

DATED 17 OCTOBER 2014

DIGNITY FINANCE PLC
as Issuer

BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED
as Note Trustee

AMENDED AND RESTATED TRUST DEED

IN RELATION TO THE ISSUE BY DIGNITY FINANCE PLC
OF
£238,904,000 CLASS A SECURED 3.5456% NOTES
DUE 2034
£356,402,00 CLASS B SECURED 4.6956% NOTES DUE
2049
(THE "NOTES")

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THIS AMENDED AND RESTATED DEED is made on 17 October 2014.

BETWEEN:

- (1) **DIGNITY FINANCE PLC**, a public 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 (the "**Issuer**"); and
- (2) **BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED** (formerly BNY Corporate Trustee Services Limited), acting through its office at One Canada Square, London E14 5AL in its capacity as Note Trustee, which expression includes its successors and / or assignees (the "**Note Trustee**").

INTRODUCTION:

- (A) On 11 April 2003 (the "**Initial Securitisation Closing Date**") the Issuer issued £110,000,000 Class A Secured 6.310 per cent. Notes due 2023 and £100,000,000 Class B Secured 8.151 per cent. Notes due 2031 (the "**First Initial Securitisation Notes**"). On 21 February 2006 the Issuer further issued £45,550,000 Class A Secured 6.310 per cent. Notes due 2023 and £32,500,000 Class B Secured 8.151 per cent. Notes due 2031 (the "**Second Initial Securitisation Notes**"). On 27 September 2010 the Issuer further issued £48,650,000 Class A Secured 6.310 per cent. Notes due 2023 and £33,100,000 Class B Secured 8.151 per cent. Notes due 2031 (the "**Third Initial Securitisation Notes**"). On 30 July 2013 the Issuer further issued £50,250,000 Class A Secured 6.310 per cent. Notes due 2023 and £40,750,000 Class B Secured 8.151 per cent. Notes due 2031 (the "**Fourth Initial Securitisation Notes**" and together with the First Initial Securitisation Notes, the Second Initial Securitisation Notes and the 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 advance to the Borrower (the "**Existing Advances**").
- (B) On the Closing Date, the Issuer will either redeem the Initial Securitisation Notes or exchange the Initial Securitisation Notes for replacement notes (the "**Replacement Notes**"), which will 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 will issue additional new Notes (the "**Additional Notes**") which will increase the principal amount outstanding such that the Replacement Notes and the Additional Notes 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 Additional Notes, the Issuer has authorised the creation and issue of the Notes, to be issued in accordance with this Deed and secured by the Issuer Security.
- (D) The Note Trustee has agreed to act as trustee of the Trust Property in accordance with the provisions of this Deed.

THE PARTIES AGREE AS FOLLOWS:

SECTION A INTERPRETATION

1. DEFINITIONS

- 1.1 Unless otherwise defined in this Deed or the context requires otherwise, words and expressions used in this Deed have the meanings and constructions ascribed to them in the Master Definitions Schedule set out in Schedule 1 (*Master Definitions Schedule*) of the issuer master framework agreement dated on the Initial Securitisation Closing Date (as may be or may have been amended, restated, varied and/or supplemented from time to time) and signed for the purpose of identification by each of the Issuer Transaction Parties (the "**Issuer Master Framework Agreement**").

2. COMMON TERMS

2.1 Incorporation of Common Terms

Except as provided below, the Common Terms apply to this Deed and shall be binding on the parties to this Deed as if set out in full in this Deed except that Paragraph 3.3 (*Tax gross-up*) of Part 2 of the Common Terms does not apply to this Deed.

2.2 Conflict with Common Terms

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

2.3 Further Assurance

For the purposes of this Deed, Paragraph 1 (*Further Assurance*) of the Common Terms applies to this Deed as if set out in full in this Deed, and as if the Note Trustee were the beneficiary for the purposes of such paragraph.

SECTION B
REPRESENTATIONS AND COVENANTS BY THE ISSUER

3. REPRESENTATIONS AND COVENANTS UNDER THE ISSUER TRANSACTION DOCUMENTS

3.1 Representations and Warranties

The Issuer gives certain representations and warranties to the Note Trustee on the terms set out in the Issuer Warranties and the Issuer Security Deed.

3.2 Covenants

The Issuer covenants with the Note Trustee on the terms of the Issuer Covenants and covenants to comply with those provisions of the Conditions, the Trust Deed and the other Issuer Transaction Documents that are expressed to be binding on it and to perform and observe the same.

3.3 Instruments subject to Trust Documents

The Notes, Coupons and Receipts are subject to the provisions contained in the Trust Documents, all of which shall be binding upon the Issuer, the Noteholders, the Couponholders and the Receiptholders and all persons claiming through or under them respectively.

3.4 Benefit held on trust

The Note Trustee holds the benefit of the Covenant to Pay contained in Clause 6 (*Covenant to Repay Principal*) and Clause 7 (*Covenant to Pay Interest*) on trust for the Noteholders and holds the benefit of the remainder of the Trust Property on trust for the Issuer Secured Creditors.

3.5 The Issuer covenants to send to the Note Trustee the form of each notice to be given to Noteholders and, once given, two copies of each such notice, such notice to be in a form approved by the Note Trustee (such approval, unless so expressed, not to constitute approval for the purposes of section 21 of the Financial Services and Markets Act 2000 of any such notice which is a communication within the meaning of section 21 of the Financial Services and Markets Act 2000).

SECTION C
AMOUNT OF THE NOTES AND COVENANT TO REPAY AND PAY INTEREST
ON THE NOTES

4. AMOUNT OF THE NOTES

4.1 Notes

The Notes shall be comprised of the Class A Notes in an Initial Principal Amount of £238,904,000 and the Class B Notes in an Initial Principal Amount of £356,402,000.

4.2 Further Notes

4.2.1 The Issuer may, subject to the Conditions, on any Interest Payment Date, issue Further Notes which may be comprised of Class A Further Notes and Class B Further Notes.

4.2.2 The Conditions of such Further Notes shall be the same as the Conditions in respect of the Notes except that the Conditions in respect of the Further Notes will provide for a different first Interest Payment Date from that applicable to the Notes.

4.2.3 The aggregate Principal Amount Outstanding of all Further Notes issued on any Further Closing Date shall not be less than £5,000,000.

5. ISSUE OF FURTHER NOTES

5.1 Notice of Further Issue

The Issuer may, by written notice delivered to the Note Trustee and the Managers at least 30 days before the relevant Further Closing Date, issue Further Notes in accordance with Clause 4.2 (*Further Notes*) and the Conditions upon the Issuer confirming in writing to the Note Trustee compliance by all relevant parties with the relevant Further Closing Conditions Precedent.

5.2 Principal Amount Outstanding

On each Further Closing Date, the Principal Amount Outstanding of each Further Note shall equal the Principal Amount Outstanding on that Further Closing Date of each Note of the relevant Class issued before such Further Closing Date (but less the aggregate amount of any principal payments to be made in respect of such Note on such Further Closing Date, whether or not paid).

5.3 Supplemental trust deed

Any Further Notes issued in accordance with Clause 4.2 (*Further Notes*) shall be constituted pursuant to a Supplemental Trust Deed. The Issuer shall, on or prior to the Further Closing Date in relation to any Further Notes, execute and deliver to the Note Trustee a Supplemental Trust Deed containing covenants by the Issuer in the form of and on the same terms as the Covenant to Pay, Clause 3.4 (*Benefit held on trust*) and Clause 8 (*Conditions of Payment*) of this Deed in relation to the principal

and interest in respect of such Further Notes and such other provisions (corresponding to any of the provisions contained in this Deed) as the Note Trustee shall require.

5.4 **Endorsement**

A memorandum of every such Supplemental Trust Deed shall be endorsed by the Note Trustee on the Note Trustee's copy of the Trust Deed.

6. **COVENANT TO REPAY PRINCIPAL**

The Issuer covenants with the Note Trustee that it will unconditionally pay or procure to be paid, in accordance with Clause 8 (*Conditions of Payment*), the principal amount of the Notes or any of them or any part thereof becoming due for redemption or repayment in accordance with the Conditions as and when:

6.1.1 the Notes or any of them become due to be redeemed; or

6.1.2 any principal on the Notes or any of them becomes due to be repaid.

7. **COVENANT TO PAY INTEREST**

Until all payments of principal are duly made under Clause 6 (*Covenant to Repay Principal*) the Issuer shall pay or procure to be paid on the dates provided for in the Conditions (after as well as before any judgment or other order of any court of competent jurisdiction) in accordance with Clause 8 (*Conditions of Payment*), interest on the Principal Amount Outstanding of the Notes or any of them outstanding from time to time, subject to the provisions of the Conditions and Clause 10 (*Rate of Interest after a Default*).

8. **CONDITIONS OF PAYMENT**

8.1 **Manner of payment**

Payments made pursuant to Clause 6 (*Covenant to Repay Principal*) and Clause 7 (*Covenant to Pay Interest*) shall be made to the order of the Note Trustee in Sterling in London in immediately available funds subject to the following provisions of this Clause.

8.2 **Application of payments**

Every payment of principal or interest in respect of the Notes made to the Principal Paying Agent in the manner provided in the Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in Clause 6 (*Covenant to Repay Principal*) and Clause 7 (*Covenant to Pay Interest*) except, in the case of payment to the Principal Paying Agent, to the extent that there is default in the subsequent payment thereof to the Noteholders or Receipholders (as the case may be) under the Conditions.

8.3 **Payment after due date**

If any payment of principal or interest in respect of the Notes is made after the due date, payment shall be deemed not to have been made until the earlier of:

- (a) the date on which the full amount is paid to the relevant Noteholders; and
- (b) the seventh day after notice has been given to the relevant Noteholders in accordance with the Notices Condition that the full amount (together with interest accrued to that date) has been received by the Principal Paying Agent or the Note Trustee.

8.4 **Default interest**

In any case where payment of the whole or any part of the principal amount due in respect of any Note is improperly withheld or refused upon due presentation (if so provided for in the Conditions) of the Note, interest shall accrue on the whole or such part of such principal amount from the date of such withholding or refusal until the earlier of:

- (a) the date on which such principal amount due is paid to the relevant Noteholder or Receiptholder (as the case may be); and
- (b) the seventh day after notice has been given to the relevant Noteholders in accordance with the Notices Condition that the full amount payable in respect of the said principal amount is available for collection by such Noteholders, **provided that** on further due presentation thereof (if so provided for in the Conditions) such payment is in fact made.

9. **FOLLOWING AN EVENT OF DEFAULT**

9.1 **Notes due and Payable**

Upon the delivery of a Note Enforcement Notice, the Notes, without further action or formality, shall become immediately due and payable at their Principal Amount Outstanding, together with accrued interest.

9.2 **Appointment of Paying Agent and Agent Bank for Note Trustee**

At any time after any Event of Default shall have occurred, which shall not have been waived by the Note Trustee or remedied to its satisfaction, the Note Trustee may:

- 9.2.1 by notice in writing to the Issuer, the Paying Agents and the Agent Bank require the Paying Agents and the Agent Bank or any of them:
 - (a) to act thereafter as Paying Agent and Agent Bank (as applicable) of the Note Trustee under the provisions of the Trust Documents on the terms provided in the Agency Agreement (with consequential amendments as necessary) save that the Note Trustee's liability under any provisions of the Agency Agreement for the indemnification, remuneration and payment of out-of-pocket expenses of the Paying Agents shall be limited to amounts for the time being held by the Note Trustee on the

trusts of the Trust Documents in relation to the Notes on the terms of the Trust Documents and available to the Note Trustee for such purpose and;

- (b) in the case of the Paying Agents, to hold all Notes, Coupons, Receipts and Talons and all sums, documents and records held by them in respect of the Notes, Coupons Receipts and Talons on behalf of the Note Trustee; and
- (c) in the case of the Agent Bank, to hold all documents and records held by it in respect of the Notes, Coupons, Receipts and Talons on behalf of the Note Trustee; and/or
- (d) to deliver up all sums, documents and records held by them in respect of Notes, Coupons Receipts and Talons and, in the case of the Paying Agents, all Notes, Coupons, Receipts and Talons held by them to the Note Trustee or as the Note Trustee shall direct in such notice **provided that** such notice shall be deemed not to apply to any document or record which the relevant Paying Agent or Agent Bank is obliged not to release by any Requirement of Law or Regulatory Direction;

9.2.2 by notice in writing to the Issuer, require the Issuer to make all subsequent payments in respect of the Notes, the Coupons and the Receipts to or to the order of the Note Trustee and not to the Principal Paying Agent and with effect from the issue of any such notice until such notice is withdrawn, the provisions in Clause 8.2 (*Application of payments*) and (so far as it concerns payments by the Issuer) Clause 25 (*Payment to Noteholders, Couponholders and Receiptholders*) shall cease to have effect.

10. RATE OF INTEREST AFTER A DEFAULT

If the Notes become immediately repayable pursuant to the Conditions, the Note Rate rate of interest payable thereon shall be calculated at six monthly intervals, the first of which shall commence on the expiry of the Interest Period during which the Notes become so repayable. In these circumstances, interest payable on the Notes will be calculated in accordance with Condition 7 (*Interest*) (with consequential amendments as necessary) except that the Note Rate need not be published.

SECTION D
FORM AND ISSUE OF THE NOTES

11. GLOBAL NOTES

Each class of Notes will initially be represented by the relative Temporary Global Note. Interests in each such Temporary Global Note shall be exchangeable on the relevant Exchange Date, in accordance with its terms, for interests in the relative Permanent Global Note. Each such Permanent Global Note shall be exchangeable in accordance with its terms for the relative Definitive Notes.

12. DEFINITIVE NOTES

The Definitive Notes, the Coupons, Receipts and Talons will be security printed in accordance with applicable legal and stock exchange requirements in the respective forms, or substantially in the respective forms, set out in Schedule 3 (*Form of Definitive Note, Coupon, Receipt or Talon*). Each Definitive Note shall be issued in the denomination of £100,000 with integral multiples of £1,000 in excess thereof up to £199,000, be serially numbered, with Coupons for dates falling after the date of issue and Receipts and Talons attached and shall be endorsed with the relevant Conditions.

13. NOTIFICATION OF ISSUE OF DEFINITIVE NOTES

The Issuer shall notify the Note Trustee and, if applicable, the Paying Agents forthwith upon the occurrence of any of the Exchange Events referred to in any Permanent Global Note and shall, unless the Note Trustee agrees otherwise, promptly give notice in accordance with the Notices Condition of the occurrence of any such Exchange Event and of its obligations to issue Definitive Notes to the relevant Noteholders.

14. SIGNATURE

14.1 Global Notes

The Global Notes will each be signed manually or in facsimile by an Authorised Signatory of the Issuer on behalf of the Issuer and will be authenticated manually by or on behalf of the Principal Paying Agent. The Issuer may use the facsimile signature of a person who at the date of this Deed is an Authorised Signatory even if at the time of issue of any Global Note he no longer holds that office. Global Notes so executed and authenticated will be binding and valid obligations of the Issuer.

14.2 Definitive Notes

The Definitive Notes shall be signed manually or in facsimile by two Authorised Signatories of the Issuer. The Coupons, Receipts and Talons shall not be signed. The Issuer may use the facsimile signature of any person who at the date of printing of the Definitive Notes is a director of the Issuer notwithstanding that at the time of issue of any of the Definitive Notes he may have ceased for any reason to be the holder of such office and the Definitive Notes so executed shall be binding and valid obligations of the Issuer. The Issuer shall procure that, prior to their issue, the Definitive Notes will be authenticated manually or in facsimile by an Authorised

Signatory of the Principal Paying Agent and none of the Definitive Notes or the related Coupons, Receipts or Talons shall be valid for any purpose unless and until the relevant Definitive Notes have been so authenticated.

15. ENTITLEMENT TO TREAT HOLDER AS OWNER

15.1 Deemed absolute owner

The Issuer, the Note Trustee and any Paying Agent may deem and treat the holder of any Instrument as the absolute owner of such Instrument (whether or not such Instrument shall be overdue and notwithstanding any notation of ownership or other writing on it or any notice of previous loss or theft of such Instrument) for all purposes. Except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Note Trustee and the Paying Agents shall not be affected by any notice to the contrary and shall make payments thereon or, in the case of Talons, exchanges thereof accordingly.

15.2 Payments and exchanges valid

All payments or exchanges made to a holder of any Instrument in accordance with Clause 15.1 (*Deemed absolute owner*) shall be valid and, to the extent of the sums so paid or Coupons or Receipts so delivered, effective to satisfy and discharge the liability for the monies payable upon the Notes, Coupons and Receipts or the liability for delivering Coupons or Receipts in respect of the Talons.

16. FAILURE TO ISSUE NOTES IN DEFINITIVE FORM FOLLOWING IMPOSITION OF TAXATION

If after the Exchange Date, the Issuer becomes obliged to issue Definitive Notes pursuant to the terms of the relevant Permanent Global Note by reason of any amendment to, or change in the laws or regulations of the United Kingdom, but fails to do so within 30 days of such event, then the Issuer shall indemnify the Note Trustee and the bearer of the relevant Permanent Global Note and keep them indemnified against any loss or damage incurred by any of them if the amount received by any of them is less than the amount that would have been received had the Definitive Notes been issued. If and for so long as the Issuer discharges its obligations under this indemnity, the breach by the Issuer of the provisions of the relevant Permanent Global Notes shall be deemed to be cured from the date of such breach.

SECTION E
WAIVER, MODIFICATIONS AND SUBSTITUTION

17. MODIFICATIONS, CONSENTS AND WAIVERS

17.1 Procedure for modifications, consents and waivers

17.1.1 Without prejudice to Clause 17.2 (*Additional right of modification*) below, the Note Trustee may, from time to time and at any time, without any consent or sanction of the other Issuer Secured Creditors, consent to or waive any breach or proposed breach of, or agree in making any modification to any of the covenants or provisions of the Conditions or any Issuer Transaction Document or Transaction Document (to which it is a party or over which it has security or in respect of which it is required or entitled to instruct the Security Trustee) or give its consent to any event, matter or thing, if (a) (other than in respect of any Basic Terms Modification or any provisions of the Trust Documents referred to in the definition of Basic Terms Modification) in its sole opinion the interests of the holders of the Most Senior Class of Notes would not be materially prejudiced thereby, or (b) in its sole opinion such modification is required to correct a manifest error or is of a formal, minor, administrative or technical nature or is necessary or desirable for the purposes of clarification or (c) it is permitted, subject to the satisfaction of specified conditions, under the Conditions or the terms of any Issuer Transaction Documents and such conditions are satisfied, or (d) the Rating Test is satisfied.

17.1.2 Unless the Note Trustee agrees otherwise, the Issuer shall cause any such modification, waiver or consent to be notified to the Issuer Secured Creditors in writing as soon as practicable thereafter in accordance with the Notices Condition and the relevant Issuer Transaction Documents and any such modification, waiver or consent shall be binding on each of the Issuer Secured Creditors. The Issuer will also notify any such modification, waiver or consent to the Irish Stock Exchange in accordance with its ongoing obligations under the Listing Rules.

17.2 Additional right of modification

Notwithstanding the provisions of Clause 17.1 (*Procedure for modifications, consents and waivers*) and subject to Clause 17.3 (*Conditions to additional right of modification*), the Note Trustee shall be obliged, without any consent or sanction of the Noteholders or, subject to Clause 17.3.1(c), any of the other Issuer Secured Creditors, to concur with the Issuer in making and/or approving any modification (other than in respect of any Basic Terms Modification or any provisions of the Trust Documents referred to in the definition of Basic Terms Modification) to this Deed or the Conditions, any Transaction Document or Issuer Transaction Document (to which it is a party or over which it has security or in respect of which it is required or entitled to instruct the Security Trustee) that the Issuer considers necessary:

17.2.1 for the purpose of (i) complying with, or (ii) implementing or (iii) reflecting, any change in, the criteria of one or more of the Rating Agencies which may be applicable from time to time, **provided that**:

(a) the Issuer certifies in writing to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement or reflect such criteria; and

(b) in the case of any modification to any of the covenants or provisions of the Conditions or any Issuer Transaction Document or Transaction Document proposed by any of the Hedging Bank (if any), Issuer Account Bank, Obligor Account Bank, Liquidity Facility Provider or the Working Capital Facility Provider in order for such relevant entity (x) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid the Hedging Bank (if any), Issuer Account Bank, Obligor Account Bank, the Liquidity Facility Provider or the Working Capital Facility Provider (as the case may be) taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds or obtaining a guarantee or such other action as may be proposed to any Relevant Rating Agency) and:

(i) the Hedging Bank (if any), Issuer Account Bank, Obligor Account Bank, Liquidity Facility Provider or the Working Capital Facility Provider as the case may be, certifies in writing to the Issuer, the Note Trustee and the Security Trustee that such modification is necessary for the purposes described in paragraph (b)(x) and/or (y) above;

(ii) either:

(A) the Hedging Bank (if any), Issuer Account Bank, Obligor Account Bank, Liquidity Facility Provider or the Working Capital Facility Provider as the case may be, obtains from each of the Rating Agencies written confirmation that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such rating agency and would not result in any Rating Agency placing any Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer, the Note Trustee and the Security Trustee; or

(B) the Hedging Bank (if any), Issuer Account Bank, Obligor Account Bank, Liquidity Facility Provider or the Working Capital Facility Provider as the case may be certifies in writing to the Issuer and the Note Trustee that it has notified the Rating Agencies of the proposed modification and in its opinion, formed on the basis of

due consideration such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by such rating agency or (y) such rating agency placing any Notes on rating watch negative (or equivalent);

- 17.2.2 for the purpose of enabling the Notes to be (or to remain) listed on the Irish Stock Exchange, **provided that** the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(the certificate to be provided by the Issuer or the other relevant Transaction Party, as the case may be, pursuant to Clauses 17.2.1 and 17.2.2 being a "**Modification Certificate**").

17.3 **Conditions to additional right of modification**

- 17.3.1 The Note Trustee is only obliged to concur with the Issuer in making and/or approving any modifications (other than in respect of a Basic Terms Modification or any provision of the Trust Documents referred to in the definition of Basic Terms Modification) to this Deed or any other Transaction Document or Issuer Transaction Document to which it is party or over which it has security or in respect of which it is required or entitled to instruct the Security Trustee pursuant to Clause 17.2 (*Additional right of modification*) if:

- (a) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Note Trustee and the Security Trustee;
- (b) the Modification Certificate in relation to such modification shall be provided to the Note Trustee and the Security Trustee both at the time the Note Trustee and the Security Trustee is notified of the proposed modification and on the date that such modification takes effect;
- (c) the consent of each Issuer Secured Creditor (other than the Note Trustee and the Security Trustee) which is a party to the relevant Transaction Document proposed to be modified has been obtained;
- (d) the Issuer pays all fees, costs and expenses (including legal fees) incurred by the Issuer, the Note Trustee and the Security Trustee and each other applicable party, including without limitation, any of the Agents in connection with such modification; and
- (e) the Issuer certifies in writing to the Note Trustee and the Security Trustee (which certification may be the Modification Certificate) that the proposed modification is not a Basic Terms Modification;

other than in the case of a modification pursuant to Clause 17.2.1(b)(ii) either:

- (f) the Issuer obtains from each of the Rating Agencies written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings

assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any notes on rating watch negative (or equivalent); or

- (g) the Issuer certifies in the Modification Certificate that it has notified each of the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any notes on rating watch negative (or equivalent); and

17.3.2 the Issuer certifies in writing to the Note Trustee (which certification may be in the Modification Certificate) that in relation to such modification that (I) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each relevant Class of the proposed modification in accordance with Condition 18 (*Notices to Noteholders*) and by publication on Bloomberg on the "Company News" screen relating to the Notes in each case specifying the date and time by which Noteholders must respond and has made available at such time, the modification documents for inspection at the registered office of the Note Trustee for the time being during normal business hours and (II) Noteholders representing at least 10 per cent. of the aggregate principal amount outstanding of the Most Senior Class of Notes then outstanding notified pursuant to this Clause 17.3.2 have not contacted the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such notes may be held by the time specified in such notice that such Noteholders do not consent to the modification.

17.3.3 If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding notified pursuant to Clause 17.3.2 have notified the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such Notes may be held by the time specified in such notice that such Noteholders do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding notified pursuant to Clause 17.3.2 is passed in favour of such modification in accordance with Condition 14 (*Meetings of Noteholders*).

17.3.4 When implementing any modification pursuant to Clause 17.2 (*Additional right of modification*) (save to the extent the proposed modification would constitute a Basic Terms Modification), the Note Trustee and the Security Trustee shall not consider the interests of the Noteholders, any other Issuer Secured Creditor or any other person and shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer, the Cash Manager or the relevant Transaction Party, as the case may be, pursuant to Clauses 17.2 (*Additional right of modification*) and 17.3 (*Conditions to additional right of modification*) and shall not be liable to the Noteholders, any other Issuer Secured Creditor or any other person for so

acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and

- 17.3.5 The Note Trustee and the Security Trustee shall not be obliged to agree to any modification which has already been, is intended to be or is currently proposed to a Meeting or which in the sole opinion of the Note Trustee and/or the Security Trustee would have the effect of (i) exposing the Note Trustee and/or the Security Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee and the Security Trustee in this Deed, the Transaction Documents and/or the Conditions.
- 17.3.6 To the extent that any modification referred to in this Clause 17.3 (*Conditions to additional right of modification*) requires the consent of the Security Trustee, the Note Trustee shall (to the extent that it has become obliged to consent to such modification pursuant to this Clause 17.3 (*Conditions to additional right of modification*)) direct the Security Trustee to consent to such modification.
- 17.3.7 Any such modification pursuant to Clause 17.2 (*Additional right of modification*) shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:
- (a) so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency;
 - (b) the Issuer Secured Creditors; and
 - (c) the Noteholders in accordance with Condition 18 (*Notices to Noteholders*).

