference rate.

## SCHEDULE 8: DAILY NON-CUMULATIVE COMPOUNDED RFR RATE

The "**Daily Non-Cumulative Compounded RFR Rate**" for any Business Day "**i**" during a LF Interest Period for a Loan is the percentage rate per annum (without rounding, to the extent reasonably practicable for the Liquidity Facility Provider, taking into account the capabilities of any software used for that purpose) calculated as set out below:

$$(UCCDR_i - UCCDR_{i-1}) \times \frac{dcc}{n_i}$$

where:

"**UCCDR<sub>i</sub>**" means the Unannualised Cumulative Compounded Daily Rate for that Business Day "**i**";

"**UCCDR<sub>i-1</sub>**" means, in relation to that Business Day "**i**", the Unannualised Cumulative Compounded Daily Rate for the immediately preceding Business Day (if any) during that Interest Period;

"**dcc**" means 365;

"**n<sub>i</sub>**" means the number of calendar days from, and including, that Business Day "**i**" up to, but excluding, the following Business Day; and

the "**Unannualised Cumulative Compounded Daily Rate**" for any Business Day (the "**Cumulated RFR Business Day**") during that Interest Period is the result of the below calculation (without rounding, to the extent reasonably practicable for the Liquidity Facility Provider, taking into account the capabilities of any software used for that purpose):

$$ACCDR \times \frac{tn_i}{dcc}$$

where:

"**ACCDR**" means the Annualised Cumulative Compounded Daily Rate for that Cumulated RFR Business Day;

"**tn<sub>i</sub>**" means the number of calendar days from, and including, the first day of the Cumulation Period to, but excluding, the Business Day which immediately follows the last day of the Cumulation Period;

"**Cumulation Period**" means the period from, and including, the first Business Day of that Interest Period to, and including, that Cumulated RFR Business Day;

"**dcc**" has the meaning given to that term above; and

the "**Annualised Cumulative Compounded Daily Rate**" for that Cumulated RFR Business Day is the percentage rate per annum (rounded to four decimal places) calculated as set out below:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{DailyRate_{i-LP} \times n_i}{dcc} \right) - 1 \right] \times \frac{dcc}{tn_i}$$

where:

"**d<sub>0</sub>**" means the number of Business Days in the Cumulation Period;

**"Cumulation Period"** has the meaning given to that term above;

**"i"** means a series of whole numbers from one to  $d_0$ , each representing the relevant Business Day in chronological order in the Cumulation Period;

**"DailyRate<sub>i-LP</sub>"** means, for any Business Day **"i"** in the Cumulation Period, the Daily Rate for the Business Day which is the applicable Lookback Period prior to that Business Day **"i"**;

**"n<sub>i</sub>"** means, for any Business Day **"i"** in the Cumulation Period, the number of calendar days from, and including, that Business Day **"i"** up to, but excluding, the following Business Day;

**"dcc"** has the meaning given to that term above; and

**"tn<sub>i</sub>"** has the meaning given to that term above.

**EXECUTION PAGES**

**THE ISSUER**

**DIGNITY FINANCE PLC**

Signed for and on behalf of **DIGNITY** )  
**FINANCE PLC** by: )

Signature \_\_\_\_\_

Name (block capitals) Alan Lathbury  
**Director**

Address: 4 King Edwards Court, King Edwards Square, Sutton Coldfield B73 6AP

Fax/Email: \_\_\_\_\_

Attention: \_\_\_\_\_

**THE LIQUIDITY FACILITY PROVIDER**

**NATWEST MARKETS PLC**

Signed for and on behalf of **NATWEST** )  
**MARKETS PLC** by: )

Signature \_\_\_\_\_

Name (block capitals) \_\_\_\_\_  
**Authorised Signatory**

Address: 250 Bishopsgate, London EC2M 4AA

Fax/Email: \_\_\_\_\_

Attention: \_\_\_\_\_

**THE NOTE TRUSTEE**

**BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED**

Signed for and on behalf of **BNY MELLON** )  
**CORPORATE TRUSTEE SERVICES** )  
**LIMITED** by:

Signature \_\_\_\_\_

Name (block capitals) \_\_\_\_\_  
**Authorised Signatory**

Address: One Canada Square, London E14 5AL

Fax/Email: \_\_\_\_\_

Attention: Corporate Trust Administration

**THE CASH ADMINISTRATOR**

**DIGNITY FUNERALS LIMITED**

Signed for and on behalf of **DIGNITY** )  
**FUNERALS LIMITED** by: )

Signature \_\_\_\_\_

Name (block capitals) Gary Channon  
**Director**

Address: 4 King Edwards Court, King Edwards Square, Sutton Coldfield B73 6AP

Fax/Email: \_\_\_\_\_

Attention: \_\_\_\_\_