17.4 Further information

As further provided in the Security Trust Deed and this Deed, certain provisions, including the following, shall apply in relation to any request for any consent, waiver or modification to be given or made by the Note Trustee:

- 17.4.1 the Note Trustee shall not be required to initiate any consent or approval that might be granted to any person under the Issuer Transaction Documents or Transaction Documents;
- 17.4.2 it shall be the responsibility of any person requesting the Note Trustee to give its consent or to agree to any modification or waiver to provide to the Note Trustee all documents, reports, opinions, financial calculations or other items that may be required to evidence any state of affairs or to support any request for a consent, approval, acknowledgement modification or waiver of any kind;
- 17.4.3 the Note Trustee will not consider any such request until in its sole discretion it determines that it has adequate information to consider the request;

- 17.4.4 the Note Trustee shall be entitled to seek the opinions or views of any person as to any matter which is the subject of a requested consent, approval, acknowledgement, modification or waiver (including where the conditions on which a consent, approval, acknowledgement, modification or waiver will be given or made are set out in the relevant document);
- 17.4.5 no consent or approval or acknowledgement of any kind shall be deemed to have been given in any circumstance;
- 17.4.6 no time period shall be accepted by the Note Trustee within which it is required to respond to any request for any consent, approval or acknowledgement;
- 17.4.7 any legal opinion, auditor's report, valuer's report, actuarial report or similar third party report or certificate required to be delivered to the Note Trustee hereunder shall also be addressed to the Security Trustee and may be relied upon by the Security Trustee and shall be obtained from a firm of practitioners of recognised standing as regards the area to which the required opinion, report or certificate relates (in the opinion of the Note Trustee) or otherwise approved by the Note Trustee; and
- 17.4.8 any consent, approval or acknowledgement may only be treated as given if it is in writing and shall be limited to the matter specified in such writing.

17.5 **Restriction on powers**

The Note Trustee shall not exercise any powers conferred upon it by this Clause 17 (*Modifications, Consents and Waivers*) in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or of a request or direction in writing made by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding but so that no such direction (a) shall affect any consent, waiver or modification previously given or made or (b) shall require the Note Trustee to consent to or waive any proposed breach or breach relating to a Basic Terms Modification unless each Class of Notes has so authorised its exercise.

17.6 **Notice of waiver**

Unless the Note Trustee agrees otherwise, the Issuer shall cause any such authorisation, waiver or determination to be notified to the Noteholders and the other Issuer Secured Creditors as soon as practicable after it has been made in accordance with the Notices Condition and the relevant Issuer Transaction Documents.

17.7 **Miscellaneous provisions**

- 17.7.1 Where any provision or covenant in any Transaction Document contains a reference to Material Adverse Effect, materiality or like terminology, the Note Trustee shall not itself be required to determine such matters (or the absence thereof) but will instead seek to procure that such matters shall be determined by auditors, valuers or other experts, as the case may be, or by the Noteholders by means of an Extraordinary Resolution.

- 17.7.2 Certain information relating to the operation of the Dignity Companies will be made available to beneficial owners of the Notes on the Investor Website. Details of the Investor Website address and the password will be available on application to the Note Trustee provided that each beneficial owner of a Note shall be required to provide the Note Trustee with confirmation of such beneficial owner of a Note's beneficial interest in the Notes (and, in the case of Notes held through a Clearing System in accordance with any procedures of such Clearing System). On each Quarter End Date access to the Investor Website will be suspended and each beneficial owner of a Note will be required to procure the relevant Clearing System through which it holds its Notes to provide further confirmation to the Note Trustee of such beneficial owner of a Note's beneficial interest in the Notes, whereupon such beneficial owner of a Note will be permitted access to the Investor Website for the period until the next Quarter End Date.
- 17.7.3 The Note Trustee shall not (other than as expressly set out in the Issuer Transaction Documents) be responsible for reviewing or analysing any information received by it from any person.

18. SUBSTITUTION

18.1 Procedure

The Note Trustee may, without the consent of any Issuer Secured Creditor concur with the Issuer in substituting in place of the Issuer (or of any previous substitute under this Clause) a Substituted Issuer as the principal debtor in respect of the Issuer Transaction Documents, the Notes and the other Issuer Secured Liabilities if:

- 18.1.1 a trust deed is executed or some other written form of undertaking is given by the Substituted Issuer to the Note Trustee, in form and manner satisfactory to the Note Trustee, agreeing to be bound by the terms of the Trust Documents, the Instruments and the other Issuer Transaction Documents with any consequential amendments which the Note Trustee may deem appropriate, as fully as if the Substituted Issuer had been named in the Trust Documents and the other Issuer Transaction Documents and on the Instruments as the principal debtor in respect of the Issuer Secured Liabilities in place of the Issuer (or of any previous substitute under this Clause);
- 18.1.2 the Issuer (or any previous substitute) and the Substituted Issuer execute such other deeds, documents and instruments (if any) as the Note Trustee may require in order that the substitution is fully effective and comply with such other requirements as the Note Trustee may direct in the interests of the Instrumentholders and the other Issuer Secured Creditors;
- 18.1.3 where all or substantially all of the assets of the Issuer (or any previous substitute) are transferred to the Substituted Issuer, the Substituted Issuer:
- (a) acquires the Issuer's (or such previous substitute's) equity of redemption in the Charged Property (other than the undertaking of the Issuer or any previous substitute);

- (b) becomes a party to all the Issuer Transaction Documents to which the Issuer (or such previous substitute) is a party;
 - (c) acknowledges the Issuer Security and the other matters created and effected in respect thereof pursuant to the Trust Documents; and
 - (d) takes all such action as the Note Trustee may require so that the Charged Property continues to be subject to the Issuer Security and the other matters created and effected in respect thereof pursuant to the Trust Documents and otherwise effected or maintained in all respects corresponding to those previously subsisting on the part of the Issuer or such previous substitute;
- 18.1.4 (unless all or substantially all of the assets of the Issuer (or any previous substitute) are transferred to the Substituted Issuer) an unconditional and irrevocable guarantee secured on the Charged Property in form and substance satisfactory to the Note Trustee is given by the Issuer (or such previous substitute) of the obligations of the Substituted Issuer under the Trust Documents, the Notes, Coupons, Receipts and the other Issuer Transaction Documents;
- 18.1.5 the Substituted Issuer is a single purpose company similar to, and with like constitution as, and having substantially the same restrictions and prohibitions on its activities and operations as the Issuer, undertakes to be bound by provisions corresponding to those set out in the Conditions and satisfies the SPV Criteria;
- 18.1.6 the Note Trustee is satisfied that in accordance with all applicable Requirements of Law and Regulatory Directions:
- (a) the Substituted Issuer has obtained all governmental and regulatory approvals and consents necessary for its assumption of liability as principal debtor in respect of the Notes, the Coupons, the Receipts and the other Issuer Secured Liabilities in place of the Issuer (or such previous substitute as aforesaid);
 - (b) (if a guarantee is executed in accordance with Clause 18.1.4) the Issuer (or such previous substitute) has obtained all governmental and regulatory approvals and consents necessary for the guarantee to be fully effective as referred to in Clause 18.1.4; and
 - (c) such approvals and consents are at the time of substitution in full force and effect;
- 18.1.7 the Note Trustee is provided with legal opinions in respect of such substitution in form and substance satisfactory to it;
- 18.1.8 each of the Rating Agencies confirms in writing to the Note Trustee that its then current rating of the Notes will not be lowered as a result of such substitution.

18.2 **Change of law**

In connection with any proposed substitution of the Issuer or any previous substitute, the Note Trustee may, in its absolute discretion and without the consent of the Noteholders, Couponholders, Receiptholders or the other Issuer Secured Creditors, agree to a change of the law from time to time governing the Notes, the Coupons, the Receipts and/or the Trust Documents **provided that** such change of law, in the opinion of the Note Trustee, would not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding.

18.3 **Extra duties**

The Note Trustee shall be entitled to refuse to approve any Substituted Issuer if, pursuant to the law of the country of incorporation of the Substituted Issuer, the assumption by the Substituted Issuer of its obligations hereunder imposes responsibilities and Liabilities on the Note Trustee over and above those which have been assumed under the Trust Documents.

18.4 **Directors' certification**

If any two directors of the Substituted Issuer certify that immediately prior to the assumption of its obligations as Substituted Issuer under the Trust Documents the Substituted Issuer is solvent after taking account of all prospective and contingent liabilities resulting from its becoming the Substituted Issuer, the Note Trustee need not have regard to the financial condition, profits or prospects of the Substituted Issuer or compare the same with those of the Issuer (or of any previous substitute under this sub- clause) or have regard to the possibility of avoidance of the Issuer Security or any part thereof on the grounds of insolvency or the proximity to insolvency, liquidation or some other event of the creation of the Issuer Security.

18.5 **Interests of Noteholders and Issuer Secured Creditors**

In connection with any proposed substitution, the Note Trustee shall not have regard to, or be in any way liable for, the consequences of such substitution for individual Noteholders, Couponholders, Receiptholders or the other Issuer Secured Creditors resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. No Noteholder, Couponholder, Receiptholder or other Issuer Secured Creditor shall, in connection with any such substitution, be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon individual Noteholders, Couponholders, Receiptholders or other Issuer Secured Creditors.

18.6 **Release of Issuer**

Any agreement by the Note Trustee pursuant to Clause 18.1 (*Procedure*) shall, if so expressed, operate to release the Issuer (or such previous substitute) from any or all of its obligations as principal debtor under the Notes, the Coupons, the Receipts, the Trust Documents and the other Issuer Secured Liabilities but without prejudice to its liabilities under any guarantee given pursuant to Clause 18.1.4.

18.7 Notice

Not later than fourteen days after the execution of any documents required to be executed pursuant to Clause 18.1 (*Procedure*) and after compliance with any requirements of the Note Trustee under such Clause, the Substituted Issuer shall cause notice thereof to be given to the Noteholders and the other Issuer Secured Creditors in accordance with the Notices Condition and the relevant Issuer Transaction Documents.

18.8 Completion of Substitution

Upon the execution of such documents as are required to be executed pursuant to Clause 18.1 (*Procedure*) and compliance with any requirements of the Note Trustee under such Clause, the Substituted Issuer shall be deemed to be named in the Trust Documents, the Notes, Coupons, Receipts and the other Issuer Transaction Documents as the principal debtor in place of the Issuer (or of any previous substitute under this Clause) and the Trust Documents, the Notes and the other Issuer Transaction Documents shall thereupon be deemed to be amended in such manner as shall be necessary to give effect to the substitution. Any references to the Issuer (or any previous substitute) in the Trust Documents, the Notes, Coupons, Receipts and the other Issuer Transaction Documents shall be deemed to be references to the Substituted Issuer.

SECTION F ENFORCEMENT

19. NOTE ENFORCEMENT NOTICE, ENFORCEABILITY OF ISSUER SECURITY AND PROCEEDINGS

The parties hereto acknowledge and agree that:

19.1 Note Enforcement Notices

The circumstances in which the Note Trustee may or shall deliver a Note Enforcement Notice and the conditions and consequences of delivery of a Note Enforcement Notice are set out in Conditions 12 (*Events of Default*) and 13 (*Enforcement*).

19.2 Enforceability of Issuer Security

The Issuer Security shall become enforceable in accordance with clause 14 (*Issuer Security Enforceable*) of the Issuer Security Deed.

20. PROCEEDINGS AND ACTIONS BY THE NOTE TRUSTEE

20.1 Proceedings

The circumstances in which the Note Trustee may institute proceedings to enforce its rights under this Deed in respect of the Notes of each class and under the other Issuer Transaction Documents are set out in Condition 13(a) (*Enforcement*).

20.2 Directions to the Note Trustee

The Note Trustee shall be bound to act or not bound to act in accordance with directions from certain classes of Noteholder in accordance with the provisions of Conditions 12(a) (*Events of Default - Default Events*) and 13(a)(i) (*Enforcement*).

20.3 No action by Noteholders and Couponholders

The Note Trustee shall be entitled to act as provided in Condition 5 (*Restriction on Enforcement of Issuer Security and No Petition*) and the Noteholders, Couponholders and other Issuer Secured Creditors shall have their rights to act limited in accordance with the provisions of that Condition.

20.4 Note Trustee discretions

When taking any action pursuant to the provisions of the Issuer Transaction Documents, the Note Trustee can rely on the provisions for its benefit as set out in this Deed.

In relation to any discretion to be exercised or action to be taken by the Note Trustee under any Issuer Transaction Document, the Note Trustee may, at its discretion and without further notice or shall, if it has been so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or so requested in writing by the holders of at least 25 per cent. in principal amount of such

Notes, exercise such discretion or take such action, **provided that**, in either case, the Note Trustee shall not be obliged to exercise such discretion or take such action unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities and **provided that** the Note Trustee shall not be held liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Noteholders or Couponholders.

20.5 **Action by Note Trustee**

Only the Note Trustee may pursue the remedies available under the general law or the Trust Documents to enforce the rights under the Trust Documents of the Noteholders, Couponholders, Receiptholders and the other Issuer Secured Creditors. No person shall be entitled to proceed directly against the Issuer to enforce the performance of any provision of the Trust Documents.

21. **EVIDENCE OF DEFAULT**

If the Note Trustee makes any claim, institutes any legal proceeding or lodges any proof in respect of the Issuer under the Trust Documents or under the Notes, proof therein that:

21.1 **Notes or Receipts**

as regards any specified Note or Receipt, the Issuer has made default in paying any principal or interest due in respect of such Note or Receipt shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Notes or Receipts in respect of which a corresponding payment is then due;

21.2 **Coupons**

as regards any specified Coupon, the Issuer has made default in paying any interest due in respect of such Coupon shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Coupons in respect of which a corresponding payment is then due; and

21.3 **Talon**

as regards any Talon, the Issuer has made default in exchanging such Talon for further Coupons or further Receipts (as the case may be) and a further Talon as provided by its terms shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Talons which are then available for exchange.

SECTION G APPLICATION OF MONIES

22. MONIES HELD ON TRUST

All moneys received by the Note Trustee in respect of the Notes or amounts payable under the Trust Documents (including any moneys which represent principal or interest in respect of Notes, Coupons or Receipts which have become void under the Conditions) will, despite any designation by the Issuer, be held by the Note Trustee on trust to apply them (subject to Clause 23 (*Investment of Monies*), if received prior to the delivery of a Note Enforcement Notice, in accordance with the Issuer Pre-Enforcement Priorities of Payments and, if received after delivery of a Note Enforcement Notice, the Issuer Post-Enforcement Priorities of Payments.

23. INVESTMENT OF MONIES

23.1 Investment by the Note Trustee

If upon enforcement of the Issuer Security, the amount of the moneys at any time available for payment of principal and interest in respect of the Notes and any other amounts payable under Clause 22 (*Monies Held on Trust*) shall be less than a sum sufficient to pay at least one-tenth of the Principal Amount Outstanding of the Notes of the relevant Class, the Note Trustee may, at its discretion, invest such moneys upon some or one of the investments hereinafter authorised with power from time to time, with like discretion, to vary such investments.

23.2 Accumulations

Any investment referred to in Clause 23.1 (*Investment by the Note Trustee*), with the resulting income thereof, may be accumulated until the accumulations together with any other funds for the time being under the control of the Note Trustee and available for the purpose shall amount to a sum sufficient to pay at least one-tenth of the Principal Amount Outstanding of the Notes of the relevant Class, and such accumulation and funds (after deduction of any taxes and any other deductibles applicable thereto) shall then be applied in accordance with the Issuer Post-Enforcement Priorities of Payments.

24. PERMITTED INVESTMENTS

24.1 Types of Investment

Any moneys which under the Trust Documents may be invested by the Note Trustee may be invested in the name or under the control of the Note Trustee in the following:

- 24.1.1 any of the investments for the time being authorised by English law for the investment by trustees of trust moneys; or
- 24.1.2 in any other investments, whether similar to those aforesaid or not, which may be selected by the Note Trustee by placing the same on deposit in the name or under the control of the Note Trustee with such bank or other financial institution as the Note Trustee may think fit.

24.2 **Currency and Conversion**

Such investments may be invested in such currency as the Note Trustee in its absolute discretion may determine and the Note Trustee may at any time vary or transfer any of such investments for or into other such investments or convert any moneys so deposited into any other currency and shall not be responsible for any loss occasioned by reason of any such investments or such deposit whether by depreciation in value, fluctuation in exchange rates or otherwise.

25. **PAYMENT TO NOTEHOLDERS, COUPONHOLDERS AND RECEIPTHOLDERS**

The Note Trustee shall, after the delivery of a Note Enforcement Notice, give notice to the Noteholders in accordance with the Notices Condition of the date fixed for any payment to them under Clause 22 (*Monies Held on Trust*). Any payment to be made in respect of the Notes, the Coupons or the Receipts by the Issuer or the Note Trustee may be made in the manner provided in the Conditions, the Agency Agreement and the Trust Documents and any payment so made shall be a good discharge by the Issuer or, as the case may be, the Note Trustee to the extent of such payment. Any payment in full of interest or principal (as the case may be) made in respect of a Coupon or a Receipt in the manner aforesaid shall extinguish any claim of a Noteholder which may arise directly or indirectly in respect of such interest or principal.

26. **PRODUCTION OF NOTES, COUPONS AND RECEIPTS**

Upon any payment of principal or interest in respect of a Note under Clause 25 (*Payment to Noteholders, Couponholders and Receiptholders*), the Note, Coupon or Receipt in respect of which such payment is made shall, if the Note Trustee so requires, be produced to the Note Trustee or the Paying Agent by or through whom such payment is made and the Note Trustee shall, in the case of part payment, enface or cause such Paying Agent to enface a memorandum of the amount and date of payment on it or, in the case of payment in full, shall cause such Note, Coupon or Receipt to be surrendered or shall cancel or procure the same to be cancelled and shall certify or procure the certification of such cancellation.

27. **NOTEHOLDERS TO BE TREATED AS HOLDING ALL COUPONS, RECEIPTS AND TALONS**

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

SECTION H
TERMS OF APPOINTMENT

28. SUPPLEMENT TO TRUSTEE ACTS

By way of supplement to the Trustee Acts, it is expressly declared as follows in relation to the Note Trustee and the trust created by the Trust Documents:

28.1 Reliance on Information

28.1.1 *Advice*: the Note Trustee may act on the opinion or advice of, or a certificate or any information obtained from, any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Note Trustee, the Issuer, a Paying Agent or any other Issuer Secured Creditor) and shall not be responsible for any loss occasioned by so acting;

28.1.2 *Transmission of Advice*: any opinion, advice, certificate or information referred to in Clause 28.1.1 (*Advice*) may be sent or obtained by letter, telegram, e-mail or fax transmission and the Note Trustee shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same contains some error or is not authentic;

28.1.3 *Certificate of Directors or Authorised Signatories*: the Note Trustee may call for and shall be at liberty to accept a certificate signed by two directors and/or two Authorised Signatories of the Issuer or any other Transaction Party (or other person duly authorised on its behalf):

- (a) as to any fact or matter *prima facie* within the knowledge of the Issuer or such other Transaction Party; and
- (b) to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying, true and/or accurate and/or otherwise expedient,

as sufficient evidence that such is the case, and the Note Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by its failing so to do and in any event (without limitation) shall be entitled to assume the truth and accuracy of any such certificate without being required to make any further investigation in respect thereof;

28.1.4 *Resolution or direction of Noteholders*: the Note Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any Meeting in respect whereof minutes have been made and signed or a direction of the requisite percentage of Noteholders, even though it may subsequently be found that there was some defect in the constitution of the Meeting or the passing of the Written Resolution or the making of such directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions was not valid or binding upon the Noteholders, Couponholders and Receiptholders;

28.1.5 *Reliance on certification of clearing system:* the Note Trustee may call for and shall be at liberty to accept and place full reliance on the following matters as sufficient evidence thereof:

- (a) any Note or Coupon, Talon or Receipt purporting to be such and subsequently found to be forged or not authentic; and
- (b) the facts stated in a certificate or letter of confirmation purporting to be signed on behalf of Euroclear, Clearstream, Luxembourg or any other relevant clearing system in relation to any matter,

and the Note Trustee shall not be liable to the Issuer or any Noteholder by reason only of such acceptance or reliance;

28.1.6 *Certificates of other parties to the Transaction Documents:* the Note Trustee shall be entitled to call for and rely upon a certificate, believed by it to be genuine, of:

- (a) any of the parties to the Transaction Documents, in respect of every matter and circumstance for which a certificate is expressly provided for under the Trust Documents, the Conditions or the other Transaction Documents;
- (b) the Cash Administrator, as to any other fact or matter prima facie within the knowledge of the Cash Administrator;
- (c) the Auditors or, if applicable, the liquidator (if any) of the Issuer as to the amounts to be paid to Issuer Secured Creditors in accordance with the Issuer Post-Enforcement Priorities of Payments; and
- (d) the Issuer, that the Issuer has sufficient funds to make an optional redemption under the Conditions;

as sufficient evidence thereof, and the Note Trustee shall not be bound in any such case to call for further evidence or be responsible for any liability or inconvenience that may be occasioned by its failing to do so;

28.1.7 *Limitation on Liability in certificates:* The Note Trustee may rely on certificates or reports from auditors, valuers and/or any other experts whether or not any such certificate or report or engagement letter or other document entered into by the Note Trustee and such auditors, valuers or such other experts in connection therewith contains any limit on liability (monetary or otherwise) of the auditors, valuers or such other experts;

28.1.8 *No Liability as a result of the delivery of a certificate:* the Note Trustee shall have no liability whatsoever for any Liability directly or indirectly suffered or incurred by the Issuer, any Noteholder, Couponholder, Receiptholder, Issuer Secured Creditor or any other person as a result of the delivery by the Note Trustee to the Issuer of a certificate as to whether a default is incapable of remedy pursuant to Condition 12(a)(ii) (*Events of Default - Default Event*), on the basis of an opinion formed by it in good faith;

- 28.1.9 *Notes held by or for the benefit of the Issuer or any other person referred to in the proviso to the definition of outstanding:* in the absence of knowledge or express notice to the contrary, the Note Trustee may assume without enquiry (other than requesting a certificate of the Issuer) that no Notes are for the time being held by or for the benefit of the Issuer or any other person referred to in the proviso to the definition of outstanding;
- 28.1.10 *Forged Notes:* the Note Trustee shall not be liable to the Issuer or any Noteholder, Couponholder or Receiptholder by reason of having accepted as valid or not having rejected any Note, Coupon or Receipt as such and subsequently found to be forged or not authentic; and
- 28.1.11 *Note Trustee not responsible for investigations:* the Note Trustee shall not be responsible for any matter, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in the Trust Documents, the other Transaction Documents, the Notes or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof and shall assume the accuracy and correctness thereof nor shall the Note Trustee, by execution of the Trust Documents, be deemed to make any representation as to the validity, sufficiency or enforceability of either the whole or any part of the Trust Documents or the other Transaction Documents;
- 28.1.12 *Investor information:* the Note Trustee shall not be responsible to any person for any failure or error, in accordance with Condition 15(ii) (*Modifications, Consents and Waivers*), in respect of the distribution of information (as referred to therein), in respect of the Investor Website and shall not be responsible to any person for or for reviewing, analysing or commenting upon the content of such information; and
- 28.1.13 *Information:* it is a term of the trust created in this Deed, that, except where expressly provided otherwise in the Issuer Transaction Documents, the Note Trustee receives any information provided to it under to the terms of the Issuer Transaction Documents for information purposes only and the Note Trustee will not and is not expected routinely to review or monitor such information.

28.2 **Note Trustee's powers and duties**

- 28.2.1 *Note Trustee's determination:* the Note Trustee may determine whether or not a default in the performance by the Issuer of any obligation under the provisions of the Trust Documents or contained in the Notes, Coupons, Receipts or any other Issuer Transaction Document is capable of remedy and/or materially prejudicial to the interests of the Noteholders. If the Note Trustee shall certify that any such default is, in its opinion, not capable of remedy and/or materially prejudicial to the interests of the Noteholders, such certificate shall be conclusive and binding upon the Issuer, the Noteholders, the Couponholders, the Receiptholders and the other Issuer Secured Creditors;
- 28.2.2 *Events of Default:* the Note Trustee shall not be bound to give notice to any person of the execution of the Trust Documents or the other Issuer Transaction

Documents or to take any steps to ascertain whether any Event of Default has happened and, until it shall have actual knowledge or express notice to the contrary, the Note Trustee shall be entitled to assume that no Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Notes, Coupons, Receipts, the other Issuer Transaction Documents and under the Trust Documents and no event has happened as a consequence of which any of the Notes may become repayable;

28.2.3 *Determination of questions:* the Note Trustee as between itself and the Noteholders, the Couponholders, the Receiptholders and the other Issuer Secured Creditors shall have full power to determine all questions and doubts arising in relation to any of the provisions of the Trust Documents and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Note Trustee, shall be conclusive and shall bind the Issuer, the Noteholders, the Couponholders, the Receiptholders and the other Issuer Secured Creditors;

28.2.4 *Noteholders as a Class:* without prejudice to the provisions of Clause 28.2.5 (*Consideration of the interests of the Noteholder and the other Issuer Secured Creditors*) whenever in the Trust Documents the Note Trustee is required in connection with any exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Noteholders, it shall have regard to the interests of the Noteholders as a Class. The Note Trustee shall not be obliged to have regard to the consequences of such exercise for any individual Noteholder resulting from his or its being for any purpose domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, any particular territory or taxing jurisdiction;

28.2.5 *Consideration of the interests of the Noteholders and the other Issuer Secured Creditors:* the Note Trustee shall, as regards all the powers, trusts, authorities, duties and discretions vested in it by the Trust Documents, the other Issuer Transaction Documents or the Notes, except where expressly provided otherwise, have regard to the interests of both the Noteholders and the other Issuer Secured Creditors, but if, in the Note Trustee's sole opinion, there is a conflict between their interests, it will have regard solely to the interests of the Noteholders and no other Issuer Secured Creditor shall have any claim against the Note Trustee for so doing. Where, in the opinion of the Note Trustee there is a conflict between the interests of:

- (a) the Class A Noteholders; and
- (b) the Class B Noteholders,

the Note Trustee shall give priority to the interests of the Class A Noteholders whose interests shall prevail;

28.2.6 *Note Trustee's discretion:* save as expressly otherwise provided herein or in the other Issuer Transaction Documents, the Note Trustee shall have absolute and uncontrolled discretion as to the exercise or non-exercise as regards all the trusts, powers, authorities and discretions vested in it by the Trust Documents,

the other Issuer Transaction Documents or by operation of law. The Note Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise of such discretion, but whenever the Note Trustee is under the provisions of the Trust Documents bound to act at the request or direction of the Noteholders, the Note Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all Liabilities which it may incur by so doing;

- 28.2.7 *Note Trustee's consent:* any consent given by the Note Trustee for the purposes of the Trust Documents, the Notes and the other Transaction Documents may be given on such terms and subject to such conditions (if any) as the Note Trustee may require (including the terms set out in Clause 17 (*Modifications, Consents and Waivers*)) and (notwithstanding any provision to the contrary) may be given retrospectively;
- 28.2.8 *Conversion of currency:* where it is necessary or desirable for any purpose in connection with the Trust Documents to convert any sum from one currency to another it shall (unless otherwise provided by the Trust Documents, the other Issuer Transaction Documents or required by law) be converted at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be specified by the Note Trustee in its absolute discretion as relevant and any rate, method and date so specified shall be binding on the Issuer, the Noteholders, the Couponholders, the Receipholders and the other Issuer Secured Creditors;
- 28.2.9 *Application of proceeds:* the Note Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, the exchange of any Temporary Global Note for any Permanent Global Note or any Permanent Global Note for Definitive Notes or the delivery of any Note, Coupon or Receipt to the persons entitled to them;
- 28.2.10 *Error of judgment by employees:* the Note Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Note Trustee assigned by the Note Trustee to administer its corporate trust matters;
- 28.2.11 *Agents:* the Note Trustee may, in the conduct of the trusts created pursuant to the Trust Documents, instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Note Trustee (including the receipt and payment of money) and the Note Trustee shall not be bound to supervise the proceedings or acts of, and shall not in any way or to any extent be responsible for, any Liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder;
- 28.2.12 *Delegation:* the Note Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by the Trust Documents, act by responsible officers or a responsible officer for the time being of the Note Trustee and the Note Trustee may also whenever it thinks fit,

whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a joint trustee of the Trust Documents or not) all or any of the trusts, powers, authorities and discretions vested in it by the Trust Documents. Any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Note Trustee) as the Note Trustee may think fit in the interests of the Noteholders and the Note Trustee shall not be bound to supervise the proceedings or acts of, and shall not in any way or to any extent be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of, such delegate or sub-delegate;

- 28.2.13 *Custodians and nominees:* the Note Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to the Trust Property as the Note Trustee may determine, including for the purpose of depositing with a custodian this Deed or any document relating to the trusts created by the Trust Documents and the Note Trustee shall not be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person; the Note Trustee is not obliged to appoint a custodian if the Note Trustee invests in securities payable to bearer;
- 28.2.14 *Determination of material prejudice:* the Note Trustee shall be entitled to assume, for the purposes of exercising any power, trust, authority, duty or discretion under or in relation to the Notes, the Trust Documents or any of the other Transaction Documents, that such exercise will not be materially prejudicial to the interests of the Noteholders if the Rating Agencies have confirmed in writing that the then current rating of the Notes would not be adversely affected by such exercise;
- 28.2.15 *No obligation to monitor performance:* the Note Trustee shall be under no obligation to monitor or supervise the performance by the Issuer or any of the other Transaction Parties of their respective obligations under the Transaction Documents or under the Notes, Coupons or Receipts or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations;
- 28.2.16 *Maintenance of Rating:* the Note Trustee shall not be responsible for the maintenance of the Ratings;
- 28.2.17 *Illegality:* notwithstanding anything else contained in the Trust Documents or the other Issuer Transaction Documents, the Note Trustee may refrain from doing anything which would or might in its opinion be contrary to any law of any jurisdiction or any directive or regulation of any agency of any state or which would or might otherwise render it liable to any person and may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation;
- 28.2.18 *Responsibility for determination of certain matters:* the Note Trustee acknowledges that the Issuer is responsible, pursuant to the Conditions for

determining the amount of (i) the Note Principal Payment, (ii) the Principal Amount Outstanding and (iii) the Interest Amount and the Note Trustee shall have no responsibility to recalculate any such amounts notwithstanding a manifest error therein. If the Issuer does not at any time for any reason determine such amounts, the Note Trustee may so determine the same and such calculation shall be deemed to have been made by the Issuer pursuant to the Conditions and the Note Trustee shall have no liability in respect thereof;

28.2.19 *Termination Events:* The Note Trustee shall not be responsible for terminating the appointment of the Cash Administrator under clause 25.2 (*Termination*) of the Issuer Cash Administration and Account Bank Agreement; and

28.2.20 *Replacement of Cash Administrator:* In connection with the Note Trustee's entitlement to take action to terminate the appointment of, and to identify a replacement for, the Cash Administrator, the Note Trustee:

- (a) will be required only to use its reasonable endeavors to identify such replacement Cash Administrator and shall have no liability to any person if, having used its reasonable endeavors, it is unable to identify a suitable replacement Cash Administrator;
- (b) will only be required to attempt to identify such replacement Cash Administrator for 90 days;
- (c) shall not be responsible for carrying out the role of Cash Administrator itself during the time it is attempting to identify such replacement Cash Administrator or thereafter if it is unable to find such replacement; and
- (d) shall not be required to take any action to find a replacement Cash Administrator unless it has been previously indemnified and/or secured and/or prefunded to its satisfaction.

In connection with deciding whether to remove the Cash Administrator pursuant to clause 25.2 (*Termination*) of the Issuer Cash Administration and Account Bank Agreement, the Note Trustee will make such decision either at its sole discretion or following directions by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or following a request in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of such Notes.

The Note Trustee shall be entitled to assume that no event has occurred which would, under the terms of the Issuer Cash Administration and Account Bank Agreement, lead to the replacement of the Cash Administrator, unless it is told otherwise as specified in the Issuer Transaction Documents.

28.2.21 *Appointment of Financial Adviser:* In connection with the Note Trustee's right to appoint a Financial Adviser or a firm of accountants pursuant to clause 24 (*Covenants Relating To The Trusts*) and clause 25 (*Financial Adviser Appointment Event*) of the Issuer/Borrower Loan Agreement or a tax adviser pursuant to the Tax Deed of Covenant, the Note Trustee:

- (a) will be required only to use its reasonable endeavours to identify and appoint the Financial Adviser, firm of accountants or tax adviser but shall have no liability to any person for any delay in finding a suitable Financial Adviser, firm or tax adviser or if, having used its reasonable endeavours, it is unable to identify a suitable Financial Adviser or firm or tax adviser;
- (b) shall not be responsible for carrying out the role of Financial Adviser, reporting accountant or tax adviser itself during the time it is attempting to identify such Financial Adviser, firm or tax adviser or thereafter if it is unable to find such Financial Adviser, firm of accountants or tax adviser;
- (c) shall not be responsible for any fees, costs, expenses (including legal expenses) or indemnities payable to the Financial Adviser, firm or tax adviser howsoever incurred;
- (d) shall have no liability for acting upon any report, recommendation, advice or other information provided by the Financial Adviser, firm or tax adviser and shall have no duty to analyse the content or merits of such report, recommendation, advice or other information; and
- (e) shall not be required to take any action to find a Financial Adviser or firm or tax adviser unless it has been previously indemnified and/or secured to its satisfaction.

In deciding who to appoint as Financial Adviser or firm of accountants under the Issuer/Borrower Loan Agreement or tax adviser under the Tax Deed of Covenant the Note Trustee will make such decision either at its sole discretion or following directions by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding or following a request in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of such Notes.

28.3 Financial matters

- 28.3.1 *Professional charges:* any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of the Trust Documents and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with the Trust Documents, including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person;
- 28.3.2 *Expenditure by the Note Trustee:* the Note Trustee may refrain from taking any action or exercising any right, power, authority or discretion vested in it under the Trust Documents, any other Transaction Document, the Charged Property or any other agreement relating to the transactions herein or therein

contemplated or from taking any action to enforce the security until it has been indemnified and/or secured and/or prefunded to its satisfaction against any and all Liabilities which might be brought, made or conferred against or suffered, incurred or sustained by it as a result (which may include payment on account). Nothing contained in the Trust Documents or the other Transaction Documents shall require the Note Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it;

- 28.3.3 *Deductions and withholdings:* notwithstanding anything contained in the Trust Documents, to the extent required by applicable law, if the Note Trustee is required to make any deduction or withholding from any distribution or payment made by it under the Trust Documents (other than in connection with its remuneration as provided for herein) or if the Note Trustee is otherwise charged to, or may become liable to, tax as a consequence of performing its duties under the Trust Documents or the other Issuer Transaction Documents, then the Note Trustee shall be entitled to make such deduction or withholding or (as the case may be) to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Note Trustee to tax from the funds held by the Note Trustee on the trusts of the Trust Documents;
- 28.3.4 *Note Trustee not accountable for profits:* neither the Note Trustee nor any director or officer of any corporation being a Note Trustee shall be accountable to the Noteholders, the other Issuer Secured Creditors, the Issuer or any other Issuer Transaction Party or any person or body corporate directly or indirectly associated with the Issuer or any such other Issuer Transaction Party for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any contracts or transactions referred to in Paragraph 6 of the Common Terms and the Note Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit;
- 28.3.5 *Noteholder appraisal of financial condition:* each Noteholder and each other Issuer Secured Creditor shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, affairs, status and nature of the Issuer and the Note Trustee shall not at any time have any responsibility for any such appraisal or investigation and no Noteholder or other Issuer Secured Creditors shall rely on the Note Trustee in respect thereof;

28.4 **Matters Relating to Issuer Security**

- 28.4.1 *Reliance on title to the Issuer Security and the Obligor Charged Property:* the Note Trustee may accept without investigation, requisition or objection such right and title as the Issuer may have to any of the Charged Property and as the Obligors may have to any Obligor Charged Property and the other Issuer Security created in favour of the Note Trustee by the Trust Documents and shall not be bound or concerned to examine or enquire into or be liable for any

defect or failure in the right or title of the Issuer to all or any of the Charged Property or the Obligors to any of the Obligor Charged Property whether such defect or failure was known to the Note Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not;

28.4.2 *Registration and perfection of the Issuer Security and the Obligor Charged Property:* the Note Trustee shall not be liable for any failure, omission or defect in perfecting, protecting or further assuring the Issuer Security or the Obligor Charged Property including:

- (a) any failure, omission or defect in registering or filing or procuring registration or filing of, or otherwise protecting or perfecting the Issuer Security or the Obligor Charged Property or the priority thereof or the right or title of any person in or to the assets comprised in the Issuer Security or the Obligor Charged Property; and
- (b) any failure or omission to require any further assurances in relation to the Issuer Security or the Obligor Charged Property;

28.4.3 *Adequacy of the Issuer Security and the Obligor Charged Property:* the Note Trustee shall not be responsible for any unsuitability, inadequacy or unfitness of any Charged Property or the Obligor Charged Property as security for the Issuer Secured Liabilities and shall not be obliged to make any investigation into, and shall be entitled to assume, the suitability, adequacy and fitness of the Charged Property or the Obligor Charged Property as security for the Issuer Secured Liabilities;

28.4.4 *Monitoring:* the Note Trustee shall not be responsible for investigating, monitoring or supervising the observance or performance by any person in respect of the Charged Property or the Obligor Charged Property or otherwise;

28.4.5 *No responsibility for Issuer Security:* the Note Trustee shall not be responsible for any Liabilities occasioned to the Issuer Security or the Obligor Charged Property however caused, whether by an act or omission of the Issuer or any other party to the Transaction Documents or any other person (including any bank, broker, depository, or other intermediary or any clearing system or operator thereof) acting in accordance with or contrary to the provisions of any of the Transaction Documents or otherwise and irrespective of whether the Issuer Security or, as the case may be, the Obligor Charged Property is held by or to the order of any of such persons;

28.4.6 *Insurance:* without prejudice to the provisions of any Transaction Document relating to insurance, the Note Trustee shall not be under any obligation to insure any of the Charged Property or the Obligor Charged Property or any deeds or documents of title or other evidence in respect of the Charged Property or the Obligor Charged Property or to require any other person to maintain any such insurance or monitor the adequacy of any such insurance and shall not be responsible for any Liability which may be suffered by any person as a result of the lack of or inadequacy of any such insurance;

- 28.4.7 *Depreciation in value:* until the delivery of a Note Enforcement Notice, the moneys standing to the credit of any account comprised in the Charged Property or the Obligor Charged Property shall be dealt with in accordance with the provisions of the Transaction Documents and the Note Trustee shall not be responsible in such circumstances or at any other time for any Liability suffered by any person, whether by reason of depreciation in value or by fluctuation in exchange rates or otherwise;
- 28.4.8 *No liability for loss:* the Note Trustee will not be liable for any decline in the value nor any loss realised upon any sale or other disposition pursuant to the Trust Documents of, any of the Charged Property or the Obligor Charged Property. In particular and without limitation, the Note Trustee shall not be liable for any such decline or loss directly or indirectly arising from its acting or failing to act as a consequence of an opinion reached by it in good faith based on advice received by it in accordance with the Trust Documents, the other Transaction Documents and the Conditions;
- 28.4.9 *Liability to Tax:* the Note Trustee shall have no responsibility whatsoever to the Issuer, any Noteholder, Couponholder, Receiptholder or other Issuer Secured Creditors as regards any deficiency which might arise because the Note Trustee is subject to any Tax in respect of all or any of the Charged Property or the Obligor Charged Property, the income therefrom or the proceeds thereof; and
- 28.4.10 *Responsibility:* the Note Trustee shall not be responsible for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or suitability of the Transaction Documents or other documents entered into in connection therewith, nor shall it be responsible or liable to any person because of any invalidity of any provisions of such documents or the unenforceability thereof, whether arising from statute, law or decision of any court. The Note Trustee shall not have any responsibility for, or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
- (a) the nature, status, creditworthiness or solvency of any Obligor or any other person or entity who has at any time provided any security or support whether by way of guarantee, charge or otherwise in respect of any advance made to any Obligor;
 - (b) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of any Transaction Documents or any other document entered into in connection therewith;
 - (c) the scope or accuracy of any representations, warranties or statements made by or on behalf of any Obligor in any application for any advance or any document entered into in connection therewith;
 - (d) the performance or observance by any Obligor or any other person of any provisions of the Transaction Documents or in any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained therein or relating thereto or as to the existence or occurrence at any time of any default, event of default or

similar event contained therein or waiver or consent which has at any time been granted in relation to any of the foregoing;

- (e) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection with any property;
- (f) the title of any Obligor to any property;
- (g) the compliance of the provisions and contents of and the manner and formalities applicable to the execution of the Transaction Documents, and any documents connected therewith, with any Requirement of Law;
- (h) the failure by any Obligor or the Issuer to obtain or comply with any licence, consent or other authority in connection with the acquisition or disposal of any properties or the making of any advances in connection therewith;
- (i) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, standard securities, charges or other further assurances in relation to any of the assets the subject matter of any of the Transaction Documents or any other document;
- (j) the failure by any Obligor or the Issuer to make any filings, registrations, payments, notifications or renewals in relation to any intellectual property rights or analogous rights; or
- (k) any other matter or thing relating to or in any way connected with any property or any document entered into in connection therewith, whether or not similar to the foregoing;

28.4.11 *Reliance on self-certification:* the Note Trustee will rely on self-certification of the Obligors as a means of monitoring whether the Obligors are complying with their obligations under the Transaction Documents (other than the obligation to make payments of principal and interest under the Issuer/Borrower Loan Agreement) and shall not otherwise be responsible for investigating any aspect of the Obligors' performance in relation thereto and, in particular (but without prejudice to the generality of the foregoing):

- (a) need not do anything to ascertain whether a Default (as defined in the Issuer/Borrower Loan Agreement) (other than the failure to pay principal or interest, on amounts lent under the Issuer/Borrower Loan Agreement, when due) has occurred and, until it has express knowledge to the contrary the Note Trustee may assume that no such event has occurred and that the Obligors are performing all their obligations under the Transaction Documents;
- (b) shall not undertake any credit analysis of the Obligors nor evaluate the Obligors' accounts and need assume that no Material Adverse Effect,

or like term has occurred unless it receives a certificate from any Obligor stating otherwise;

- (c) shall as more fully set out in Clause 28.1 (*Reliance on Information*), rely without further investigation on information supplied to it by (i) the Obligors pursuant to the terms of the Transaction Documents, and (ii) the Issuer pursuant to the terms of this Deed;

28.4.12 *Directions from Noteholders*: when the Note Trustee is required to consider any matter arising under the Transaction Documents it may take directions in relation thereto from the Noteholders by means of an Extraordinary Resolution of the Most Senior Class of Notes then outstanding or by a direction of the holders of 25 per cent. of the Principal Amount Outstanding of such Notes then outstanding, and shall not be liable for any delay in so doing not occasioned by its failure promptly to call a meeting of Noteholders as provided in these presents; and

28.4.13 *Assumption of due performance*: except as herein otherwise expressly provided, the Note Trustee shall be and is hereby authorised to assume without enquiry, in the absence of knowledge or express notice to the contrary, that the Issuer is duly performing and observing all the covenants and provisions contained in these presents relating to the Issuer and on its part to be performed and observed, that each Obligor is duly performing and observing all the covenants and provisions contained in the Issuer/Borrower Loan Agreement and on its part to be performed and observed and that no Event of Default, Potential Event of Default or Default (as such term is defined in the Issuer/Borrower Loan Agreement) has occurred.

28.5 **FSMA Authorisation**

The Note Trustee represents and warrants that it is an authorised person under Section 19 of FSMA or does not need to be so in order to enforce its rights under the Issuer Transaction Documents.

28.6 **Note Trustee Protections**

All of the protections afforded to the Security Trustee in the Security Trust Deed including, without limitation, the provisions of Clause 6 (*Security Trustee's Actions*) shall apply *mutatis mutandis* to the Note Trustee to the extent such protections do not conflict with any of the protections afforded to the Note Trustee in this Deed.

28.7 **Note Trustee Liability**

Subject to Section 192 of the Companies Act 1985 (if applicable) and notwithstanding anything to the contrary in the Transaction Documents, the Note Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to the Transaction Documents save in relation to its own gross negligence, wilful default or fraud.

28.8 **Consequential Loss**

The Note Trustee shall not be liable for any punitive damages or consequential loss (being loss of business, goodwill, opportunity or profit) arising out of any of breach by the Note Trustee of any of its obligations under this Agreement, even if advised of the possibility of such losses or damage.

28.9 **Disapplication**

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Note Trustee in relation to the trusts constituted by the Trust Documents. Where there are any inconsistencies between the Trustee Acts and the provisions of the Trust Documents, the provisions of the Trust Documents shall, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of the Trust Documents shall constitute a restriction or exclusion for the purposes of that Act.

**SECTION I
COSTS AND EXPENSES**

29. REMUNERATION

29.1 Normal Remuneration

The Issuer shall pay to the Note Trustee remuneration for its services as trustee as from the date of this Deed, such remuneration to be at such rate as may from time to time be agreed between the Issuer and the Note Trustee. Such remuneration shall accrue from day to day and be payable in accordance with the Issuer Priorities of Payments until the trusts of the Trust Documents are discharged.

29.2 Remuneration for Further Issues

Upon the issue of any Further Notes, the rate of remuneration in force immediately prior to such issue shall be increased by an amount as may from time to time be agreed between the Issuer and the Note Trustee. Such increased remuneration shall take effect from the related Further Closing Date.

29.3 Extra Remuneration

In the event of the occurrence of an Event of Default or the Note Trustee considering it expedient or necessary or being requested by the Issuer to undertake duties which the Note Trustee and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Note Trustee under the Trust Documents, the Issuer shall pay to the Note Trustee such additional remuneration as shall be agreed between them.

29.4 Reduction in Remuneration

The rate of remuneration in force from time to time may, upon the final redemption of the whole of the Notes in a class, be reduced by an amount as may from time to time be agreed between the Issuer and the Note Trustee. Such reduction in remuneration shall be calculated from the date following such final redemption.

29.5 Failure to agree

In the event of the Note Trustee and the Issuer failing to agree:

29.5.1 (in a case to which Clause 29.1 (*Normal Remuneration*), Clause 29.2 (*Remuneration for Further Issues*) or Clause 29.4 (*Reduction in Remuneration*) applies) upon the amount of the remuneration; or

29.5.2 (in a case to which Clause 29.3 (*Extra Remuneration*) applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Note Trustee under the Trust Documents or upon such additional remuneration,

such matters shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Note Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Note

Trustee) by the President for the time being of The Law Society of England and Wales (the expenses involved in such nomination and the fees of such investment bank being payable by the Issuer) and the determination of any such investment bank shall be final and binding upon the Note Trustee and the Issuer.

29.6 Expenses

The Issuer shall also pay or discharge all costs, charges and expenses incurred by the Note Trustee and (if applicable) the Receiver in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, the Trust Documents and the other Issuer Transaction Documents, including but not limited to legal and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Note Trustee in connection with any action taken or contemplated by or on behalf of the Note Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, the Trust Documents or the other Issuer Transaction Documents.

29.7 Indemnity

Subject to the provisions of Clause 28.7 (*Note Trustee Liability*), the Issuer covenants with and undertakes to the Note Trustee to indemnify the Note Trustee on demand against any Liabilities which are incurred by the Note Trustee, any Receiver or any Appointee or any other person appointed by the Note Trustee under the Trust Documents to whom any trust, power, authority or discretion may be delegated by the Note Trustee in the execution, or the purported execution, of the trusts, powers, authorities and discretions vested in it by the Trust Documents, in, or in connection with:

- 29.7.1 the performance of the terms of the Trust Documents;
- 29.7.2 anything done or purported to be done by the Note Trustee, any Appointee or the Receiver in relation to the Charged Property or under the Trust Documents or any other Issuer Transaction Document;
- 29.7.3 the exercise or attempted exercise by or on behalf of the Note Trustee, any Appointee or the Receiver of any of the powers of the Note Trustee, any Appointee or the Receiver or any other action taken by or on behalf of the Note Trustee with a view to or in connection with enforcing any obligations of the Issuer or any other person under any Issuer Transaction Document or the recovery by the Note Trustee, any Appointee or the Receiver from the Issuer of the Issuer Secured Liabilities; or
- 29.7.4 any payment made in respect of the Issuer Secured Liabilities (whether by the Issuer or any other person) which is subsequently impeached or declared void for any reason whatsoever.

29.8 **Priority of Indemnity**

The Note Trustee and the Receiver shall be entitled to be indemnified out of the Charged Property against all actions liabilities payable pursuant to Clause 29.7 (*Indemnity*) in accordance with the Issuer Payments Priorities, proceedings (or threats of actions or proceedings) costs, claims and demands in respect of any matter or thing in any way omitted or done in any way in relation to this Deed in accordance with the Issuer Payments Priorities and the Note Trustee may retain and pay out of the monies in its hands arising from the Charged Property all sums necessary to effect such indemnity.

29.9 **Payment of amounts due**

29.9.1 All amounts due and payable pursuant to Clause 29.6 (*Expenses*) and Clause 29.7 (*Indemnity*) shall be payable by the Issuer on the date specified in a demand by the Note Trustee; the rate of interest applicable to such payments shall be two per cent. per annum above the base rate from time to time of The Royal Bank of Scotland plc and interest shall accrue:

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

29.9.2 All remuneration payable to the Note Trustee shall carry interest at the rate specified in Clause 29.9.1 from the due date thereof.

29.10 **Discharges**

Unless otherwise specifically stated in any discharge of the Trust Documents the provisions of Clause 29 (*Remuneration*) shall continue in full force and effect notwithstanding such discharge and whether or not the Note Trustee is then the trustee of this Deed.

SECTION J
APPOINTMENT AND RETIREMENT

30. APPOINTMENT OF TRUSTEES

The power of appointing new trustees of the Trust Documents shall be vested in the Issuer, but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution. One or more persons may hold office as trustee or trustees of the Trust Documents, **provided that** such trustee or trustees shall be (if there is only one) or include (if there is more than one) a Trust Corporation. Any appointment of a new Note Trustee under the Trust Documents will not take effect unless at the same time the Borrower has appointed the same person to be Security Trustee under the Security Trust Deed.

31. NOTICE OF A NEW TRUSTEE

Any appointment of a new trustee of the Trust Documents shall, as soon as practicable thereafter, be notified by the Issuer to the Paying Agents, the Noteholders and the other Issuer Secured Creditors. The Noteholders shall together have the power, exercisable by Extraordinary Resolution, to remove any trustee or trustees for the time being hereof. The removal of any trustee shall not become effective unless there remains a trustee hereof (being a Trust Corporation) in office after such removal.

32. SEPARATE AND CO-TRUSTEES

Notwithstanding the provisions of Clause 30 (*Appointment of Trustees*), the Note Trustee may, upon giving prior notice to the Issuer (but without the consent of the Issuer, the Noteholders or any other Issuer Secured Creditor), appoint any person established or resident in any jurisdiction (whether a Trust Corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Note Trustee:

- 32.1 if the Note Trustee considers such appointment to be in the interests of the Noteholders and the other Issuer Secured Creditors; or
- 32.2 for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts are to be performed; or
- 32.3 for the purposes of obtaining a judgment against the Issuer in any jurisdiction or the enforcement in any jurisdiction either of a judgment already obtained against the Issuer or of the Trust Documents or any other Issuer Transaction Document.

33. APPOINTMENT, REMOVAL, REMUNERATION OF SEPARATE/CO-TRUSTEE

The Issuer hereby irrevocably appoints the Note Trustee to be its attorney in its name and on its behalf to execute any instrument of appointment of a separate or co-trustee pursuant to Clause 32 (*Separate and Co-trustees*). Such a person shall (subject always to the provisions of the Trust Documents) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Note Trustee by the Trust Documents) and such duties and obligations as shall be conferred on such person or imposed by the instrument of appointment. The Note Trustee shall have the power in

like manner to remove any such person. Such reasonable remuneration as the Note Trustee may pay to any such person, together with any attributable Liabilities incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of the Trust Documents be treated as Liabilities incurred by the Note Trustee. The removal of any trustee shall not become effective unless (a) there remains a trustee of the Trust Documents (being a trust corporation) in office after such removal and (b) unless the Note Trustee and the Security Trustee agree otherwise, the Security Trustee is, pursuant to the provisions of the Security Trust Deed, removed simultaneously with the removal of the Note Trustee under this Deed.

34. RETIREMENT OF TRUSTEES

Any Note Trustee for the time being of the Trust Documents may retire at any time upon giving not less than three calendar months notice in writing to the Issuer without assigning any reason therefore and without being responsible for any Liabilities occasioned by such retirement. The retirement of any Note Trustee shall not become effective unless (a) there remains a trustee under the Trust Documents (being a Trust Corporation) in office after such retirement and (b) the Security Trustee pursuant to the provisions of the Security Trust Deed retires simultaneously with the retirement of the Note Trustee under this Deed. The Issuer covenants that, in the event of the sole trustee or the only trustee hereof which is a Trust Corporation giving notice under this Clause 34, it shall use its best endeavours to procure a new trustee, being a Trust Corporation, to be appointed. If the Issuer has not appointed a new trustee prior to the expiry of the notice period given by the Note Trustee, the Note Trustee shall be entitled to nominate a replacement subject to the proviso that a new security trustee of the Security Trust Deed must be appointed simultaneously.

35. COMPETENCE OF A MAJORITY OF TRUSTEES

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

36. POWERS ADDITIONAL

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

**SECTION K
MISCELLANEOUS**

37. EXECUTION

The parties have executed this Deed as a deed and intend to deliver, and do deliver, this Deed on the date stated at the beginning of this Deed.

SCHEDULE 1
FORM OF TEMPORARY GLOBAL NOTE

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 1650 AND 1287(a) OF THE INTERNAL REVENUE CODE.

DIGNITY FINANCE PLC

*(incorporated with limited liability under
the laws of England and Wales)*

£[•]

Class [A/B]¹ Secured [•]% Notes due [•]

TEMPORARY GLOBAL NOTE

1. INTRODUCTION

This Temporary Global Note is issued in respect of the above captioned Notes. The Notes are subject to, and have the benefit of, the Trust Deed and are the subject of the Agency Agreement and the other Issuer Transaction Documents.

2. INTERPRETATION

2.1 References to Conditions

Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes set out in Schedule IV hereto and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

2.2 Definitions

In this Temporary Global Note, unless otherwise defined herein or the context requires otherwise, words and expressions have the meanings and constructions ascribed to them in the Conditions.

3. PROMISE TO PAY

The Issuer, for value received, promises to pay to the bearer of this Temporary Global Note the principal amount of:

£[•]

([•] POUNDS STERLING)

¹ Delete as appropriate.

on the dates and in the amounts specified in the Conditions or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on the unpaid balance of such principal sum in arrear on the dates and at the rate specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions, **provided that** such interest shall be payable only:

- 3.1 in the case of principal or interest falling due before the Exchange Date (as defined below), to the extent that a certificate or certificates issued by Euroclear and/or Clearstream, Luxembourg dated not earlier than the date on which such principal or interest falls due and in substantially the form set out in Schedule III hereto is or are delivered to the Specified Office (as defined in the Conditions) of the Principal Paying Agent; or
- 3.2 in the case of principal or interest falling due at any time, to the extent that the Issuer has failed to procure the exchange for a Permanent Global Note of that portion of this Temporary Global Note in respect of which such principal is due or such interest has accrued.

4. **NEGOTIABILITY**

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

5. **EXCHANGE**

5.1 **Delivery of Permanent Global Note**

On or after the day following the expiry of 40 days after the date of issue of this Temporary Global Note (the "**Exchange Date**"), the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note to the bearer of this Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- 5.1.1 presentation and (in the case of final exchange) surrender of this Temporary Global Note at the Specified Office of the Principal Paying Agent; and
- 5.1.2 receipt by the Principal Paying Agent of a certificate or certificates issued by Euroclear and/or Clearstream, Luxembourg dated not earlier than the Exchange Date and in substantially the form set out in Schedule IV hereto.

5.2 **Principal Amount Outstanding**

The Principal Amount Outstanding of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and received by the Principal Paying Agent, **provided that** in no circumstances shall the Principal Amount Outstanding of the Permanent Global Note exceed the initial Principal Amount Outstanding of this Temporary Global Note.

6. **WRITING DOWN**

On each occasion on which:

- 6.1 the Permanent Global Note is delivered; or
- 6.2 the principal amount thereof is increased in accordance with its terms in exchange for a further portion of this Temporary Global Note; or
- 6.3 Notes represented by this Temporary Global Note are to be cancelled in accordance with Condition 8 (*Redemption, Purchase and Cancellation*),

the Issuer shall procure that (a) the principal amount of the Permanent Global Note or the principal amount of such increase or the aggregate principal amount of such Notes to be cancelled, as the case may be, and (b) the remaining principal amount of this Temporary Global Note (which shall be the previous principal amount hereof *less* the aggregate of the amounts referred to in (a)) are noted in Schedule I hereto, whereupon the principal amount of this Temporary Global Note shall for all purposes be as most recently so noted.

7. **PAYMENTS**

All payments in respect of this Temporary Global Note shall be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of this Temporary Global Note at the Specified Office of any Paying Agent and shall be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of interest is made in respect of this Temporary Global Note, the Issuer shall procure that the same is noted in Schedule I hereto.

8. **CONDITIONS APPLY**

Until this Temporary Global Note has been exchanged as provided herein or cancelled in accordance with the Agency Agreement, the bearer of this Temporary Global Note shall be subject to the Conditions and, subject as otherwise provided herein, shall be entitled to the same rights and benefits under the Conditions as if the bearer were the holder of Notes in definitive form in substantially the form set out in Part 1 of Schedule 3 (*Form of Definitive Note*) of the Trust Deed and the related Receipts, Coupons and Talons in the denomination of £100,000 with integral multiples of £1,000 in excess thereof up to £199,000 and in an aggregate principal amount equal to the principal amount of this Temporary Global Note.

9. **NOTICES**

Notwithstanding the Notices Condition, while all the Notes are represented by this Temporary Global Note (or by this Temporary Global Note and the Permanent Global Note) and this Temporary Global Note is (or this Temporary Global Note and the Permanent Global Note are) deposited with a common depositary for Euroclear and Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg and, in any such case, such notices shall be deemed to have been given to the Noteholders in accordance with the Notices Condition on the date of delivery to Euroclear and Clearstream, Luxembourg.

10. **AUTHENTICATION**

This Temporary Global Note shall not be valid for any purpose until it has been authenticated for and on behalf of the Principal Paying Agent.

11. **GOVERNING LAW**

This Temporary Global Note is governed by, and shall be construed in accordance with, English law.

AS WITNESS the manual/facsimile signature of a duly authorised person on behalf of the Issuer.

DIGNITY FINANCE PLC

By:
[*manual or facsimile signature*]
(*duly authorised*)

ISSUED on [•]

AUTHENTICATED for and on behalf of

THE BANK OF NEW YORK MELLON, LONDON BRANCH

as Principal Paying Agent

without recourse, warranty or liability

By:
[*manual or facsimile signature*]
(*duly authorised*)

Schedule II

Form of Accountholder's Certification

DIGNITY FINANCE PLC

*(incorporated with limited liability under
the laws of England and Wales)*

£[•]

Class [A/B]² Secured [•]% Notes due [•]

This is to certify that as of the date hereof, and except as set forth below, the above-captioned Securities held by you for our account (a) are owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("**United States persons**"), (b) are owned by United States person(s) that (i) are foreign branches of a United States financial institution (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(v)) ("**financial institutions**") purchasing for their own account or for resale, or (b) acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (i) or (ii), each such United States financial institution hereby agrees, on its own behalf or through its agent, that you may advise the issuer or the issuer's agent that it will comply with the requirements of Section 165G(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (c) are owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and in addition if the owner of the Securities is a United States or foreign financial institution described in clause (c) (whether or not also described in clause (a) or (b) this is to further certify that such financial institution has not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

If the Securities are of the category contemplated in Section 230.903(b)(3) of Regulation S under the Securities Act of 1933, as amended (the "**Act**"), then this is also to certify that, except as set forth below, the Securities are beneficially owned by (1) non-U.S. person(s) or (2) U.S. person(s) who purchased the Securities in transactions which did not require registration under the Act. As used in this paragraph the term "**U.S. person**" has the meaning given to it by Regulation S under the Act.

As used herein, "**United States**" means the United States of America (including the States and the District of Columbia); and its "**possessions**" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We undertake to advise you promptly by tested telex on or prior to the date on which you intend to submit your certification relating to the Securities held by you for our account in accordance with your operating procedures if any applicable statement herein is not correct

² Delete as appropriate.

on such date, and in the absence of any such notification it may be assumed that this certification applies as of such date.

This certification excepts and does not relate to £[*amount*] of such interest in the above Securities in respect of which we are not able to certify and as to which we understand exchange and delivery of definitive Securities (or, if relevant, exercise of any rights or collection of any principal or interest) cannot be made until we do so certify.

We understand that this certification is required in connection with certain tax laws and, if applicable, certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Dated: [•]

[name of account holder]

as, or as agent for,

the beneficial owner(s) of the Securities

to which this certificate relates.

By:
Authorised signatory

Schedule III

Form of Euroclear/Clearstream, Luxembourg Certification

Dignity Finance Plc

(incorporated with limited liability under

the laws of England and Wales)

£[•]

Class [A/B]³ Secured [•]% Notes due [•]

This is to certify that, based solely on certifications we have received in writing, by tested telex or by electronic transmission from member organisations appearing in our records as persons being entitled to a portion of the principal amount set forth below (our "**Member Organisations**") substantially to the effect set forth in Schedule II of the temporary global Note issued in respect of the securities, as of the date hereof, £[amount] principal amount of the above-captioned Securities (a) is owned by persons that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("**United States persons**"), (b) is owned by United States persons that (i) are foreign branches of United States financial institutions (as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(v)) ("**financial institutions**") purchasing for their own account or for resale, or (ii) acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (i) or (ii), each such United States financial institution has agreed, on its own behalf or through its agent, that we may advise the Issuer or the Issuer's agent that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (c) is owned by United States or foreign financial institutions for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and to the further effect that United States or foreign financial institutions described in clause (c) (whether or not also described in clause (a) or (b) have certified that they have not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

If the Securities are of the category contemplated in Section 230.903(b)(3) of Regulation S under the Securities Act of 1933, as amended (the "**Act**"), then this is also to certify with respect to the principal amount of Securities set forth above that, except as set forth below, we have received in writing, by tested telex or by electronic transmission, from our Member Organisations entitled to a portion of such principal amount, certifications with respect to such portion substantially to the effect set forth in the temporary global Note issued in respect of the Securities.

We further certify (1) that we are not making available herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) any portion of the temporary global security excepted in such certifications and (2) that as of the date hereof we have not received

³ Delete as appropriate.

any notification from any of our Member Organisations to the effect that the statements made by such Member Organisations with respect to any portion of the part submitted herewith for exchange (or, if relevant, exercise of any rights or collection of any interest) are no longer true and cannot be relied upon as of the date hereof.

We understand that this certification is required in connection with certain tax laws and, if applicable, certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings.

Dated: [●]

Euroclear S.A./N.V.
as operator of the Euroclear System

or

Clearstream Banking, société anonyme

By:
Authorised signatory

Schedule IV
Terms and Conditions of the Notes

SCHEDULE 2
FORM OF PERMANENT GLOBAL NOTE

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 1650 AND 1287(a) OF THE INTERNAL REVENUE CODE.

DIGNITY FINANCE PLC

*(incorporated with limited liability under
the laws of England and Wales)*

£[•]

Class [A/B]⁴ Secured [•]% Notes due [•]

PERMANENT GLOBAL NOTE

1. INTRODUCTION

This Permanent Global Note is issued in respect of the above captioned Notes. The Notes are subject to, and have the benefit of, the Trust Deed and are the subject of the Agency Agreement and the other Issuer Transaction Documents.

2. INTERPRETATION

2.1 References to Conditions

Any reference herein to the "**Conditions**" is to the terms and conditions of the Notes set out in Schedule II hereto and any reference to a numbered "**Condition**" is to the correspondingly numbered provision thereof.

2.2 Definitions

In this Permanent Global Note, unless otherwise defined herein or the context requires otherwise, words and expressions have the meanings and constructions ascribed to them in the Conditions.

3. PROMISE TO PAY

The Issuer, for value received, promises to pay to the bearer of this Permanent Global Note the principal amount of:

£[•]

([•] POUNDS STERLING)

⁴ Delete as appropriate.

on the dates and in the amounts specified in the Conditions or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on the unpaid balance of such principal sum in arrear on the dates and at the rate specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

4. **NEGOTIABILITY**

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

5. **EXCHANGE**

This Permanent Global Note will be exchanged, in whole but not in part only, for Definitive Notes if either of the following events (each, an "**Exchange Event**") occurs:

- 5.1 Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- 5.2 by reason of any amendment to, or change in, the laws of the Issuer Jurisdiction the Issuer is or will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes were in definitive form.

6. **DELIVERY OF DEFINITIVE NOTES**

Whenever this Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery of such Definitive Notes, duly authenticated and with Receipts, Coupons and Talons attached, in an aggregate principal amount equal to the principal amount of this Permanent Global Note to the bearer of this Permanent Global Note against the surrender of this Permanent Global Note at the Specified Office of the Principal Paying Agent within 30 days of the occurrence of the relevant Exchange Event.

7. **WRITING DOWN**

On each occasion on which:

- 7.1.1 a payment of principal is made in respect of this Permanent Global Note;
- 7.1.2 Definitive Notes are delivered; or
- 7.1.3 Notes represented by this Permanent Global Note are to be cancelled in accordance with Condition 8 (*Redemption, Purchase and Cancellation*),

the Issuer shall procure that (i) the amount of such payment and the aggregate principal amount of such Notes and (ii) the remaining principal amount of this Permanent Global Note (which shall be the previous principal amount hereof less the aggregate of the amounts referred to in (i) above) are noted in Schedule I hereto,

whereupon the principal amount of this Permanent Global Note shall for all purposes be as most recently so noted.

8. WRITING UP

If this Permanent Global Note was originally issued in exchange for part only of a Temporary Global Note representing the Notes, then, if at any time any further portion of such Temporary Global Note is exchanged for an interest in this Permanent Global Note, the principal amount of this Permanent Global Note shall be increased by the amount of such further portion, and the Issuer shall procure that the principal amount of this Permanent Global Note (which shall be the previous principal amount hereof plus the amount of such further portion) is noted in Schedule I hereto, whereupon the principal amount of this Permanent Global Note shall for all purposes be as most recently so noted.

9. PAYMENTS

All payments in respect of this Permanent Global Note shall be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of this Permanent Global Note at the Specified Office of any Paying Agent and shall be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of interest is made in respect of this Permanent Global Note, the Issuer shall procure that the same is noted in Schedule I hereto.

10. CONDITIONS APPLY

Until this Permanent Global Note has been exchanged as provided herein or cancelled in accordance with the Agency Agreement, the bearer of this Permanent Global Note shall be subject to the Conditions and, subject as otherwise provided herein, shall be entitled to the same rights and benefits under the Conditions as if it were the holder of Definitive Notes and the related Receipts, Coupons and Talons in the denomination of £100,000 with integral multiples of £1,000 in excess thereof up to £199,000 and in an aggregate principal amount equal to the principal amount of this Permanent Global Note.

11. NOTICES

Notwithstanding the Notices Condition, while all the Notes are represented by this Permanent Global Note (or by this Permanent Global Note and a Temporary Global Note) and this Permanent Global Note is (or this Permanent Global Note and a Temporary Global Note are) deposited with a common depository for Euroclear and Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg and, in any such case, such notices shall be deemed to have been given to the Noteholders in accordance with the Notices Condition on the date of delivery to Euroclear and Clearstream, Luxembourg.

12. AUTHENTICATION

This Permanent Global Note shall not be valid for any purpose until it has been authenticated for and on behalf of the Principal Paying Agent.

13. **GOVERNING LAW**

This Permanent Global Note is governed by, and shall be construed in accordance with, English law.

AS WITNESS the [manual/facsimile] signature of a duly authorised person on behalf of the Issuer.

DIGNITY FINANCE PLC

By:
[*manual or facsimile signature*]
(*duly authorised*)

ISSUED on [•]

AUTHENTICATED for and on behalf of

THE BANK OF NEW YORK MELLON, LONDON BRANCH

as Principal Paying Agent

without recourse, warranty or liability

By:
[*manual or facsimile signature*]
(*duly authorised*)

Schedule I

**Payments, Exchanges against Temporary Global Note, Delivery of Definitive Notes and
Cancellation of Notes**

<u>Date of payment, exchange, delivery or cancellation</u>	<u>Amount of interest then paid</u>	<u>Amount of principal then paid</u>	<u>Principal amount of Temporary Global Note then exchanged</u>	<u>Aggregate principal amount of Definitive Notes then delivered</u>	<u>Aggregate principal amount of Notes then cancelled</u>	<u>New principal amount of this Global Note</u>	<u>Authorised signature</u>

Schedule II
Terms and Conditions of the Notes

SCHEDULE 3
FORM OF DEFINITIVE NOTE, COUPON, RECEIPT AND TALON

PART 1
FORM OF DEFINITIVE NOTE

[On the face of the Note:]

ISIN: •]

Common Code: •]

£100,000

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

DIGNITY FINANCE PLC

*(incorporated with limited liability under
the laws of England and Wales)*

£100,000

Class [A/B]⁵ Secured [•]% Notes due [•]

This Note is one of a series of Notes (the "Notes") in the denomination of £100,000 and in the aggregate principal amount of £[[•]/[•]] issued by Dignity Finance Plc (the "Issuer"). The Notes are subject to, and have the benefit of, a trust deed dated on or around [•] 2014 between the Issuer and BNY Mellon Corporate Trustee Services Limited as trustee for the holders of the Notes from time to time.

The Issuer, for value received, promises to pay to the bearer the principal sum of

£100,000

(ONE HUNDRED THOUSAND POUNDS STERLING)

on the dates and in the amounts specified in the conditions endorsed on this Note (the "Conditions"), or on such earlier date or dates as the same may become payable in accordance with the Conditions, and to pay interest on the unpaid balance of such principal sum in arrear on the dates and at the rate specified in the Conditions, together with any additional amounts payable in accordance with the Conditions, all subject to and in accordance with the Conditions.

Interest is payable on the unpaid balance of the above principal sum in accordance with the Conditions.

⁵ Delete as appropriate.

This Note and the principal receipts [and] interest coupons [and talons] relating hereto shall not be valid for any purpose until this Note has been authenticated for and on behalf of the Principal Paying Agent.

AS WITNESS the [manual/facsimile] signature of a duly authorised person on behalf of the Issuer.

DIGNITY FINANCE PLC

By:
[facsimile signature]

By:
[facsimile signature]

ISSUED on [•]

AUTHENTICATED for and on behalf of

THE BANK OF NEW YORK MELLON, LONDON BRANCH

as Principal Paying Agent

without recourse, warranty or liability

By:
[manual signature]
(duly authorised)

[On the reverse of the Note:]

TERMS AND CONDITIONS

[As set out in Schedule 4]

[At the foot of the Terms and Conditions:]

PRINCIPAL PAYING AGENT

**The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
England**

IRISH PAYING AGENT

**The Bank of New York Mellon SA/NV, Dublin Branch
4th Floor
Hanover Building
Windmill Lane
Dublin 2
Ireland**

PART 2
FORM OF INTEREST COUPON

[On the face of the Coupon:]

DIGNITY FINANCE PLC

£100,000

Class [A/B]⁶ Secured [•] per cent. Notes due [•]

This Coupon relates to a Note in the denomination of £100,000.

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

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

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

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

⁶ Delete as appropriate.

[On the reverse of the Coupon:]

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

Irish Paying Agent: The Bank of New York Mellon SA/NV, Dublin Branch, 4th Floor, Hanover Building, Windmill Lane, Dublin 2, Ireland.

PART 3
FORM OF PRINCIPAL RECEIPT

[On the face of the Receipt:]

DIGNITY FINANCE PLC

£100,000 Class [A/B]⁷

Secured [·/·] per cent. Notes due [20[·]/20[·]]

Receipt for the amount of principal due on [*scheduled payment date*].

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

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

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

[On the reverse of the Receipt:]

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

Irish Paying Agent: The Bank of New York Mellon SA/NV, Dublin Branch, 4th Floor, Hanover Building, Windmill Lane, Dublin 2, Ireland.

⁷ Delete as appropriate.

**PART 4
FORM OF TALON**

[On the face of the Talon:]

DIGNITY FINANCE PLC

£100,000

Class [A/B]⁸ Secured [·/·] per cent. Notes due [20[·]/20[·]]

Talon for further [Coupons/Receipts].

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

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

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

[On the reverse of the Talon:]

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

⁸ Delete as appropriate.

SCHEDULE 4
TERMS AND CONDITIONS

The following are the terms and conditions of the Notes. The Conditions set out below will apply to the Notes whether they are in definitive form or in global form.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form (subject to completion and amendment) in which they will be set out in the Trust Deed. The Conditions set out below will apply to the Notes whether they are in definitive form or in global form.

The £238,904,000 Class A Secured 3.5456% Notes due 2034 (the "**Class A Notes**") and the £356,402,000 Class B Secured 4.6956% Notes due 2049 (the "**Class B Notes**") and together with the Class A Notes being the "**Notes**", in each case of Dignity Finance PLC (the "**Issuer**") are constituted pursuant to a trust deed made between the Issuer and the Note Trustee (as defined below) as trustee for the Noteholders and the Couponholders dated on or about 11 April 2003 (as amended, restated, varied and/or supplemented from time to time, the "**Trust Deed**").

Any reference to "**Notes**" in these Conditions shall include the Global Notes and the Definitive Notes (each as defined below). In addition, unless otherwise indicated, any reference in these Conditions to a "**class**" of Notes, "**Notes**" or of "**Noteholders**" shall be a reference to the Class A Notes, the Class B Notes and, to the extent any New Notes (as defined below) are issued, the relevant class of New Notes issued or, as the case may be, the respective holders thereof. Any reference in these Conditions to a "**sub-class**" of Notes or of Noteholders shall be a reference to the extent any New Notes are issued to the relevant sub-class of New Notes issued or, as the case may be, the respective holders thereof, unless the context requires otherwise. Any reference in these Conditions to any agreement or deed shall be to such agreement or deed as it may be or have been amended, restated, supplemented or varied from time to time.

The security for the Notes is created pursuant to, and on the terms set out in, a deed of charge (the "**Issuer Security Deed**", which expression includes such deed of charge as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated the Closing Date and made between the Issuer, the Note Trustee, the Liquidity Facility Provider, the Cash Administrator, the Issuer Account Bank, the Principal Paying Agent, the Irish Paying Agent and the Agent Bank. Pursuant to an agency agreement (the "**Agency Agreement**", which expression includes such agency agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated the Initial Securitisation Closing Date as amended, restated and/or supplemented from time to time and made between the Issuer, the Note Trustee, The Bank of New York Mellon SA/NV, Dublin Branch, as Irish Paying Agent (the "**Irish Paying Agent**", which expression includes its successors), The Bank of New York Mellon, London Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes its successors and, together with the Irish Paying Agent and such additional or other paying agents, if any, appointed from time to time in respect of the Notes pursuant to the Agency Agreement, the "**Paying Agents**") and The Bank of New York Mellon, London Branch as agent bank (the "**Agent Bank**", which expression includes its successors and, together with the Paying Agents, the "**Agents**") provision is made for, *inter alia*, the payment of principal and interest in respect of the Notes of each class. The statements in these terms and conditions ("**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Issuer Security Deed and the Agency Agreement.

Copies of (a) the Issuer/Borrower Loan Agreement; (b) the DML Inter-Company Loan Security Assignment; (c) the Liquidity Facility Agreement; (d) the Issuer Cash Administration and Account Bank Agreement; (e) the Obligor Cash Administration and Account Bank Agreement; (f) the Tax Deed of Covenant; (g) the Agency Agreement; (h) the Trust Deed; (i) the Issuer Master Framework Agreement; (j) the Working Capital Facility Agreement; (k) the Dormant Company Subordination Deed; (l) the Deeds of Accession (Debenture); (m) the Standard Securities; (n) the Deed of Variation to the Standard Securities; (o) the Issuer Security Deed; (p) the Deed of Accession (Guarantee – APL); (q) the Deed of Retirement and Appointment; (r) the Deed of Accession (Jerseyco); (s) the Guarantee Amendment Agreement; (t) the Borrower Security Documents (u) the Deed of Accession (Obligor Account Bank); (v) DHL Non Interest-Bearing Loan Agreement; (w) any Deed of Accession (Cash Administrator); (x) the Issuer Loan; (y) the Memorandum of Deposit, (z) the Operating Account Loan Novation Agreement; the DFL/D2002 Operating Account Loans Amendment Agreement; the Deed of Accession (Working Capital Facility Provider) (as defined in the Conditions); any Hedging Agreement; the Debenture; the Deeds of Accession (Debenture) (as defined in the Conditions); the Security Trust Deed; the Guarantee; the Floating Charge Deed; the D2004 Floating Charge Deed; the DFL Mortgage Deed; the DFL/DHFS Mortgage Deed; the Dignity (2009) Limited Mortgage Deed; the Security Over DML Shares; the Security Over DHL Shares; the DHL Intercompany Loan Security Assignment; the Security Over Borrower Shares; the Security Over DH2 Shares; the Security Over D2004 Shares; the Security Over DH3 Shares; the Security Over D2008 Shares; the Security over D2011 Shares; Deed of Accession (Guarantee – D2004) (as

defined in the Conditions); Deed of Accession (D2004) (as defined in the Conditions); Deed of Accession (Subordination – D2004) (as defined in the Conditions); Memorandum of Deposit (as defined in the Conditions); Deed of Accession (Cash Administrator) (as defined in the Conditions); (and as such documents may be or may have been amended, supplemented, varied and/or restated from time to time) are obtainable during normal business hours at the Specified Office for the time being of the Principal Paying Agent, being at the date hereof at The Bank of New York Mellon, London Branch and at the Specified Office of the Irish Paying Agent, being at the date hereof at The Bank of New York Mellon SA/NV, Dublin Branch. The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Issuer Security Deed, the Agency Agreement and the other Transaction Documents.

1. **Definitions**

In these Conditions, the following defined terms have the meanings set out below:

"**A Tranche**" has the meaning given to it in the Issuer/Borrower Loan Agreement;

"**Advance**" has the meaning given to it in the Issuer/Borrower Loan Agreement;

"**Amortisation Amount**" has the meaning given to it in Condition 8(b)(i) (*Redemption, Purchase and Cancellation – Scheduled Mandatory Redemption in Part*);

"**Ancillary Rights**" means in relation to an interest, all ancillary rights, accretions and supplements to such interest, including any guarantees or indemnities in respect of such interest;

"**APL**" means Advance Planning Limited (registered number 03292336);

"**Available Issuer Revenue**" means all sums standing to the credit of the Issuer Transaction Account on the Business Day prior to any Interest Payment Date;

"**B Tranche**" has the meaning given to it in the Issuer/Borrower Loan Agreement;

"**Basic Terms Modification**" has the meaning ascribed thereto in Schedule 5 (*Provisions for meetings of Noteholders*) to the Trust Deed;

"**Benefit**" in respect of any interest held, assigned, conveyed, transferred, charged, sold or disposed of by any person includes:

- (a) all right, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) of such person in, to, under and in respect of such interest and all Ancillary Rights in respect of such interest;
- (b) all monies and proceeds payable or to become payable under, in respect of or pursuant to such interest or its Ancillary Rights and the right to receive payment of such monies and proceeds and all payments made including, in respect of any bank account, all sums of money which may at any time be credited to such bank account together with all interest accruing from time to time on such money and the debts represented by such bank account;
- (c) the benefit of all covenants, undertakings, representations, warranties and indemnities in favour of such person contained in or relating to such interest or its Ancillary Rights;
- (d) the benefit of all powers of and remedies for enforcing or protecting such person's right, title, interest and benefit in, to, under and in respect of such interest or its Ancillary Rights, including the right to demand, sue for, recover, receive and give receipts for proceeds of and amounts due under or in respect of or relating to such interest or its Ancillary Rights; and
- (e) all items expressed to be held on trust for such person under or comprised in any such interest or its Ancillary Rights, all rights to deliver notices and/or take such steps as are required to cause payment to become due and payable in respect of such interest and its Ancillary Rights, all rights of action in respect of any breach of or in connection with any such interest and its Ancillary Rights and all rights to receive damages or obtain other relief in respect of such breach;

"Borrower" means Dignity (2002) Limited (registered number 04349697) whose registered office is at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"Borrower Chargors" means the chargors under the Borrower Security Documents;

"Borrower Security" means the Security Interest created by or pursuant to the Borrower Security Documents;

"Borrower Security Documents" means the Debenture, Floating Charge Deed, D2004 Floating Charge Deed, DFL Mortgage Deed, DFL/DHFS Mortgage Deed, Dignity Security Trust Deed, Guarantee, (2009) Limited Mortgage Deed, the Security Over DHL Shares, the Security Over DML Shares, the DHL Inter-Company Loan Security Assignment, the DML Inter-Company Loan Security Assignment, the Standard Securities, the Security Over Borrower Shares, the Security Over DH2 Shares, the Security Over D2004 Shares, the Security Over D2008 Shares, the Security Over D2011 Shares, the Security Over DH3 Shares and such other documents granting, creating or evidencing security to the Security Trustee for the payment and discharge of all obligations owing to the Security Trustee and each of the Obligor Secured Creditors from time to time (each as amended, restated, supplemented and/or varied from time to time);

"business day" means a Business Day or, in the case of Condition 9(c)(iii) (*Payments – Presentation on non-business days*), a day on which commercial banks settle payments and are open for general business in the place where any Coupon or Note is presented for payment;

"Business Day" means, unless the context otherwise requires, a day (other than a Saturday or Sunday) on which commercial banks settle payments and are open for general business in London;

"Cash Administrator" means Dignity Funerals Limited in its capacity as cash administrator to the Issuer and the Securitisation Group, acting through its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP, or such other entity or entities appointed as cash administrator for the Issuer and the Securitisation Group from time to time, subject to and in accordance with the terms of the Issuer Cash Administration and Account Bank Agreement and the Obligor Cash Administration and Account Bank Agreement;

"Class A Definitive Notes" means any Class A Notes issued in definitive bearer form;

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

"Class A Rate" has the meaning given to it in Condition 7(c) (*Interest – Rates of Interest on the Notes*);

"Class A Noteholders" means the holders of any Class A Notes;

"Class A Permanent Global Note" means any permanent global note representing any Class A Notes in, or substantially in, the form set out in Schedule 2 (*Forms of Permanent Global Note*) of the Trust Deed;

"Class A Relevant Treasury Stock" has the meaning given to it in Condition 8(c)(i) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan*);

"Class A Temporary Global Note" means any temporary global note representing any Class A Notes in, or substantially in, the form set out in Schedule 1 (*Form of Temporary Global Note*) of the Trust Deed;

"Class B Definitive Notes" means any Class B Notes issued in definitive bearer form;

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

"Class B Rate" has the meaning given to it in Condition 7 (*Interest – Rates of Interest on the Notes*);

"**Class B Noteholders**" means the holders of any Class B Notes;

"**Class B Permanent Global Note**" means any permanent global note representing any Class B Notes in, or substantially in, the form set out in Schedule 2 (*Form of Permanent Global Note*) of the Trust Deed;

"**Class B Relevant Treasury Stock**" has the meaning given to it in Condition 8(c)(i) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part Upon Prepayment under the Issuer/Borrower Loan*);

"**Class B Temporary Global Note**" means any temporary global note representing any Class B Notes in, or substantially in, the form set out in Schedule 1 (*Form of Temporary Global Note*) of the Trust Deed;

"**Couponholders**" means the persons who for the time being are holders of the Coupons;

"**Coupons**" has the meaning given to it in Condition 2(a) (*Form, Denomination and Title – Form and Denomination*);

"**D2004**" means Dignity (2004) Limited (registered number 04995412) and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"**D2008**" means Dignity (2008) Limited (registered number 06748901) and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"**D2011**" means Dignity (2011) Limited (registered number 07541182) and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"**D2014**" means Dignity (2014) Limited (registered number 09257172) and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"**DCL**" means Dignity Crematoria Limited (registered number 05029403) and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"**DC2L**" means Dignity Crematoria No. 2 Limited (registered number 08804847) and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"**DF2L**" means Dignity Funerals No.2 Limited (registered number 07541500) and having its registered office at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"**Debenture**" means the debenture dated on 20 December 2002 (as amended, restated, supplemented and/or varied from time to time) made between the Obligors and the Security Trustee and includes, where the context so admits, any further or supplemental charge or security granted pursuant thereto;

"**Deeds of Accession (Debenture)**" means the documents so named dated on the Initial Securitisation Closing Date executed by APL, H.A Harrold & Son Limited, Hodgson Holdings Limited, Broomco (2013) Limited, White Lady Funerals Limited, J.H. Raven Limited, UK Funerals Limited, Howard Jenkins (Edge Hill) Limited, T.&R. O'Brien Limited and H. Dorricott and J. Bent Limited, the document so named dated 17 December 2003 executed by Jonathan Harvey Limited, the document so named dated 10 February 2005 executed by Phillips Holdings (Hertfordshire) Limited, Phillips Funeral Plans Limited, Phillips Funeral Services Limited and Phillips Supplies Limited, the document so named dated 5 July 2005 executed by Philip Ford & Son (Funeral Directors) Limited, the document so named dated 28 July 2005 executed by Hunters Funeral Directors Limited, the document so named dated 15 February 2006 executed by H.R.H. Holdings Limited and Highfield Funeral Service Limited, the document so named dated 16 May 2006 executed by D.J. Thomas (Funeral Directors) Limited, the document so named dated 2 October 2006 executed by Gornalls Funeral Services Limited, the document so named dated 14 December 2006 executed by Woodfield Park Funeral Home Limited, the document so named dated 15 August 2007 executed by C. Powell Funeral Services Limited, the document so named dated 31 March 2008 executed by F.E.J. Green & Sons Limited, the documents so named dated 3 October 2008 executed by Moray Crematorium Holdings Ltd and Moray Crematorium Limited, the document so named dated 7 April 2009 executed by Dignity (2009) Limited, the document

so named dated 10 August 2009 executed by T.S. Horlock and Son Limited and Robemanor Limited, the document so named dated 3 March 2010 executed by Hardacres Funeral Directors Limited, the document so named dated 8 July 2010 executed by Bracher Brothers Limited, the document so named dated 30 July 2013 executed by DF2L and each of the DF2L Dormant Obligors pursuant to which each such company acceded to the Debenture as additional chargors;

"Deed of Accession (Guarantee – APL)" means the document so named dated the Initial Securitisation Closing Date executed by APL, whereby APL accedes to the Guarantee as a Guarantor;

"Deed of Accession (Guarantee – D2004)" means the document so named dated on 19 March 2004 executed by D2004, whereby D2004 accedes to the Guarantee as a Guarantor;

"Definitive Notes" means the Class A Definitive Notes, the Class B Definitive Notes and any New Notes issued in definitive form;

"DHL" means Dignity Holdings Limited (registered number 04349716) whose registered office is at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"DHL Non Interest-Bearing Loan Agreement" means a letter agreement for the provision of an unsecured non interest-bearing loan facility of £300,000,000 between DHL (as lender) and the Borrower (as borrower) (as amended, restated, supplemented and/or varied from time to time);

"DH2" means Dignity Holdings No.2 Limited (formerly Dignity Limited) (registered number 04349722) whose registered office is at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"Dignity" means Dignity plc and its direct and indirect subsidiaries;

"Dignity Party" means any of the Borrower, the Obligors, the Guarantors and the Dormant Companies party to any of the Transaction Documents;

"Dignity plc" means Dignity plc (formerly Dignity Limited, which was formerly Broomco (3040) Limited) (registered number 04569346) whose registered office is at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"Dignity Services" means Dignity Services (registered number 02894910) whose registered office is at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"DML" means Dignity Mezzco Limited (registered number 04569044) whose registered office is at 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands B73 6AP;

"Dormant Company" means any Dormant Obligor, Dormant Non-Party Company or Dormant Non-Obligor;

"Dormant Company Subordination Deed" means the deed so named dated the Initial Securitisation Closing Date between DFL and certain Dormant Companies;

"Dormant Non-Obligor" means any Non-Obligor which has become dormant (as defined in section 1169 of the Companies Act 2006);

"Dormant Non-Party Company" means each subsidiary of Dignity plc which is not party to the Obligor Transaction Documents and is dormant (within the meaning of section 1169 of the Companies Act 2006) (which companies are listed in Part 4 of Schedule 6 (*Group Structure*) of the Issuer/Borrower Loan Agreement);

"Dormant Obligor" means the companies listed in Part 4 of Schedule 6 (*Group Structure*) of the Issuer/Borrower Loan Agreement and any other Obligor which has become dormant (as defined in section 1169 of the Companies Act 2006);

"Eligible Bank" means an authorised institution under the Financial Services and Markets Act 2000 and any regulations made thereunder, the long term unsecured, unsubordinated and unguaranteed debt

obligations of which are rated at least the Minimum Long-Term Ratings and is a bank which accepts deposits and pays interest thereon in the ordinary course of business;

"**euro**" means the single currency introduced at the start of the third stage of the EMU pursuant to the Treaty;

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear System;

"**Event of Default**" has the meaning given to it in Condition 12 (*Events of Default*);

"**Extraordinary Resolution**" has the meaning given to it in the Issuer Master Framework Agreement;

"**Final Discharge Date**" means the date on which the Note Trustee is satisfied that all the Issuer Secured Liabilities have been paid or discharged in full;

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

"**Fitch**" means Fitch Ratings Limited or any successor to its ratings business;

"**Further Class A Notes**" has the meaning given to it in Condition 20 (*Further and New Note Issues*);

"**Further Class B Notes**" has the meaning given to it in Condition 20 (*Further and New Note Issues*);

"**Further Notes**" has the meaning given to it in Condition 20 (*Further and New Note Issues*);

"**Global Notes**" means the Temporary Global Notes and/or the Permanent Global Notes;

"**Gross Redemption Yield**" has the meaning given to it in Condition 8(c)(i) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan*);

"**Guarantee**" means the deed of guarantee granted by Guarantors in favour of the Original Security Trustee as beneficiary dated 20 December 2002 (as amended, restated, supplemented and/or varied from time to time);

"**Guarantee Amendment Agreement**" means the agreement so named and dated the Initial Securitisation Closing Date between the Security Trustee and the Guarantors, whereby the Guarantors (except Dignity plc) are discharged of their liabilities under the Guarantee insofar as they cover any indebtedness other than the Obligors' and Guarantors' obligations under the Issuer/Borrower Loan Agreement, the Working Capital Facility Agreement and the Hedging Documents (if any);

"**Guarantors**" means the Obligors (other than the Borrower), D2004, Dignity plc, DH2, DHL and DML;

"**Insolvency Event**" means, in respect of the Issuer:

- (a) the initiation of or consent to Insolvency Proceedings by the Issuer or any other person and, in the opinion of the Note Trustee, such proceedings are not being disputed in good faith with a reasonable prospect of success;
- (b) the making of an administration order in relation to the Issuer;
- (c) an encumbrancer (excluding the Note Trustee or any Receiver appointed by the Note Trustee) taking possession of the whole or any substantial (in the opinion of the Note Trustee) part of the undertaking or assets of the Issuer;
- (d) any distress, execution, diligence, attachment or other process being levied or enforced or imposed upon or against the whole or any substantial (in the opinion of the Note Trustee) part of the undertaking or assets of the Issuer (excluding by the Note Trustee or any Receiver) and such order, appointment, possession or process (as the case may be) not being discharged or otherwise ceasing to apply within 30 days;

- (e) the making of an arrangement, composition, reorganisation with or conveyance to or assignment for the creditors of the Issuer generally or the making of an application to a court of competent jurisdiction for protection from the creditors of such company generally;
- (f) the passing by the Issuer of an effective resolution or the making of an order by a court of competent jurisdiction for the winding up or dissolution of the Issuer (except for a winding up for the purpose of a merger, reorganisation or amalgamation the terms of which have previously been approved either in writing by the Note Trustee or by an Extraordinary Resolution);
- (g) the appointment of an Insolvency Official in relation to the Issuer or in relation to the whole or any substantial (in the opinion of the Note Trustee) part of the undertaking or assets of the Issuer (excluding any Receiver appointed by the Note Trustee);
- (h) otherwise than for the purposes of a merger, reorganisation or amalgamation the terms of which have previously been approved either in writing by the Note Trustee or by an Extraordinary Resolution, the Issuer ceasing to carry on business or a substantial (in the opinion of the Note Trustee) part of its business or stopping or threatening to stop payment of, or being unable to, admitting inability to, pay, its debt when due, or being deemed unable to pay its debt pursuant to or for the purposes of any applicable law; or
- (i) the Issuer initiating proceedings under any law for readjustment or deferment of its obligations or any substantial (in the opinion of the Note Trustee) part thereof or any judgment being rendered or an effective voluntary resolution being passed for the dissolution or liquidation or the application for bankruptcy of the Issuer to be made to the relevant courts or to admit the Issuer to a regime of suspension of payments and controlled management,

and for the purposes of this definition any reference to "**Insolvency Proceedings**" shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which the Issuer is incorporated or of any jurisdiction in which the Issuer carries on business;

"**Insolvency Official**" means, in respect of any company, a liquidator, provisional liquidator, administrator, administrative receiver, receiver or manager, nominee, supervisor, trustee, conservator, guardian or other similar official in respect of such company or in respect of all (or substantially all) of the company's assets or in respect of any arrangement or composition with creditors;

"**Insolvency Proceedings**" means the winding-up, dissolution or administration of a company or corporation;

"**Instructing Creditor**" shall have the meaning given to it in Condition 15(e) (*Modification, Consent and Waiver – Modification and Waiver*);

"**Interest**" means any asset, agreement, bank account, property or right;

"**Interest Amounts**" has the meaning given to it in Condition 7(d) (*Interest – Determination of Rates of Interest and Calculation of Interest Amounts*);

"**Interest Determination Date**" means each Interest Payment Date or in the case of the first Interest Period relating to the Notes, the Closing Date; and, in relation to an Interest Period, the "**related Interest Determination Date**" means the Interest Determination Date which falls on the first day of such Interest Period;

"**Interest Payment Date**" has the meaning given to it in Condition 7(b) (*Interest – Interest Payment Dates and Interest Periods*);

"**Interest Period**" has the meaning given to it in Condition 7(b) (*Interest – Interest Payment Dates and Interest Periods*);

"**Interest Rates**" has the meaning given to it in Condition 7(c) (*Interest - Rates of Interest on the Notes*);

"Interest Residual Amount" has the meaning given to it in Condition 19(a) (*Subordination and Deferral – Interest*);

"Investor Report" means a duly completed report comprising information in respect of the performance of the Obligors for the Relevant period ending on each Quarter End Date;

"Investor Website" means the secure website in relation to the transaction that can only be accessed by the Noteholders and Transaction Parties;

"Irish Stock Exchange" means the Irish Stock Exchange Limited;

"Issuer Account Bank" means the Bank of New York Mellon, London Branch acting through its office at One Canada Square, London E14 5AL, or such other entity or entities appointed as the Issuer Account Bank pursuant to the Issuer Cash Administration and Account Bank Agreement;

"Issuer Accounts" means the Issuer Transaction Account, together with any other account of the Issuer which may be opened from time to time pursuant to or in accordance with the Issuer Transaction Documents;

"Issuer/Borrower Loan Agreement" means the facility agreement dated on or about the Initial Securitisation Closing Date and made between, *inter alios*, the Obligors, the Issuer, the Borrower the Note Trustee and the Security Trustee (as amended, restated, supplemented and/or varied from time to time);

"Issuer Cash Administration and Account Bank Agreement" means the cash administration and account bank agreement dated on or about the Initial Securitisation Closing Date and made between, *inter alios*, the Issuer, the Cash Administrator, the Note Trustee and the Security Trustee or any replacement issuer cash administration and account bank agreement entered into by the Issuer with the consent of the Note Trustee (as amended, restated, supplemented and/or varied from time to time);

"Issuer Loan" means the £100 loan agreement dated 20 December 2002 between the Issuer as lender and the Borrower as borrower;

"Issuer Master Framework Agreement" means a framework agreement dated on or about the Initial Securitisation Closing Date, in relation to the Issuer Transaction Documents and made between, *inter alios*, the Issuer and the Note Trustee (as amended, restated, supplemented and/or varied from time to time);

"Issuer Post-Enforcement Pre-Acceleration Priority of Payments" means the provisions relating to the order of priority of payments identified as the Issuer Post-Enforcement Pre-Acceleration Priority of Payments set out in the Issuer Security Deed;

"Issuer Post-Enforcement Post-Acceleration Priority of Payments" means the provisions relating to the order of priority of payments identified as the Issuer Post-Enforcement Post-Acceleration Priority of Payments set out in the Issuer Security Deed;

"Issuer Post-Enforcement Priorities of Payment" means the Issuer Post-Enforcement Pre-Acceleration Priority of Payments and the Issuer Post-Enforcement Post-Acceleration Priority of Payments;

"Issuer Pre-Enforcement Priority of Payments" means the provisions relating to the order of priority of payments from the Issuer Accounts set out in the Issuer Cash Administration and Account Bank Agreement;

"Issuer Secured Creditors" means (a) the Note Trustee (for itself and for and on behalf of any of the other persons referred to in this definition), (b) the Noteholders, (c) the Liquidity Facility Provider, (d) the Issuer Account Bank, (e) the Paying Agents, (f) the Agent Bank, (g) any Receiver appointed under the Issuer Security Deed, (h) the Cash Administrator (so long as it is not a Dignity Party) and such other creditor who may be a party to, or accede to, the terms of the Issuer Security Deed from time to time in accordance with the terms thereof and is designated an Issuer Secured Creditor;

"Issuer Secured Liabilities" means the aggregate of all monies and Liabilities which from time to time are or may become due, owing or payable by the Issuer to each of the Issuer Secured Creditors under the Notes or any of the Issuer Transaction Documents;

"Issuer Security" has the meaning given to it in Condition 4 (*Security*);

"Issuer Security Deed" means the deed of charge dated on or about the Closing Date and made between, among other persons, the Issuer, the Liquidity Facility Provider, the Cash Administrator, the Issuer Account Bank, the Paying Agents, the Agent Bank and the Note Trustee and includes any deed or other document expressed to be supplemental thereto or any amendments or modifications made thereto;

"Issuer Transaction Account" means an account known as the **"Issuer Transaction Account"**, held in the name of the Issuer and maintained by the Issuer Account Bank pursuant to the terms of the Issuer Cash Administration and Account Bank Agreement or such other account as may be opened, with the consent of the Note Trustee, at any branch of the Issuer Account Bank or at an Eligible Bank in replacement of such account;

"Issuer Transaction Documents" means each or any of (a) the Issuer/Borrower Loan Agreement, (b) the Issuer Security Deed, (c) the Liquidity Facility Agreement, (d) the Issuer Cash Administration and Account Bank Agreement, (e) the Agency Agreement, (f) the Trust Deed, (g) the Issuer Master Framework Agreement, (h) the Tax Deed of Covenant, (i) the Dormant Company Subordination Deed, (j) any Deeds of Accessions to the Issuer Transaction Documents (each as amended, supplemented, varied and/or restated from time to time), (k) the Issuer Loan and any other agreement, instrument or deed designated as such by the Issuer (having consulted with the Borrower) and the Note Trustee;

"Jerseyco" means Pitcher & Le Quesne Limited, a company incorporated under the laws of Jersey;

"Junior Notes" means any Notes which are not the Most Senior Class of Notes and a **"Junior Note"** means any one of them;

"Lead Manager" means The Royal Bank of Scotland plc;

"Liabilities" means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, decrees, actions, proceedings or other liabilities whatsoever including legal fees and penalties incurred by that person;

"Liquidity Facility Agreement" means the facility agreement dated on or about the Initial Securitisation Closing Date and made between the Issuer, the Liquidity Facility Provider and the Note Trustee or any replacement liquidity facility agreement entered into by the Issuer with the consent of the Note Trustee (as amended, restated, supplemented and/or varied from time to time);

"Liquidity Facility Provider" means The Royal Bank of Scotland plc (as agent for National Westminster Bank Plc) in its capacity as liquidity facility provider, acting through its branch at West Midlands Corporate Office, 5th Floor, 2 St Philips Place, Birmingham B3 2RB, or such other entity or entities appointed as liquidity facility provider from time to time, subject to and in accordance with the terms of the Liquidity Facility Agreement;

"Listing Rules" means the guidelines for listing and admission to trading for asset backed debt securities of the Irish Stock Exchange;

"Loan Event of Default" has the same meaning set out in the Issuer/Borrower Loan Agreement;

"Loan Payment Date" means each date falling 4 Business Days prior to each Interest Payment Date;

"Material Adverse Effect" means an event or circumstance which (when taken alone or together with any then prevailing event or circumstance) constitutes an adverse change in the assets, financial or trading position of the Obligor as a whole of such significance that:

- (a) the Borrower might reasonably be expected to be unable to perform fully and punctually any of its payment obligations under the Issuer/Borrower Loan Agreement; or

- (b) the Obligors might reasonably be expected to be unable to comply with the financial covenant contained in Clause 14.1 (*EBITDA DSCR Financial Covenant*) of the Issuer/Borrower Loan Agreement; or
- (c) any term of the Issuer/Borrower Loan Agreement might reasonably be expected to cease being legal, valid or binding or, subject to the reservations therein, enforceable.

"**Memorandum of Deposit**" means the agreement entered into on or about the Initial Securitisation Closing Date, between the Borrower and the Security Trustee in relation to the deposit of the share certificates of Dignity Services;

"**Most Senior Class of Notes**" means the Class A Notes whilst they remain outstanding and thereafter the Class B Notes whilst they remain outstanding;

"**New Notes**" has the meaning given to it in Condition 20 (*Further and New Note Issues*);

"**Non-Obligor**" means DCL and D2008 and any other company which accedes to the Issuer/Borrower Loan Agreement as a Non-Obligor;

"**Note Enforcement Notice**" has the meaning given to it in Condition 12 (*Events of Default*);

"**Noteholders**" means the Class A Noteholders, the Class B Noteholders and, if and to the extent that any New Notes are issued, includes the holders of any New Notes and in relation to any Definitive Notes, the bearers of those Definitive Notes;

"**Note Principal Payment**" has the meaning given to it in Condition 8(c)(v) (Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan);

"**Note Trustee**" means BNY Trustee Services Limited in its capacity as trustee for the holders from time to time of the Notes pursuant to the Trust Deed and as security trustee for the Issuer Secured Creditors pursuant to the Issuer Security Deed, acting through its office at One Canada Square, London E14 5AL, or such other entity or entities appointed as trustee for the Noteholders and as security trustee for the Issuer Secured Creditors from time to time, subject to and in accordance with the terms of the Trust Deed and the Issuer Security Deed;

"**Notices Details**" means the notices details set out as Schedule 5 of the Issuer Master Framework Agreement;

"**Obligor Account Bank**" means The Royal Bank of Scotland plc as agent for National Westminster Bank Plc, acting through its office at West Midlands Corporate Office, 5th Floor, 2 St Phillips Place, Birmingham, B3 2RB, or such other entity or entities appointed as Securitisation Group account bank from time to time, subject to and in accordance with the terms of the Account Bank Agreement;

"**Obligor Cash Administration and Account Bank Agreement**" means the agreement entered into on the Initial Securitisation Closing Date between, *inter alios*, the Obligors, the Cash Administrator, Lloyds TSB Bank plc as the Obligor Account Bank and the Security Trustee or any replacement Obligor cash administration and account bank agreement entered into by the Obligors with the consent of the Security Trustee and as amended by the amendment agreement dated 8 July 2005 pursuant to which The Royal Bank of Scotland plc replaced Lloyds TSB Bank plc as the Obligor Account Bank (as may be further amended, restated, supplemented and/or varied from time to time);

"**Obligor Charged Property**" means the property, assets, rights and undertaking of each Obligor that are the subject of the Borrower Security;

"**Obligor Secured Liabilities**" means all money and liabilities now or in the future due, owing or incurred to the Security Trustee and each Obligor Secured Creditor by any Obligor, under or pursuant to the Obligor Transaction Documents whether on or after such demand, whether actually or contingently, whether solely or jointly with any other person, whether as principal, surety or guarantor and whether or not the relevant Obligor Secured Creditor was an original party to the relevant transaction, including all interest, commission, fees, charges, costs and expenses which each such Obligor Secured Creditor may in the course of its business charge or incur in respect of any member of

the Securitisation Group or its affairs and so that interest shall be computed and compounded in accordance with the Obligor Transaction Documents;

"Obligors" means the Borrower, Dignity (2014) Limited, Dignity Services, Dignity Securities Limited, Plantsbrook Group Limited, Birkbeck Securities Limited, Dignity Pre Arrangement Limited, Dignity Funerals Limited, Advance Planning Limited, Bracher Brothers Limited, Dignity (2009) Limited, Dignity Funerals No. 2 Limited, Hardacres Funeral Directors Limited, T.S. Horlock and Son Limited, Phillips Holdings (Hertfordshire) Limited, Hunters Funeral Directors Limited, Philip Ford & Son (Funeral Directors) Limited, Phillips Funeral Services Limited, Phillips Supplies Limited, Phillips Funeral Plans Limited, H.R.H. Holdings Limited, Highfield Funeral Service Limited, D.J. Thomas (Funeral Directors) Limited, Gornalls Funeral Services Limited, Woodfield Park Funeral Home Limited, C. Powell Funeral Service Limited, F.E.J. Green & Sons Limited, Robemanor Limited, Rosspark Limited, Ely Funeral Service Limited, Ken Gregory & Sons Limited, H. Towell Ltd, Henry Smith (Wandsworth) Limited, Thomas Brothers (Wellington and Taunton) Limited, Yew Holdings Limited, The East Riding Crematorium Company Limited, The Haltemprice Crematorium Limited, Warburton Funerals Limited, Malcolm J Presland Limited, B & B Funeral Directors Limited, Armitage (Funeral Directors) Limited, E Hurton & Son Limited, G. M. Charlesworth & Son Limited, S Wellens & Sons Limited, Kenyons Funeral Directors Limited, Wetton Funeral Services Limited, H. J. Whalley & Sons Limited, E. Brigham Funeral Directors Limited, A. Haxby & Sons (Filey) Limited, Henry Naylor (Funeral Directors) Limited, B. Bernard & Sons Limited, Salenew Limited, George Hall & Son Funeral Directors Limited, Frank Stephenson & Son (Funeral Directors) Limited, H & G Wilde Funeral Directors Limited, F. Kneeshaw & Sons (Funeral Directors) Limited, Davis McMullan Funeral Directors Limited, Jonathan Harvey Limited, Moray Crematorium Holdings Ltd, Moray Crematorium Limited, George S Munn & Company, Limited, Boyce Anderson Motors Limited, Kirkwoods (Funeral Directors) Limited, Funeral Debt Collection Limited, N A Medd Ltd, Derriman & Haynes Funeral Services Limited, and Cumbernauld Funeral Services Ltd and any of their direct or indirect subsidiaries acquired after the Closing Date, and any other companies which may be acquired by the Dignity Group prior to the Closing Date and which accedes as an Obligor in accordance with the terms of the Issuer/Borrower Loan Agreement and a reference to an **"Obligor"** means any one of them;

"Obligor Secured Creditors" means (a) the Security Trustee (for itself and for and on behalf of the other Obligor Secured Creditors), (b) a Hedging Bank (if any) (c) the Working Capital Facility Provider, (d) the Issuer, (e) the Cash Administrator, so long as it is not a member of the Securitisation Group, (f) the Obligor Account Bank and (g) any Receiver appointed under the Debenture;

"Permanent Global Notes" means each Class A Permanent Global Note, each Class B Permanent Global Note and each Permanent Global Note in respect of an issue of New Notes;

"Potential Loan Event of Default" has the same meaning set out in the Issuer/Borrower Loan Agreement;

"Principal Amount Outstanding" of a Note on any date shall be its original principal amount less the aggregate amount of all Amortisation Amounts and Note Principal Payments in respect of such Note which have become due and payable (whether or not paid) since the Closing Date *provided that*, for the purposes of Condition 8 (*Redemption, Purchase and Cancellation*) only, Amortisation Amounts and Note Principal Payments shall be so deducted only if actually paid;

"Principal Receipts" has the meaning given to it in Condition 2(a) (*Form, Denomination and Title – Form and Denomination*);

"Principal Residual Amount" has the meaning given to it in Condition 19(b) (*Subordination and Deferral – Principal*);

"Provisions for Meetings of Noteholders" means the provisions contained in Schedule 3 (*Forms of Definitive Note, Coupon, Receipt and Talon*) to the Trust Deed;

"Quarter End Date" means 31 March, 30 June, 30 September and 31 December of each calendar year;

"Rating Agencies" means Fitch and S&P;

"Rating Test" means where the Rating Agencies have been made aware of any modification, amendment, waiver or consent requested to be made or given in respect of any Transaction Document

and the Issuer (in respect of any Issuer Transaction Document) or the Borrower (in respect of any Obligor Transaction Document) as applicable:

- (a) obtains from each of the Rating Agencies confirmation in writing (in such form as may be permitted by the current policy of each Rating Agency from time to time) or, where it has been unable to obtain written confirmation, obtains oral confirmation from an appropriately authorised person at each of the Rating Agencies, that such modification, amendment, waiver or consent would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Notes by such Rating Agency and would not result in any Rating Agency placing any Notes on "credit watch negative" (or equivalent) and delivers a copy of any such written confirmation to the Note Trustee and the Security Trustee or notifies the Note Trustee and the Security Trustee in writing of any such oral confirmation; or
- (b) certifies in writing to the Note Trustee and the Security Trustee that it has notified the Rating Agencies of the proposed modification, amendment, waiver or consent requested and (i) in its opinion, formed on the basis of due consideration, such modification, amendment, waiver or consent requested would not result in; and (ii) neither of the Rating Agencies has indicated that the proposed modification, amendment, waiver or consent requested would result in, (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Notes by such Rating Agency or (y) such rating agency placing any Notes on "credit watch negative" (or equivalent).

"Ratings Downgrade" means, in respect of any event, circumstance or matter, written notification from the Rating Agencies, that such event, circumstance or matter would result in the then current rating of the Notes being downgraded;

"Receiver" means any receiver, manager, receiver and manager or administrative receiver who (in the case of an administrative receiver) is a qualified person in accordance with the Insolvency Act 1986 and who is appointed:

- (a) by the Security Trustee under Clause 17 (*Appointment and Powers of a Receiver*) of the Debenture in respect of the whole or any part of the Obligor Charged Property;
- (b) by the Note Trustee under Clause 17 (*Appointment and Removal of Receiver*) of the Issuer Security Deed in respect of the whole or any part of the property secured by the Issuer under the Issuer Security Deed; **"Redemption Amount"** has the meaning given to it in Condition 8(c)(i) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan*);

"Reference Market Makers" has the meaning given to it in Condition 8(c)(i) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan*);

"Relevant Coupons" has the meaning given to it in Condition 9(c)(i) (*Payments – Deductions for Unmatured Coupons for Notes – Deductions for Unmatured Coupons for Notes*);

"Relevant Date" has the meaning given to it in Condition 8(c)(i) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Facility*);

"Relevant Period" means each period of 12 months ending on the most recent Quarter End Date;

"Relevant Treasury Stock" has the meaning given to it in Condition 8(c)(i) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Facility*);

"S&P" means Standard and Poor's Rating Services, a division of Standard and Poor's Credit Market Services Europe Limited or any successor to its rating business;

"Securitisation Group" means the Borrower and each of its direct or indirect subsidiaries;

"**Security Interest**" means any mortgage, standard security, pledge, lien, charge, assignment, assignation, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security;

"**Security Over Borrower Shares**" means the agreement between the Security Trustee and D2004 dated 19 March 2004 granting security over D2004's shares in the Borrower (as amended, restated, supplemented and/or varied from time to time);

"**Security Over D2004 Shares**" means the agreement between the Security Trustee and Dignity plc dated 19 March 2004 granting security over Dignity plc's shares in D2004 (as amended, restated, supplemented and/or varied from time to time);

"**Security Over D2008 Shares**" means the agreement between the Security Trustee and Dignity plc dated 20 November 2008 granting security over Dignity plc's shares in D2008 (as amended, restated, supplemented and/or varied from time to time);

"**Security Over DH2 Shares**" means the agreement between the Security Trustee and D2004 dated 19 March 2004 granting security over D2004's shares in DH2 (as amended, restated, supplemented and/or varied from time to time);

"**Security Over DHL Shares**" means the agreement between the Security Trustee and D2004 dated 19 March 2004 granting security over D2004's shares in DHL (as amended, restated, supplemented and/or varied from time to time);

"**Specified Office**" means, in relation to any Agent:

- (a) the office specified against its name in the Notices Details; or
- (b) such other office as such Agent may specify in accordance with Clause 13.8 (*Changes in Specified Offices*) of the Agency Agreement;

"**Standard Security**" means each standard security in terms of the Conveyancing and Feudal Reform (Scotland) Act 1970 granted over property located in Scotland in favour of the Security Trustee by a chargor for the payment and discharge of all money and liabilities covenanted and undertaken to be paid or discharged by the chargors under the Debenture and includes any amendment or variation thereof;

"**Substitute Cash Administrator**" means such other third party as shall be appointed as substitute Cash Administrator upon the resignation or removal of Dignity Funerals Limited as Cash Administrator;

"**Talon**" has the meaning given to it in Condition 2(a) (*Form, Denomination and Title – Form and Denomination*);

"**Tax**" means any present or future tax, levy, impost, duty, or other charge or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed or levied by or on behalf of a Tax Authority and "**Taxes**",

"**taxation**", "**taxable**" and comparable expressions shall be construed accordingly; "**Tax Authority**" means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world including H.M. Revenue and Customs;

"**Tax Deed of Covenant**" means the deed of covenant dated on the Initial Securitisation Closing Date and made between, *inter alios*, the Obligors, the Note Trustee and the Security Trustee (as amended, restated, supplemented and/or varied from time to time);

"**Temporary Global Notes**" means each Class A Temporary Global Note, each Class B Temporary Global Note and each Temporary Global Note in respect of an issue of New Notes or, prior to consolidation, any Further Notes;

"**Transaction Document**" has the meaning given to it in the Issuer Master Framework Agreement;

"**Transaction Party**" means any person who is a party to an Issuer Transaction Document, and "**Transaction Parties**" means all of them;

"**Treaty**" means the Treaty establishing the European Communities, as amended by the Treaty on European Union and the Treaty of Amsterdam;

"**Trust Deed**" means the trust deed entered into on the Initial Securitisation Closing Date between the Issuer and the Note Trustee (as amended, restated, supplemented and/or varied from time to time);

"**Trust Documents**" means the Trust Deed and the Issuer Security Deed (each as from time to time modified in accordance therewith);

"**Working Capital Facility Agreement**" means the agreement to provide working capital to the Borrower dated 11 April 2003 between, *inter alios*, the Borrower, the Security Trustee and the Working Capital Facility Provider or any replacement working capital facility agreement entered into by the Borrower with the consent of the Note Trustee and as amended, restated, supplemented and/or varied from time to time;

"**Working Capital Facility Provider**" means The Royal Bank of Scotland plc (as agent for National Westminster Bank Plc), acting through its branch at West Midlands Corporate Office, 5th Floor, 2 St Philips Place, Birmingham B3 2RB, which provides working capital to the Borrower pursuant to the Working Capital Facility Agreement 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;

"**Written Resolution**" means, in relation to any class of Notes, a resolution in writing signed by or on behalf of holders of Notes representing not less than 75% in aggregate of the Principal Amount Outstanding of such class who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Trust Deed whether contained in one document or several documents in like form, each signed by or on behalf of one or more such Noteholders.

2. **Form, Denomination and Title**

(a) ***Form and Denomination***

The Notes are in bearer form in the denomination of £100,000 with integral multiples of £1,000 in excess thereof with coupons for payments of interest ("**Interest Coupons**"), receipts for payments of principal ("**Principal Receipts**" and, together with the Interest Coupons, the "**Coupons**") and talons for further Interest Coupons and Principal Receipts (each, a "**Talon**") attached at the time of issue. Title to the Notes and Coupons shall pass by delivery.

(b) ***Title***

The holder of any Note or Coupon may (except as otherwise required by law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Note or, as the case may be, Coupon (whether or not it is overdue and regardless of any notice of ownership, theft or loss, of any trust or other interest therein or of any writing thereon) and no person shall be liable for so treating such holder.

3. **Status and Ranking**

(a) ***Status and Ranking of the Class A Notes***

The Class A Notes constitute direct, secured and unconditional obligations of the Issuer and are secured by the same security which secures the Class B Notes as more fully described in Condition 4 (*Security*). The Class A Notes rank *pari passu* without preference or priority amongst themselves.

(b) ***Status and Ranking of the Class B Notes***

The Class B Notes constitute direct, secured, unconditional obligations of the Issuer and are secured by the same security which secures the Class A Notes as more fully described in

Condition 4 (*Security*). The Class B Notes rank *pari passu* without preference or priority amongst themselves.

(c) ***Notes as Sole Obligations of the Issuer***

The Notes are obligations solely of the Issuer and are not obligations of, or guaranteed by, the Note Trustee or any of the other Transaction Parties.

(d) ***Priority of Interest Payments***

Prior to enforcement of the Issuer Security, payments of interest on the Class A Notes will at all times rank in priority to payments of interest on the Class B Notes, in accordance with the Issuer Pre-Enforcement Priority of Payments.

(e) ***Priority of Principal Payments***

Prior to enforcement of the Issuer Security, payments of principal on the Class A Notes will at all times rank in priority to payments on the Class B Notes, in accordance with the Issuer Pre-Enforcement Priority of Payments.

(f) ***Priorities of Payment***

Prior to the service of a Note Enforcement Notice or a Security Protection Notice, the Issuer or the Cash Administrator (or, following the service of the Security Protection Notice, the Note Trustee) is required to apply amounts standing to the credit of the Issuer Transaction Account in accordance with the Issuer Pre-Enforcement Priority of Payments and, following the service of a Loan Enforcement Notice but prior to service of a Note Enforcement Notice, all amounts standing to the credit of the Issuer Transaction Account or other funds available to the Note Trustee for such purpose shall be held by the Note Trustee upon trust to be applied in accordance with the Issuer Post-Enforcement Pre-Acceleration Priority of Payments.

(g) ***Status and Relationship between the Classes of Notes***

The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Noteholders equally as a single class as regards all rights, powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise), but requiring the Note Trustee in any such case to have regard only to the interests of the holders of the Most Senior Class of Notes, if, in the Note Trustee's opinion, there is a conflict between the interests of the holders of any class of Notes outstanding.

So long as any of the Notes remains outstanding, the Note Trustee is not required to have regard to the interests of any persons (other than the Noteholders) entitled to the benefit of the Issuer Security.

The Trust Deed contains provisions limiting the powers of the holders of the lower-ranking classes of Notes, *inter alia*, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution according to the effect thereof on the interests of holders of each of the other classes of Notes ranking equally or senior to such class. Except in certain circumstances described in Condition 14(e) (*Meetings of Noteholders – Relationship between Classes*), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class of Notes by reference to the effect thereof on the interests of the holders of the other classes of Notes outstanding, the exercise of which will be binding on all such classes of Notes, irrespective of the effect thereof on their interests.

The Note Trustee shall be entitled to assume, for the purpose of exercising any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Issuer Transaction Documents, that such exercise will not be materially prejudicial to the interests of the Noteholders (or any class thereof) if the Rating Test is satisfied.

(h) ***Status, Ranking and Relationship between the Notes and the New Notes***

Any New Notes issued will be subordinated to the Class A and Class B Notes. Subject to the foregoing, in the event of an issue of New Notes, the provisions of the Trust Documents, these Conditions and the Agency Agreement, including those concerning:

- (i) the basis on which the Note Trustee will be required to exercise its rights, powers, trusts, authorities, duties and discretions (including in circumstances where, in the opinion of the Note Trustee, there is a conflict between the interests of any of the Issuer Secured Creditors);
- (ii) the circumstances in which the Note Trustee will become bound to take action, as referred to in Conditions 5 (*Restriction on Enforcement of Issuer Security and No Petition*) and 13 (*Enforcement*);
- (iii) meetings of Noteholders and the passing of effective Extraordinary Resolutions; and
- (iv) the order of priority of payments both prior to, and upon, enforcement of the Issuer Security, will be modified in such manner as the Note Trustee considers necessary to reflect the issue of such New Notes and the ranking thereof in relation to the Notes. If any New Notes are issued, the Issuer will immediately advise the Irish Stock Exchange accordingly, lodge a supplementary prospectus with the Irish Stock Exchange and make the supplementary prospectus and any related supplementary agreements available at the Specified Office of the Irish Paying Agent and the Principal Paying Agent.

4. **Security**

As continuing security for the payment or discharge of the Issuer Secured Liabilities (including all monies payable in respect of the Notes and Coupons and otherwise under the Trust Documents (including the remuneration, expenses and other claims of the Note Trustee and any Receiver appointed thereunder)), the Issuer will enter into the Issuer Security Deed on or about the Closing Date to create the following security (the "**Issuer Security**") in favour of the Note Trustee on trust for the Issuer Secured Creditors:

- (i) an absolute assignment by way of security subject to the proviso of reassignment on redemption, of the Benefit of:
 - (A) each Issuer Transaction Document (other than the Trust Deed); and
 - (B) its beneficial rights in respect of each Borrower Security Document;
- (ii) an assignation in security under Scots law subject to the proviso of re-assignation on redemption of the Issuer's beneficial interest in the security trust created under the Security Trust Deed, to the extent not otherwise already charged under the Issuer Security Deed;
- (iii) a first fixed charge of the Benefit of the Issuer Transaction Account and any bank or other accounts in which the Issuer may at any time have or acquire any Benefit (which security interests may take effect as a floating charge and therefore rank behind the claims of certain preferential and other creditors); and
- (iv) a first floating charge over the whole of its undertaking and all its property, assets and rights whatsoever and wheresoever present and future including its uncalled capital but excluding any property or assets from time to time or for the time being effectively charged by way of fixed charge or assigned by way of security (but the foregoing exclusion shall not extend to any Interest of the Issuer, present and future, which is situated in, or the rights to which are governed by, the laws of Scotland, all of which are charged by the floating charge).

Each class of Noteholders will share the benefit of the Issuer Security, upon and subject to the terms thereof.

5. **Restriction on Enforcement of Issuer Security and No Petition**

(a) ***No Enforcement Proceedings or Proceedings against the Issuer***

Subject to Condition 5(b) (*Restriction on Enforcement of Issuer Security and No Petition – Permitted Steps*), each of the Noteholders agrees with the Issuer that, until the expiry of two years and a day after the Final Discharge Date:

- (i) only the Note Trustee is entitled to enforce the Issuer Security or to take proceedings against the Issuer to enforce the Issuer Security or any of the provisions of the Issuer Security Deed;
- (ii) neither it nor any person on its behalf (other than the Note Trustee) shall have any right (A) to take any proceedings against the Issuer to enforce the Issuer Security or (B) to direct the Note Trustee to do so;
- (iii) no Noteholder shall have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to such Noteholder;
- (iv) neither it nor any party on its behalf (other than the Note Trustee in accordance with the Issuer Security Deed) shall initiate or join any person in initiating an Insolvency Event; and
- (v) it shall not be entitled to take any steps or proceedings which would result in the Issuer Priorities of Payment not being observed.

(b) ***Permitted Steps***

Without prejudice to certain of the rights of the Issuer Secured Creditors as set out in the Issuer Security Deed, Condition 5(a) (*Restriction on Enforcement of Issuer Security and No Petition – No Enforcement Proceedings or Proceedings against the Issuer*) shall not prevent any Noteholder from taking any steps against the Issuer pursuant to the Issuer Transaction Documents (other than the Trust Deed) so long as such steps do not amount to the initiation or the threat of initiation of an Insolvency Event or the initiation or threat of initiation of legal proceedings for the purpose of obtaining payment of any amount due to such Issuer Secured Creditor from the Issuer.

(c) ***Full Recourse Obligations***

Subject to the foregoing, the obligation of the Issuer to make payments when due and payable in accordance with these Conditions or under any Issuer Transaction Document will be unconditional full recourse obligations.

6. **Covenants**

(a) ***Restrictions***

Save with the prior written consent of the Note Trustee or as provided in, or envisaged by, any of the Issuer Transaction Documents or the Conditions, the Issuer shall not, so long as any Note remains outstanding:

- (i) ***Negative Pledge***
 - create or permit to subsist any Security Interest (unless arising by operation of law) over any of its assets or undertaking, present or future (including any uncalled capital);
- (ii) ***Restrictions on Activities***
 - (A) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Issuer Transaction Documents provide or envisage that the Issuer will engage;

- (B) have any subsidiaries, any subsidiary undertaking or any employees or premises; or
- (C) amend, supplement or otherwise modify its constitutive documents;
- (iii) *Disposal of Assets*

use, invest, transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest, estate, right, title or benefit therein, present or future;
- (iv) *Dividends or Distributions*

pay any dividend or make any other distribution to its shareholders or issue any further shares;
- (v) *Borrowings*

incur or permit to subsist any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of indebtedness or of any other obligation of any person;
- (vi) *Merger*

Consolidate, amalgamate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person;
- (vii) *No Variation or Waiver*

do any act or thing, with the effect that the validity or effectiveness of any of the Issuer Transaction Documents or the priority of the Security Interests created thereby, would be amended, terminated, postponed or discharged, or consent to any variation of, or exercise, any powers of consent or waiver pursuant to the terms of, these Conditions, the Trust Documents or any of the other Issuer Transaction Documents, or permit any party to any of the Issuer Transaction Documents or the Issuer Security or any other person whose obligations form part of the Issuer Security to be released from such obligations, or dispose of any part of the Issuer Security;
- (viii) *Bank Accounts*

have an interest in any bank account other than the Issuer Transaction Account and any other account where it has an interest pursuant to the Issuer Security Deed, unless such account or interest therein is charged to the Note Trustee on terms acceptable to it;
- (ix) *VAT*

form or become part of any group for value added tax purposes with any other company or group of companies;
- (x) *Tax Residence*

do any act or thing, the effect of which would be to make the Issuer resident for tax purposes in any jurisdiction other than the United Kingdom;
- (xi) *UK Withholding Tax*

do any act or thing, or fail to do any act or thing, the effect of which would be that any Obligor would be required to withhold or deduct from any payments by the relevant Obligor to the Issuer under the Obligor Transaction Documents any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by the

United Kingdom or any political sub-division thereof or any authority thereof or therein having the power to tax; or

(xii) *Group Payment Arrangements*

enter into arrangements with any other company or companies and/or any tax authority providing for the discharge of any other company's tax liability by it.

In giving any consent to the foregoing, the Note Trustee may require the Issuer to make such modifications or additions to the provisions of any of the Issuer Transaction Documents or may impose such other conditions or requirements as the Note Trustee may deem expedient (in its absolute discretion), **provided that** such modifications or additions are in accordance with applicable law and do not cause any downgrade in the then current rating of any class of the Notes.

(b) *Cash Administrator*

So long as any of the Notes remains outstanding, the Issuer will procure that there will at all times be a Cash Administrator in respect of the monies from time to time standing to the credit of the Issuer Transaction Account and any other account of the Issuer from time to time. Any appointment of a Substitute Cash Administrator by the Issuer is subject to, among other things, such Substitute Cash Administrator entering into an agreement in the form of (and on substantially the same terms as) the Issuer Cash Administration and Account Bank Agreement and such appointment not resulting in a Ratings Downgrade. Any resignation by the Cash Administrator or a termination of its appointment will not take effect until a Substitute Cash Administrator, previously approved in writing by the Note Trustee, has been duly appointed. The appointment of the Cash Administrator may be revoked by the Issuer by not less than 30 days' notice **provided that** such revocation shall not take effect until a Substitute Cash Administrator, approved by the Note Trustee, has been duly appointed.

The appointment of the Cash Administrator shall terminate upon the appointment by the Issuer of a Substitute Cash Administrator if the Cash Administrator becomes incapable of acting or Insolvent or defaults in the performance of any of its obligations under the Issuer Cash Administration and Account Bank Agreement and such default is not cured or waived within three business days of it occurring. In such a case, the Issuer shall appoint a Substitute Cash Administrator as soon as practicable.

7. **Interest**

(a) *Period of Accrual*

Subject to the final paragraph of Condition 7(d) (*Interest – Determination of Rates of Interest and Calculation of Interest Amounts*), each Note bears interest on its Principal Amount Outstanding from (and including) the Closing Date. Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear interest from its due date for redemption, unless, upon due presentation, payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (before and after any judgment) at the rate applicable to such Note up to (but excluding) the date on which, on presentation of such Note, payment in full of the relevant amount of principal is made or (if earlier) the day which is seven days after notice is duly given by the Principal Paying Agent to the holder thereof (in accordance with Condition 18 (*Notices to Noteholders*)) that upon presentation thereof, such payment will be made, **provided that** upon such presentation, such payment is in fact made.

(b) *Interest Payment Dates and Interest Periods*

Interest on the Notes is payable semi-annually in arrears on 30 June and 31 December in each year (or, if such day is not a business day, the preceding business day) (each an "**Interest Payment Date**") in respect of the Interest Period ending immediately prior thereto. The first such payment in respect of the Notes is due on the Interest Payment Date falling on December 2014 in respect of the Interest Period ending immediately prior thereto.

An "**Interest Period**" means, in respect of the Notes, the period from (and including) the Closing Date to (but excluding) the Interest Payment Date falling in December 2014 and thereafter, for the avoidance of doubt, in respect of the Notes, each subsequent period from (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date.

(c) ***Rates of Interest on the Notes***

Each Class A Note bears interest on its Principal Amount Outstanding at the rate of 3.5456% per annum (the "**Class A Rate**"). Each Class B Note bears interest on its Principal Amount Outstanding at the rate of 4.6956% per annum (the "**Class B Rate**" and, together with the Class A Rate, the "**Interest Rates**").

(d) ***Determination of Rates of Interest and Calculation of Interest Amounts***

The Agent Bank shall, on or as soon as practicable after each Interest Determination Date, determine and notify the Issuer, the Note Trustee and the Paying Agents of and will cause notice thereof to be given to the relevant Noteholders in accordance with Condition 18 (*Notices to Noteholders*) the sterling amounts payable in respect of the relevant Interest Period in respect of each of the Class A Notes and the Class B Notes (the "**Interest Amounts**").

The Interest Amounts shall be calculated by applying the relevant interest rate to the then Principal Amount Outstanding of the relevant Note together with any Shortfall and any Principal Residual Amount payable in accordance with Condition 19 (*Subordination and Deferral*) and dividing the resultant figure by two.

Where it is necessary to compute an amount of interest in respect of any Note for any period which is shorter than an Interest Period, interest in respect of such relevant Note shall be calculated by applying the relevant interest rate to the then Principal Amount Outstanding of the relevant Note together with any Shortfall and any Principal Residual Amount payable in accordance with Condition 19 (*Subordination and Deferral*) and multiplying such sum by the actual number of days in the relevant period from (and including) the date from which such interest amount begins to accrue to (but excluding) the date on which it falls due (the "**Accrual Period**") divided by the product of (A) the actual number of days in such Accrual Period and (B) 2. The resulting figure shall be rounded downwards to the nearest penny.

(e) ***Publication of Interest Amounts and other Notices***

As soon as practicable after receiving notification thereof, the Issuer will cause the Interest Amount applicable to each class of Notes for each Interest Period and the immediately succeeding Interest Payment Date to be notified to the Irish Stock Exchange (for so long as the Notes are admitted to trading on the Irish Stock Exchange) and will cause notice thereof to be given in accordance with Condition 18 (*Notices to Noteholders*). The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the Interest Period.

(f) ***Determination or Calculation by the Note Trustee***

If either the Issuer or the Agent Bank does not at any time for any reason calculate the Interest Amount in accordance with the foregoing Conditions, the Note Trustee will calculate the Interest Amount for each class of Notes, in each case in the manner specified in Conditions 7(a) (*Interest – Period of Accrual*), and 7(d) (*Interest – Determination of Rates of Interest and Calculation of Interest Amounts*) above, and any such calculation shall be deemed to have been made by the Issuer or, as the case may be, the Agent Bank. In doing so, the Note Trustee shall apply all of these Conditions with any necessary consequential amendments to the extent that, in its sole opinion and with absolute discretion, it can do so and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all circumstances and will not be liable for any loss, liability, cost, charge or expense which may arise as a result thereof. Any such determination or calculation made by the Note Trustee shall, save in the case of manifest error, be final and binding on the Issuer, the Noteholders and the Couponholders.

(g) ***Notification to be Final***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7, whether by the Reference Banks (or any of them), the Paying Agents, the Agent Bank or the Note Trustee shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer and all Noteholders and Couponholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Note Trustee, the Noteholders or the Couponholders shall attach to the Reference Banks, the Agent Bank or the Note Trustee in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions under this Condition 7(g).

(h) ***Agent Bank***

The Issuer shall ensure that, so long as any of the Notes remains outstanding, there shall at all times be an Agent Bank approved in writing by the Note Trustee. The Agent Bank may not resign until a successor so approved by the Note Trustee has been appointed.

8. **Redemption, Purchase And Cancellation**

(a) ***Final Redemption***

Unless previously redeemed in full or purchased and cancelled as provided in this Condition 8, the Issuer shall redeem:

- (i) the Class A Notes at their Principal Amount Outstanding together with accrued and unpaid interest on the Interest Payment Date falling in December 2034 (the "**Class A Final Maturity Date**"); and
- (ii) the Class B Notes at their Principal Amount Outstanding together with accrued and unpaid interest on the Interest Payment Date falling in December 2049 (the "**Class B Final Maturity Date**") and each of the Class A Final Maturity Date and the Class B Final Maturity Date, a "**Final Maturity Date**").

The Issuer may not redeem the Notes of any class in whole or in part prior to the relevant Final Maturity Date except as provided below in Conditions 8(b) (*Redemption, Purchase and Cancellation – Scheduled Mandatory Redemption in Part*), 8(c) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan*) or 8(d) (*Redemption, Purchase and Cancellation – Substitution/Redemption in Whole for Taxation Reasons*), but without prejudice to Condition 12 (*Events of Default*).

(b) ***Scheduled Mandatory Redemption in Part***

- (i) Prior to the service of a Note Enforcement Notice and unless such Notes have been purchased and cancelled pursuant to Condition 8(g) (*Redemption, Purchase and Cancellation – Purchase by the Borrower and Cancellation*) or 8(h) (*Redemption – Purchaser and Cancellation – Cancellation*), the Notes shall, subject to Conditions 8(c) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan*) and 8(d) (*Redemption, Purchase and Cancellation – Substitution/Redemption in Whole for Taxation Reasons*), be redeemed in instalments on each relevant Interest Payment Date in an amortisation amount (each an "**Amortisation Amount**") equal to the amount due from the Borrower to the Issuer in accordance with Clause 9.1 (*Repayment – Scheduled Repayments of Tranches*) or Clause 9.2 (*Repayment – Scheduled Repayments of New Advances*) of the Issuer/Borrower Loan Agreement in respect of a related tranche of the Issuer/Borrower Loan on the immediately preceding Loan Payment Date.
- (ii) On each Interest Payment Date prior to the service of a Note Enforcement Notice, the Issuer shall pay the Amortisation Amounts in respect of the Notes pursuant to Condition 8(b)(i) (*Redemption, Purchase and Cancellation – Scheduled Mandatory*

Redemption in Part) in the order of priority set out in the Issuer Pre-Enforcement Priority of Payments.

(c) ***Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan***

(i) Prior to the service of a Note Enforcement Notice, on the receipt by the Issuer of a notice from the Borrower under the Issuer/Borrower Loan Agreement of (a) its intention to make a voluntary prepayment of any of the Advances or (b) it's being obliged to make a prepayment on account of the balance on the Principal Reserve Account being at least £5,000,000, or (c) it's being obliged to make a prepayment under the Issuer/Borrower Loan Agreement on account of illegality, the Issuer shall give not less than 30 days' and not more than 60 days' prior written notice (expiring on an Interest Payment Date) to the Noteholders, the Note Trustee and the Paying Agent that it will, to the extent it receives such prepayment proceeds, apply the same in the order set out in paragraphs (A) to (B) below. On receipt of such prepayment proceeds on an Interest Payment Date, the Issuer shall apply such proceeds (subject to the Issuer Priorities of Payment) to redeem the Notes in the order set out in paragraphs (A) to (B) below at the relevant Redemption Amount (defined below), together with accrued but unpaid interest on their Principal Amount Outstanding up to but excluding the Interest Payment Date on which such redemption occurs:

(A) the Class A Notes in a principal amount equal to the principal amount by which the A Tranche of the Issuer/Borrower Loan was prepaid; and

(B) the Class B Notes in a principal amount equal to the principal amount by which the B Tranche of the Issuer/Borrower Loan was prepaid.

"Redemption Amount" means, in respect of any redemption made in accordance with the provisions of Condition 8(c)(i) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan*), in the case of:

(A) a Class A Note or a Class B Note redeemed in accordance with Condition 8(c)(i)(a) or (b) at any time, whichever is the higher of:

(i) the Principal Amount Outstanding of the Class A Notes, or as the case may be, the Class B Notes which are to be redeemed, or that part of the Principal Amounts Outstanding thereof which is to be redeemed early, and

(ii) that price (as reported in writing to the Issuer and the Note Trustee by a financial adviser (the "**financial adviser**") approved in writing by the Note Trustee) expressed as a percentage (and rounded, if necessary, to the third decimal place (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the Class A Notes or the Class B Notes or such part of the Principal Amount Outstanding thereof which is to be redeemed early on the Relevant Date is equal to the Gross Redemption Yield at 3.00 p.m. (London time) on that date of the Relevant Treasury Stock on the basis of the arithmetic mean (rounded, if necessary as aforesaid) of the offered prices of the Relevant Treasury Stock quoted by the Reference Market Makers (on a dealing basis for settlement on the next following dealing day in London) at or about 3.00 p.m. (London time) on the Relevant Date, plus 0.50% and so that for the purposes of this subparagraph: "**Reference Market Makers**" means three brokers and/or gilt-edged market makers selected by the financial adviser and approved in writing by the Note Trustee or such other three persons operating in the gilt-edged market as are selected by the financial adviser and so approved by the Note Trustee; "**Relevant Date**" means the date which is the second London dealing day in the gilt-edged

market prior to the date of despatch of the notice of redemption referred to in this Condition 8(c)(i); "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the United Kingdom Debt Management Office in the paper "**Formulae For Calculating Gilt Prices From Yields**" page 4, Section One: Price/Yield Formulae "**Conventional Gilts; Double-Dated And Undated Gilts With Assumed (or Actual) Redemption on a Quasi-Coupon Date**" (published 8 June 1998 as supplemented, amended or replaced from time to time); "**Class A Relevant Treasury Stock**" means such government stock as the financial adviser shall reasonably determine to be the benchmark gilt the maturity of which most closely matches the then average life of the Class A Notes as calculated by one of the Lead Managers; "**Class B Relevant Treasury Stock**" means such government stock as the financial adviser shall reasonably determine to be the benchmark gilt the maturity of which most closely matches the maturity of the Class B Notes as calculated by one of the Lead Managers; and "**Relevant Treasury Stock**" means, in the case of the Class A Notes, the Class A Relevant Treasury Stock and, in the case of the Class B Notes, the Class B Relevant Treasury Stock; or

- (B) a Class A Note or a Class B Note redeemed in accordance with Condition 8(c)(i) at any time, at its Principal Amount Outstanding (or that part of the Principal Amount Outstanding which is to be redeemed early).

Any principal amounts received under 8(c)(i) to be applied in redemption of a sub-class, a class or classes of Notes, in whole or in part, shall upon such application, redeem a *pro rata* share of the aggregate Principal Amount Outstanding of each such class or sub-class of Note (the "**Note Principal Payment**") of such class or sub-class (rounded down to the nearest penny).

(d) ***Substitution/Redemption in Whole for Taxation Reasons***

If the Issuer at any time satisfies the Note Trustee immediately prior to endeavouring to mitigate in the manner referred to below that by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on the next Interest Payment Date (in relation to the Notes) or the next Loan Payment Date (in relation to the Issuer/Borrower Loan), the Issuer or the Borrower would be required to deduct or withhold from any payment of principal or interest on the Notes or, as the case may be, the Issuer/Borrower Loan, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political sub-division thereof or authority thereof or therein having the power to tax (other than, in the case of the Notes, by reason of the relevant holder having some connection with the United Kingdom, as the case may be, other than the holding of the Notes or related Coupons), then the Issuer shall use its reasonable endeavours to mitigate or procure the mitigation by the Borrower of the effects of the occurrence of such event, including by way of arranging the substitution of another company incorporated in another jurisdiction approved in writing by the Note Trustee as principal debtor under the Notes and as lender under the Issuer/Borrower Loan Agreement and/or the Borrower under the Issuer/Borrower Loan Agreement, as the case may be. The Note Trustee may agree to the substitution of another company in place of the Issuer and/or the Borrower in accordance with and subject to the terms of the Trust Documents. No Noteholder shall, in connection with any such substitution, be entitled to claim from the Issuer or the Note Trustee any indemnification or payment in respect of any tax consequence of any such substitution upon individual Noteholders.

If the Issuer is unable effectively to mitigate or arrange a substitution as described above and, as a result, the Issuer satisfies the Note Trustee immediately before giving the notice referred to below that the event described above is continuing, then the Issuer may, on any Interest Payment Date, and if it receives a notice of prepayment from the Borrower under the Issuer/Borrower Loan Agreement of its intention to make prepayment of the Issuer/Borrower

Loan in accordance with Clause 10.2 (*Voluntary Prepayment of Advances on Reduction or Withholding by the Issuer or Borrower*) thereof, the Issuer shall, redeem all (but not some only) of the Notes at their Principal Amount Outstanding together with accrued but unpaid interest on the Principal Amount Outstanding of the Notes up to but excluding the Interest Payment Date on which such redemption occurs, subject to the following:

- (A) that the Issuer has given not more than 60 nor less than 30 days' notice to the Note Trustee and the Noteholders in accordance with Condition 18 (*Notices to Noteholders*); and
- (B) that the Issuer has provided to the Note Trustee:
 - (1) a legal opinion in form and substance satisfactory to the Note Trustee from a firm of lawyers in the Issuer's (or, as the case may be, the Borrower's) jurisdiction (approved in writing by the Note Trustee), opining on the relevant change in tax law;
 - (2) a certificate from two directors of the Issuer or, in the case of a withholding or deduction in respect of payments under the Issuer/Borrower Loan, the Borrower to the effect that the obligation to make the relevant withholding or deduction cannot be avoided by the Issuer or (as the case may be) the Borrower taking reasonable measures; and
 - (3) a certificate from two directors of the Issuer to the effect that the Issuer will have the funds on the relevant redemption date, not subject to the interest of any other person, required to redeem the Notes pursuant to this Condition 8(d) and meet its payment obligations which rank either *pari passu* with or in priority to any Notes under the Issuer Pre-Enforcement Priority of Payments.

Any certificate and legal opinion given by or on behalf of the Issuer may be relied on by the Note Trustee without further investigation and shall be conclusive and binding on the Noteholders.

(e) ***Calculation of Note Principal Payments and Principal Amount Outstanding***

Four business days before each Interest Payment Date, the Issuer shall determine or shall cause to be determined:

- (i) if there is to be a partial redemption of the Notes or any class thereof pursuant to Condition 8(c) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan*), the aggregate amount of any Note Principal Payment (including such Note's share of any Amortisation Amount, if applicable) due on such Interest Payment Date; and
- (ii) the Principal Amount Outstanding of each Note on such Interest Payment Date (after deducting any Note Principal Payment due to be paid on that Interest Payment Date).

Each determination by or on behalf of the Issuer of any Note Principal Payment and the Principal Amount Outstanding of a Note shall in each case (in the absence of wilful default, bad faith or manifest error) be final and binding on all persons.

If the Issuer (or the Agent Bank on its behalf) does not at any time for any reason determine a Note Principal Payment and/or the Principal Amount Outstanding in accordance with the preceding provisions of this paragraph, such Note Principal Payment and/or the Principal Amount Outstanding may be determined by the Note Trustee in accordance with this Condition 8 and each such determination shall be deemed to have been made by the Issuer. Within five business days after each Interest Payment Date, the Issuer will notify the Irish Stock Exchange of the aggregate Principal Amount Outstanding of each class of Notes.

(f) ***Notice of Redemption***

Any such notice as is referred to in Conditions 8(c) (*Redemption, Purchase and Cancellation – Early Mandatory Redemption in Whole or Part upon Prepayment under the Issuer/Borrower Loan*) and 8(d) (*Redemption, Purchase and Cancellation – Substitution/ Redemption in Whole for Taxation Reasons*) above shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the relevant Notes at the applicable amounts specified in these Conditions.

(g) ***Purchase by the Borrower and Cancellation***

The Borrower shall be entitled to make market purchases of the Most Senior Class of Notes with funds standing to the credit of the Principal Reserve Account. All such market purchases shall be made at any time before the earlier of (a) the day falling 35 days before the first Loan Payment Date falling at least 35 days after the date (the "**Trigger Date**") on which the amount standing to the credit of the Principal Reserve Account first reached £5,000,000 or more, or (b) the day falling 180 days after the Trigger Date, utilising the full balance on the account **provided that** the after-tax overall cost to the Borrower of purchasing the Notes proposed to be purchased with the relevant amount standing to the credit of the Principal Reserve Account (the "**Principal Amount**") is no greater than the after-tax overall cost to the Borrower (in terms of the payments it would be required to make to the Issuer under the Issuer/Borrower Loan Agreement) of the Issuer redeeming such Notes early, to the extent of the Principal Amount, in accordance with the Conditions.

If the Borrower purchases a Note it will be required under the terms of the Issuer/Borrower Loan Agreement, to notify the Issuer and the Note Trustee of such purchase and surrender such Note to the Issuer. Upon surrender of such Note to the Issuer, the Note will be immediately cancelled by the Issuer and the repayment schedule to the Issuer/Borrower Loan Agreement will be adjusted in accordance with Clause 9.3 (*Variations to Repayment Schedule on Prepayment*) of the Issuer/Borrower Loan Agreement.

(h) ***Cancellation***

All Notes redeemed in full or purchased by the Borrower in accordance with Conditions 8(g) or surrendered pursuant to Condition 17 (*Replacement of Notes and Coupons*) will be cancelled upon redemption or surrender, together with any unmatured Coupons and the Talons (if any) appertaining thereto and attached thereto or surrendered therewith, and may not be resold or re-issued.

9. **Payments**

(a) ***Payments of Interest and Principal***

Payments of interest in respect of the Notes will (subject as provided in Conditions 9(c) (*Payments – Deductions for Unmatured Coupons for Notes*) and 9(e)(iii) (*Payments – Payments of Interest on Improperly Withheld or Refused Notes*) below) be made only against presentation and surrender of the relevant Interest Coupons at the Specified Office of any Paying Agent. Payments of principal in respect of the Notes will be made against presentation and surrender of the relevant Principal Receipts (except where, after such surrender, the unpaid principal amount of a Note would be reduced to zero (including as a result of any other payment of principal due in respect of such Note) in which case each payment of principal will be made against presentation and surrender of such Note) at the Specified Office of any Paying Agent. Each such payment will be made in sterling at the Specified Office of any Paying Agent by sterling cheque drawn on, or, at the option of the holder, by transfer to a sterling account maintained by the payee with, a bank in London.

(b) ***Payments subject to Fiscal Laws***

Payments of principal and interest in respect of the Notes are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment but without prejudice to the provisions of Condition 10 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue

Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 10 (*Taxation*)) any law implementing an intergovernmental approach thereto.

(c) ***Deductions for Unmatured Coupons for Notes***

(i) *Deductions for Unmatured Coupons for Notes*

If a Note is presented without all unmatured Coupons and Talons (if any) relating thereto:

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

Each sum so deducted shall be paid in the manner provided in Condition 9(a) (*Payments – Payments of Interest and Principal*) above against presentation and surrender of the relevant missing Coupons.

(ii) *Presentation on non-business days*

If any Coupon or Note is presented for payment on a day which is not a business day in the place where it is so presented and (in the case of payment by transfer to a sterling account in London as referred to in paragraph (a) above) in London, no further payments of additional amounts by way of interest, principal or otherwise shall be due in respect of such Coupon or, as the case may be, of such Note.

(iii) *Payments of Interest on Improperly Withheld or Refused Notes*

If any amount of principal is improperly withheld or refused on or in respect of any Note or part thereof, the interest which continues to accrue in respect of such Note in accordance with Condition 7 (*Interest*) will be paid against presentation of such Note at the Specified Office of any Paying Agent.

(iv) *Other Interest*

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agents outside the United States.

(v) *Partial Payments*

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

(vi) *Exchange of Talons*

On or after the relevant Interest Payment Date on which the final Coupon forming part of a Coupon sheet is surrendered, each Talon forming part of such Coupon sheet may be surrendered at the Specified Office of any Paying Agent for a further Coupon sheet (including a further Talon) but excluding any Coupons in respect of which claims have already become void pursuant to Condition 11 (*Prescription*). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

(vii) *Notifications to be Final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 9, whether by the Reference Banks (or any of them), the Paying Agents, the Agent Bank or the Note Trustee shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer and all Noteholders and Couponholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Note Trustee, the Noteholders or the Couponholders shall attach to the Reference Banks, the Agent Bank or the Note Trustee in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions under this Condition 9.

10. **Taxation**

(a) *Payments Free of Tax*

All payments in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, the Note Trustee or any Paying Agent is required by applicable law to make any payment in respect of the Notes subject to any such withholding or deduction. In that event, the Issuer, the Note Trustee or such Paying Agent (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted.

(b) *No Payment of Additional Amounts*

None of the Issuer, the Note Trustee or any Paying Agent will be obliged to make any additional payments to holders of Notes or Coupons in respect of such withholding or deduction as is referred to in Condition 10(a) (*Taxation - Payments Free of Tax*) above.

(c) *Taxing Jurisdiction*

If the Issuer becomes subject at any time to any taxing jurisdiction other than the United Kingdom, references in these Conditions to the United Kingdom (as the jurisdiction of the Issuer) shall be construed as references to the United Kingdom and/or such other jurisdiction.

(d) ***Tax Withholding or Deduction not Event of Default***

Notwithstanding that the Issuer, the Note Trustee or any Paying Agent is required to make a withholding or deduction as is referred to in Condition 10(a) (*Taxation - Payments Free of Tax*) above, this shall not constitute an Event of Default.

11. **Prescription**

(a) ***Principal***

Notes and Principal Receipts (which expression shall not in this Condition 11 include Talons) shall become void unless presented for payment within a period of 10 years from the Relevant Date in respect thereof.

(b) ***Interest***

Interest Coupons shall become void unless presented for payment within a period of five years from the Relevant Date in respect thereof.

(c) ***Note or Coupon***

After the date on which a Note or a Coupon becomes void in its entirety, no claim may be made in respect thereof.

12. **Events Of Default**

(a) ***Default Events***

The Note Trustee at its absolute discretion may, and if so requested in writing by the holders of not less than 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class of Notes outstanding or if so directed by or pursuant to an Extraordinary Resolution of the holders of the Most Senior Class of Notes shall (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities to which it may thereby become liable or which it may incur by so doing) give notice (a "**Note Enforcement Notice**") to the Issuer and the Note Trustee declaring the Notes to be immediately due and repayable at any time after the happening of any of the following events (each, an "**Event of Default**");

- (i) non-payment: default is made in the payment of the outstanding interest and/or principal in respect of any of the Most Senior Class of Notes as and when the same ought to be paid in accordance with these Conditions;
- (ii) breach of other obligations by Issuer: default is made by the Issuer in the performance or observance of any other obligation, representation or warranty binding upon or made by it under the Most Senior Class of Notes, the Trust Documents or any other Issuer Transaction Document and such default continues for a period of thirty days following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied, save for where the Note Trustee certifies that in its opinion such default is incapable of remedy when no notice will be required; or
- (iii) insolvency: an Insolvency Event occurs.

(b) ***Consequences of Notes becoming Due and Payable and Delivery of Note Enforcement Notice***

Upon the delivery of a Note Enforcement Notice in accordance with Condition 12(a) (*Events of Default – Default Events*) above, all classes of the Notes shall immediately become due and repayable at their Principal Amount Outstanding together with accrued interest as provided in the Trust Deed and the Issuer Security shall become enforceable by the Note Trustee in accordance with the Issuer Security Deed.

13. **Enforcement**

- (a) The Note Trustee may, at any time, at its discretion and without notice, take proceedings against the Issuer to enforce the provisions of the Notes or the Trust Documents. At any time after delivery of a Note Enforcement Notice the whole of the Issuer Security shall become enforceable. The Note Trustee shall not be bound to take any such proceedings or steps unless:
- (i) the Note Trustee shall have been so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes or so requested in writing by the holders of at least 25% in aggregate of the Principal Amount Outstanding of the Most Senior Class of Notes then outstanding to enforce the Issuer Security; and
 - (ii) in all cases, the Note Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith save as mentioned in the Trust Documents.

Enforcement of the obligations of the Issuer under the Notes are subject to the terms of any mandatory United Kingdom provisions that would apply in case of an Insolvency Event.

- (b) In the event that a Loan Enforcement Notice has been served pursuant to the Issuer/Borrower Loan Agreement but no Note Enforcement Notice has been served in respect of the Notes, all amounts standing to the credit of the Issuer Transaction Account or other funds available to the Note Trustee for such purpose will be applied in accordance with the order of priority of payments set out in Clause 15.1 (*Issuer Post-Enforcement Pre-Acceleration Priority of Payments*) of the Issuer Security Deed.
- (c) In the event that the Issuer Security becomes enforceable following delivery of a Note Enforcement Notice, all proceeds of enforcement of the Issuer Security will be applied in accordance with the order of priority of payments set out in Clause 15.2 (*Issuer Post-Enforcement Post-Acceleration Priority of Payments*) of the Issuer Security Deed.

14. **Meetings Of Noteholders**

(a) ***Convening***

The Trust Documents contain provisions for convening separate or combined meetings of the Noteholders of any class or classes to consider any matters relating to the Notes, including the sanctioning by Extraordinary Resolution of any or each class of Noteholders of a modification of that class of Notes (including these Conditions) or the provisions of any of the Transaction Documents.

(b) ***Separate and Combined Meetings***

The Trust Deed provides that:

- (i) an Extraordinary Resolution which in the opinion of the Note Trustee affects the Notes of only one class shall be transacted at a separate meeting of the Noteholders of that class;
- (ii) an Extraordinary Resolution which in the opinion of the Note Trustee affects the Noteholders of more than one class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one class of Notes and the holders of another class of Notes shall be transacted either at separate meetings of the Noteholders of each such class or at a single meeting of the Noteholders of all such classes of Notes as the Note Trustee shall determine in its absolute discretion;
- (iii) an Extraordinary Resolution which in the opinion of the Note Trustee affects the Noteholders of more than one class and gives rise to any conflict of interest actual or potential between the Noteholders of one class of Notes and the Noteholders of any other class of Notes shall be transacted at separate meetings of the Noteholders of each such class; and

- (iv) an Extraordinary Resolution which in the opinion of the Note Trustee affects the interests of the holders of each and/or both sub-classes within a class and gives or may give rise to a conflict of interest between the holders of each sub-class within that class shall be deemed to have been duly passed and be binding on each of the other sub-classes if passed at a single meeting of the holders of the sub-class which has the greatest aggregate Principal Amount Outstanding at the relevant time.

(c) ***Request from Noteholders***

A meeting of Noteholders of a particular class may be convened by the Note Trustee or the Issuer at any time and must be convened by the Note Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) upon the request in writing of Noteholders of a particular class holding not less than 10% of the aggregate Principal Amount Outstanding of the outstanding Notes of that class.

(d) ***Quorum***

The quorum at any meeting convened to vote on:

- (i) an Extraordinary Resolution, other than regarding a Basic Terms Modification, relating to a meeting of a particular class or classes of the Notes will be two or more persons holding or representing a majority of the Principal Amount Outstanding of the Notes then outstanding in that class or those classes or, at any adjourned meeting, two or more persons being or representing Noteholders of that class or those classes, whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such class or classes; and
- (ii) an Extraordinary Resolution relating to a Basic Terms Modification (which must be proposed separately to each class of Noteholders) will be two or more persons holding or representing in the aggregate not less than 75% of the Principal Amount Outstanding of the Notes then outstanding in the relevant class or classes or, at any adjourned meeting, two or more persons holding or representing not less than in the aggregate 33.33% of the Principal Amount Outstanding of the Notes then outstanding in the relevant class or classes.

(e) ***Relationship between Classes***

In relation to each class of Notes:

- (i) no Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other classes of Notes (to the extent that there are Notes outstanding in each such other classes);
- (ii) no Extraordinary Resolution to approve any matter other than a Basic Terms Modification of any class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other classes of Notes ranking equally with or senior to such class (to the extent that there are Notes outstanding ranking senior to such class) unless the Note Trustee considers that none of the holders of each of the other classes of Notes ranking equally with or senior to such class would be materially prejudiced by the absence of such sanction; and
- (iii) any resolution passed at a meeting of the Noteholders of one or more classes of Notes duly convened and held in accordance with the Trust Deed shall be binding upon all Noteholders of such class or classes, whether or not present at such meeting and whether or not voting and upon all Couponholders of such class or classes and, except in the case of a meeting relating to a Basic Terms Modification, any resolution passed at a meeting of the holders of the Most Senior Class of Notes only duly convened and held as aforesaid shall also be binding upon the holders of all the other classes of Notes and the holders of the Coupons relating thereto.

(f) ***Resolutions in Writing***

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

15. **Modification, Consents And Waivers**

(a) ***Modification and Waiver***

Without prejudice to Condition 15(c) (*Modification, Consents and Waivers - Additional right of modification*) below, the Note Trustee may, from time to time and at any time, without any consent or sanction of the other Issuer Secured Creditors, consent to or waive any breach or proposed breach of, or agree in making any modification to any of the covenants or provisions of the Conditions or any Issuer Transaction Document or Transaction Documents to which it is a party or over which it has security or in respect of which it is required or entitled to instruct the Security Trustee or give its consent to any event, matter or thing, if (a) (other than in respect of any Basic Terms Modification or any provisions of the Trust Documents (as defined in these Conditions) referred to in the definition of Basic Terms Modification) in its sole opinion the interests of the holders of the Most Senior Class of Notes would not be materially prejudiced thereby, or (b) in its sole opinion such modification is required to correct a manifest error or is of a formal, minor, administrative or technical nature or is necessary or desirable for the purposes of clarification, or (c) it is permitted, subject to the satisfaction of specified conditions, under the Conditions or the terms of any Issuer Transaction Documents and such conditions are satisfied, or (d) the Rating Test is satisfied.

(b) ***Notification of Modification and Waiver***

Unless the Note Trustee agrees otherwise, the Issuer shall cause any such modification, waiver or consent to be notified to the Issuer Secured Creditors in writing as soon as practicable thereafter in accordance with the Notices Condition and the relevant Issuer Transaction Documents and any such modification, waiver or consent shall be binding on each of the Issuer Secured Creditors. The Issuer will also notify any such modification, waiver or consent to the Irish Stock Exchange in accordance with its ongoing obligations under the Listing Rules.

(c) ***Additional right of modification***

Notwithstanding the provisions of Condition 15(a) (*Modification and Waiver*) and subject to Condition 15(d) (*Modification, Consents and Waivers - Conditions to additional right of modification*), the Note Trustee shall be obliged, without any consent or sanction of the Noteholders or, subject to Condition 15(c)(i), any of the other Issuer Secured Creditors, to concur with the Issuer in making and/or approving any modification (other than in respect of any Basic Terms Modification or any provisions of the Trust Documents referred to in the definition of Basic Terms Modification) to the Trust Deed or the Conditions, any Transaction Document or Issuer Transaction Document (to which it is a party or over which it has security or in respect of which it is required or entitled to instruct the Security Trustee) that the Issuer considers necessary:

- (i) for the purpose of (1) complying with, or (2) implementing or (3) reflecting, any change in, the criteria of one or more of the Rating Agencies which may be applicable from time to time, ***provided that:***
 - (A) the Issuer certifies in writing to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement or reflect such criteria; and
 - (B) in the case of any modification to any of the covenants or provisions of the Conditions or any Issuer Transaction Document or Transaction Document proposed by any of the Hedging Banks (if any), Issuer Account Bank, Obligor Account Bank, Liquidity Facility Provider or the Working Capital Facility Provider in order for such relevant entity (x) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid the Hedging Banks (if any), Issuer Account Bank, Obligor Account Bank, the

Liquidity Facility Provider or the Working Capital Facility Provider (as the case may be) taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds or obtaining a guarantee or such other action as may be proposed to any Relevant Rating Agency):

- I. the Issuer Account Bank, Obligor Account Bank, Liquidity Facility Provider or the Working Capital Facility Provider as the case may be, certifies in writing to the Issuer, the Note Trustee and the Security Trustee that such modification is necessary for the purposes described in paragraph (b)(x) and/or (y) above;
- II. either:
 - (1) the Hedging Bank (if any), Issuer Account Bank, Obligor Account Bank, Liquidity Facility Provider or the Working Capital Facility Provider as the case may be, obtains from each of the Rating Agencies written confirmation that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such rating agency and would not result in any Rating Agency placing any Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer, the Note Trustee and the Security Trustee; or
 - (2) the Hedging Bank (if any), Issuer Account Bank, Obligor Account Bank, Liquidity Facility Provider or the Working Capital Facility Provider as the case may be certifies in writing to the Issuer and the Note Trustee that it has notified the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the notes by such rating agency or (y) such rating agency placing any Notes on rating watch negative (or equivalent);
- (ii) for the purpose of enabling the Notes to be (or to remain) listed on the Irish Stock Exchange, **provided that** the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

(the certificate to be provided by the Issuer or the other relevant Transaction Party, as the case may be, pursuant to paragraphs (i) and (ii) above being a "**Modification Certificate**").

(d) **Conditions to additional right of modification**

- (i) The Note Trustee is only obliged to concur with the Issuer in making and/or approving any modifications (other than in respect of a Basic Terms Modification or any provision of the Trust Documents referred to in the definition of Basic Terms Modification) to this Deed or any other Transaction Document or Issuer Transaction Document to which it is party or over which it has security or in respect of which it is required or entitled to instruct the Security Trustee pursuant to Condition 15(c) (*Modification, Consents and Waivers - Additional right of modification*) if:
 - (A) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Note Trustee and the Security Trustee;
 - (B) the Modification Certificate in relation to such modification shall be provided to the Note Trustee and the Security Trustee both at the time the Note Trustee

and the Security Trustee is notified of the proposed modification and on the date that such modification takes effect;

- (C) the consent of each Issuer Secured Creditor (other than the Note Trustee and the Security Trustee) which is a party to the relevant Transaction Document proposed to be modified has been obtained; and
- (D) the Issuer pays all fees, costs and expenses (including legal fees) incurred by the Issuer, the Note Trustee and the Security Trustee and each other applicable party, including without limitation, any of the Agents in connection with such modification;
- (E) the Issuer certifies in writing to the Note Trustee and the Security Trustee (which certification may be in the Modification Certificate) that the proposed modification is not a Basic Terms Modification;

other than in the case of a modification pursuant to Condition 15(b)(i)(B)(II) either:

- (F) the Issuer obtains from each of the Rating Agencies written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any notes on rating watch negative (or equivalent); or
 - (G) the Issuer certifies in the Modification Certificate that it has notified each of the Rating Agencies of the proposed modification and in its opinion, formed on the basis of due consideration, such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any notes on rating watch negative (or equivalent); and
- (ii) the Issuer certifies in writing to the Note Trustee (which certification may be in the Modification Certificate) that in relation to such modification that (x) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each relevant Class of the proposed modification in accordance with Condition 18 (*Notices to Noteholders*) and by publication on Bloomberg on the "Company News" screen relating to the Notes in each case specifying the date and time by which Noteholders must respond and has made available at such time the modification documents for inspection by the Noteholders at the registered office for the time being of the Note Trustee during normal business hours, and (y) Noteholders representing at least 10% of the aggregate principal amount outstanding of the Most Senior Class of Notes then outstanding notified pursuant to this paragraph (ii) have not contacted the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such notes may be held by the time specified in such notice that such Noteholders do not consent to the modification.
 - (iii) If Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding notified pursuant to (ii) above have notified the Issuer and the Principal Paying Agent in accordance with the notice and the then current practice of any applicable clearing system through which such Notes may be held by the time specified in such notice that such Noteholders do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding notified pursuant to paragraph (ii) above is passed in favour of such modification in accordance with Condition 14 (*Meetings of Noteholders*).
 - (iv) When implementing any modification pursuant to Condition 15(c) (*Modification, Consents and Waivers - Additional right of modification*) (save to the extent that the proposed modification would constitute a Basic Terms Modification), the Note Trustee and the Security Trustee shall not consider the interests of the Noteholders, any other Issuer Secured Creditor or any other person and shall act and rely solely and without

further investigation on any certificate or evidence provided to it by the Issuer, the Cash Manager or the relevant Transaction Party, as the case may be, pursuant to Conditions 15(c) (*Modification, Consents and Waivers – Additional right of modification*) and (d) (*Modification, Consents and Waivers – Conditions to additional right of modification*) and shall not be liable to the Noteholders, any other Issuer Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and

- (v) The Note Trustee and the Security Trustee shall not be obliged to agree to any modification which has already been, is intended to be or is currently proposed to a Meeting or which, in the sole opinion of the Note Trustee and/or the Security Trustee would have the effect of (x) exposing the Note Trustee and/or the Security Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (y) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee and the Security Trustee in this Deed, the Transaction Documents and/or the Conditions.
- (vi) To the extent that any modifications referred to in Condition 15(c) (*Modification, Consents and Waivers – Additional right of modification*) requires the consent of the Security Trustee, the Note Trustee shall (to the extent that it has become obliged to consent to such modification pursuant to this Condition 15 (*Modification, Consents and Waivers*)) direct the Security Trustee to consent to such modification.
- (vii) Any such modification pursuant to Condition 15(c) (*Modification, Consent and Waiver - Additional right of modification*) shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:
 - (A) so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency;
 - (B) the Issuer Secured Creditors; and
 - (C) the Noteholders in accordance with Condition 18 (*Notices to Noteholders*).

(e) ***The Security Trustee***

The Security Trustee (acting on the instructions of the Note Trustee but otherwise without reference to the Obligor Secured Creditors) may from time to time and at any time, consent to or waive any breach or proposed breach of, or agree in making any modification to, any of the covenants or provisions of the Transaction Documents (other than in respect of any changes to the Borrower Priority of Payments (where consent of all the Obligor Secured Creditors is required) or in respect of any proposal to increase the amount of Working Capital Facility above £5 million (where the consent of the Liquidity Facility Provider, the Working Capital Facility Provider and all the Obligor Secured Creditors ranking below the Working Capital Facility Provider in the Borrower Priority of Payments is required), or the Issuer Transaction Documents) or give its consent to any event, matter or thing, if (a) in its opinion the interests of the Instructing Creditor would not be materially prejudiced thereby, (b) in its opinion such modification is required to correct a manifest error or is of a formal, minor, administrative or technical nature or is necessary or desirable for the purposes of clarification, (c) it is required or permitted, subject to the satisfaction of specified conditions, under the terms of any Transaction Document and such conditions are satisfied, or (d) the Rating Test is satisfied.

Under the terms of the Security Trust Deed the "**Instructing Creditor**" shall be the Issuer ***provided that*** the Note Trustee shall be the Instructing Creditor by virtue of the assignment by the Issuer to the Note Trustee of its rights under the Security Trust Deed.

In addition, to the extent that any modification referred to in Conditions 15(c) (*Modification, Consents and Waivers – Additional right of modification*) requires the consent of the Security Trustee, the Note Trustee shall (to the extent that it has become obliged to consent to such modification pursuant to this Condition 15 (*Modification, Consents and Waivers*)) direct the

Security Trustee to consent to such modifications and pursuant to the Security Trust Deed, the Security Trustee shall consent to such modifications pursuant to such direction.

(f) ***Further Information***

As further provided in the Trust Deed and the Security Trust Deed certain provisions, including the following, shall apply in relation to any request for any consent, waiver or modification to be given or made by the Note Trustee:

- (i) it shall be the responsibility of any party requesting the Note Trustee to give its consent or to agree to any modification or waiver to provide to the Note Trustee all documents, reports, opinions, financial calculations or other items that may be required to evidence any state of affairs or to support any request for a consent, approval, acknowledgement modification or waiver of any kind;
- (ii) the Note Trustee will not consider any such request until in its sole discretion it determines that it has adequate information to consider the request;
- (iii) the Note Trustee shall be entitled to seek the opinions or views of any person as to any matter which is the subject of a requested consent, approval, acknowledgement, modification or waiver (including where the conditions on which a consent, approval, acknowledgement, modification or waiver will be given or made are set out in the relevant document); and
- (iv) no time period shall be accepted by the Note Trustee within which it is required to respond to any request for any consent, approval, or acknowledgement, modification or waiver.

(g) ***Miscellaneous provisions***

- (i) Where any provision or covenant in any Transaction Document contains a reference to Material Adverse Effect, materiality or like terminology, the Note Trustee shall not itself be required to determine such matters (or the absence thereof) but will instead seek to procure that such matters shall be determined by accountants, valuers or other experts, as the case may be, or by the Noteholders by means of an Extraordinary Resolution.
- (ii) The Note Trustee may display any information it receives in relation to the operation of any Dignity company on a secure part of the Investor Website. The Investor Website will be password protected. Details of the Investor Website address and the password will be available on application to the Note Trustee ***provided that*** each beneficial owner of a Note shall be required to provide the Note Trustee with confirmation of such beneficial owner of a Note's beneficial interest in the Notes (and, in the case of Notes held through a Clearing System in accordance with any procedures of such Clearing System). On each Quarter End Date access to the Investor Website will be suspended and each beneficial owner of a Note will be required to procure the relevant Clearing System through which it holds its Notes to provide further confirmation to the Note Trustee of such beneficial owner of a Note's beneficial interest in the Notes, whereupon such beneficial owner of a Note will be permitted access to the Investor Website for the period until the next Quarter End Date.
- (iii) The Trust Deed and the Security Trust Deed provide that the Note Trustee may rely on certificates or reports from auditors, valuers and/or any other experts whether or not any such certificate or report or engagement letter or other document entered into by the Note Trustee and such auditors, valuers or such other experts in connection therewith contains any limit on liability (monetary or otherwise) of the auditors, valuers or such other experts.

16. **Trustee and Agents**

(a) ***Trustee's Right to Indemnity***

Under the Issuer Transaction Documents, the Note Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid or reimbursed any liabilities incurred by it in priority to the claims of the Noteholders. In addition, the Note Trustee and its related companies are entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.

(b) ***Trustees not Responsible for Loss or for Monitoring***

The Note Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of the Issuer Security or any documents of title thereto being uninsured or inadequately insured or being held by or to the order of any person on behalf of the Note Trustee. The Note Trustee shall not be responsible for monitoring the compliance of the Issuer or any of the other Transaction Parties with their obligations under the Issuer Transaction Documents.

(c) ***Regard to Classes of Noteholders***

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Note Trustee will:

- (i) have regard to the interests of the Noteholders as a class and will not have regard to, or be in any way responsible for, any consequence for individual Noteholders or Couponholders as a result of such holders being domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, a particular territory or taxing jurisdiction; and
- (ii) have regard only to the interests of the holders of the Most Senior Class of Notes if, in the opinion of the Note Trustee, there is a conflict between the interests of any class of Notes outstanding ***provided that***, to the extent that the Most Senior Class of Notes is comprised of one or more subclasses, and there is a conflict between the interests of the holders of such subclasses, the Note Trustee shall have regard to the interests only of the holders of the Notes of the subclass with the greatest Principal Amount Outstanding whilst they remain outstanding.

(d) ***Appointment and Removal of Trustees***

The power of appointing new trustees of the Trust Deed shall be vested in the Issuer, but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution of the holders of the Most Senior Class of Notes in accordance with the Trust Deed. One or more persons may hold office as trustee or trustees of the Trust Deed, ***provided that*** such trustee or trustees shall be (if there is only one) or include (if there is more than one) a trust corporation. Any appointment of a new trustee of the Trust Deed shall as soon as practicable thereafter be notified by the Issuer to the Note Trustee, the Paying Agents, the Rating Agencies and the Noteholders. The holders of the Most Senior Class of Notes shall together have the power, exercisable by Extraordinary Resolution to remove any trustee or trustees for the time being of the Trust Deed. The removal of any trustee shall not become effective unless (a) there remains a trustee of the Trust Deed (being a trust corporation) in office after such removal and (b) the Security Trustee is, pursuant to the provisions of the Security Trust Deed, removed simultaneously with the removal of the trustee of the Trust Deed.

(e) ***Paying Agents solely agents of Issuer***

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer and (to the extent provided therein) the Note Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or the Couponholders.

(f) ***Initial Paying Agents***

The initial Paying Agents and their initial Specified Offices are listed below. The Issuer reserves the right (subject to the prior written approval of the Note Trustee) to vary or terminate the appointment of any Paying Agent and to appoint a successor principal paying agent or agent bank and additional or successor paying agents at any time, having given not less than 30 days' notice to such Paying Agent.

(g) ***Maintenance of Agents***

The Issuer will at all times maintain a Paying Agent with a Specified Office in Ireland and a Paying Agent in London or a Paying Agent with Specified Offices in Ireland and London respectively, a principal paying agent and an agent bank. The Issuer undertakes that it will ensure that it maintains a Paying Agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council Meeting of 2627 November 2000 on the taxation of savings implementing such conclusions or any law implementing or complying with, or introduced to conform to, such European Union Directive (if such an EU Member State exists).

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 18 (*Notices to Noteholders*).

17. **Replacement of Notes and Coupons**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, subject to all applicable laws and Irish Stock Exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

18. **Notices to Noteholders**

(a) ***Valid Notices and Date of Publication***

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the Financial Times) or if such publication is not practicable, in another appropriate newspaper having general circulation in London, previously approved in writing by the Note Trustee. Any such notice shall be deemed to have been given on the date of first publication.

Whilst the Notes are represented by Global Notes, notices to Noteholders will be valid if published as described above or, at the option of the Issuer, if delivered to Clearstream, Luxembourg and/or Euroclear for communication by them to Noteholders. Any notice delivered to Clearstream Luxembourg and/or Euroclear as aforesaid shall be deemed to have been given on the date of delivery to Euroclear and Clearstream, Luxembourg.

(b) ***Other Methods***

The Note Trustee may approve some other method of giving notice to the Noteholders if, in its opinion, that other method is reasonable having regard to market practice then prevailing and to the requirements of any stock exchange on which Notes are then listed and ***provided that*** notice of that other method is given to the Noteholders in the manner required by the Note Trustee.

(c) ***Couponholders deemed to have Notice***

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made in the manner referred to above.

(d) ***Notices to Stock Exchange and Rating Agencies***

A copy of each notice given in accordance with this Condition 18 shall be provided to the Rating Agencies and the Companies Announcement Office of the Irish Stock Exchange for so long as the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require.

19. **Subordination and Deferral**

(a) ***Interest***

In the event that, on any Interest Payment Date, Available Issuer Revenue, after deducting all amounts payable in priority to interest on any class of Junior Notes, after each such deduction (the net amount being an "**Interest Residual Amount**") is not sufficient to satisfy in full the aggregate amount payable in respect of interest on such Notes on such Interest Payment Date, then there shall instead be payable in respect of interest on such Notes on such Interest Payment Date a *pro rata* share of the relevant Interest Residual Amount calculated by dividing the relevant Interest Residual Amount by the Notes of such class then outstanding.

In any such event, the Issuer shall create a provision in its accounts for the shortfall (if any) equal to the amount by which the aggregate amount paid in respect of interest on any class of Junior Notes is less than the aggregate amount payable (the "**Shortfall**") in respect of interest on such class of Junior Notes. Such Shortfall shall itself accrue interest at the same rate as that payable in respect of the relevant class of Junior Notes and shall be payable together with such accrued interest on any succeeding Interest Payment Date only if and to the extent that, on such Interest Payment Date, the relevant Interest Residual Amount is sufficient to make such payment.

For the avoidance of doubt, subject to Conditions 19(c) (*Subordinations and Deferral – General*) below, non-payment on any Interest Payment Date of any amount which would otherwise be payable under these Conditions but for this Condition 19(a) shall not constitute an Event of Default pursuant to Condition 12 (*Events of Default*) other than failure to pay an amount in respect of the Most Senior Class of Notes.

(b) ***Principal***

In the event that, on any Interest Payment Date, Available Issuer Revenue, after deducting all amounts payable in priority to principal on any class of Junior Notes, (the net amount being a "**Principal Residual Amount**") is not sufficient to satisfy in full the aggregate amount of principal (if any) due, subject to this Condition 19(b), on such Junior Notes on such Interest Payment Date, there shall instead be payable on such Interest Payment Date, by way of principal on each such Junior Note, only a *pro rata* share of the relevant Principal Residual Amount calculated by dividing the relevant Principal Residual Amount by the number of such Junior Notes then outstanding.

In any such event, the Issuer shall create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of principal paid on such Junior Notes on any Interest Payment Date in accordance with this Condition 19(b) falls short of the aggregate amount of principal payable (but for the provisions of this Condition 19(b) in respect of such Junior Notes on that date pursuant to Condition 8 (*Redemption, Purchase and Cancellation*)). Such shortfall shall accrue interest at the same rate as that payable in respect of such Junior Notes and shall be payable together with such accrued interest on any succeeding Interest Payment Date only if and to the extent that, on such Interest Payment Date, Available Issuer Revenue, after deducting all amounts payable in priority to principal on such Junior Notes, is sufficient to make such payment. For the avoidance of doubt, while any Class of Notes ranking in priority to the Junior Notes remains outstanding, subject to paragraph (c) below, the non-payment on an Interest Payment Date of any amount which would otherwise be payable under these Conditions but for this Condition 19(b) shall not constitute an Event of Default pursuant to Condition 12 (*Events of Default*). The failure to pay principal on any Junior Notes will only constitute an Event of Default where there is no class of Notes remaining outstanding which ranks in priority to such Junior Notes.

(c) **General**

Any amounts of principal or interest in respect of the Notes otherwise payable under these Conditions which are not paid by virtue of this Condition 19 together with accrued interest thereon shall in any event become payable on the Final Maturity Date or on such earlier date as the Notes become immediately due and repayable under Condition 12 (*Events of Default*).

(d) **Notification**

As soon as practicable after becoming aware that any part of a payment of interest or principal on any class of Notes will be deferred or that a payment previously deferred will be made in accordance with this Condition 19, the Issuer will give notice thereof to the relevant Noteholders in accordance with Condition 18 (*Notices to Noteholders*) and to the Irish Stock Exchange, so long as the Notes are listed on the Irish Stock Exchange.

20. **Further and New Note Issues**

The Issuer will be entitled (but not obliged) at its option from time to time, without the consent of the Noteholders, to raise further funds by the creation and issue of (a) further Class A Notes (the "**Further Class A Notes**") and/or further Class B Notes (the "**Further Class B Notes**" and, together with the Further Class A Notes, the "**Further Notes**") in each case in bearer form carrying the same terms and conditions in all respects (except in relation to the issue date, the first Interest Period and the first Interest Payment Date) as, and so that the same shall be consolidated and form a single series and rank *pari passu* with, the Class A Notes or the Class B Notes, as the case may be, and/or (b) further notes of a new class (the "**New Notes**") which will be in bearer form and will rank subordinate to the Notes (but which will not form a single series with the Class A Notes or the Class B Notes), provided in each case that all the following conditions will be met:

- (i) the aggregate principal amount of all Further Notes and/or New Notes to be issued on such date is not less than £5,000,000; and
- (ii) any Further Class A Notes or Further Class B Notes are assigned the same ratings as the rating of the corresponding class of Notes immediately after the issue of such Further Notes; and
- (iii) the Note Trustee and the Issuer have received written confirmation from the Rating Agencies confirming the then current ratings assigned to the existing classes of Notes then outstanding and such confirmation demonstrates that the ratings of the existing classes of Notes then outstanding will not be downgraded to below the relevant rating applicable on the Closing Date to the corresponding class of Notes as a result of the proposed issue of Further Notes and/or New Notes; and
- (iv) the Note Trustee has received legal opinion(s) reasonably satisfactory to it in relation to the issue of such Further Notes and/or New Notes from a reputable London law firm confirming (a) the matters covered by the legal opinions delivered on the Initial Securitisation Closing Date (b) the subordination and ranking of such Further Notes and/or New Notes, (c) in respect of any Further Notes only, their fungibility with an existing series of Notes and (d) such other matters as the Note Trustee may reasonably require; and
- (v) no Event of Default, Potential Loan Event of Default or Loan Event of Default has occurred or would occur as a result of such issue and no Loan Enforcement Notice or Note Enforcement Notice has been served; and
- (vi) any such Further Note and/or New Note shall be constituted by a further deed or deeds supplemental to the Trust Deed and shall be secured by the same security as any Initial Notes pursuant to the Issuer Security Deed; and
- (vii) an amount equal to the net proceeds of such Further Notes and/or New Notes is used to make a loan to the Borrower pursuant to the Issuer/Borrower Loan Agreement and the conditions precedent therein for a Further Advance or New Advance are satisfied; and

- (viii) an accession deed to the Tax Deed of Covenant or, if required by the Note Trustee (acting reasonably), an amended and restated Tax Deed of Covenant is entered into in a form satisfactory to the Note Trustee.

Any such Further Note and/or New Note shall be secured by the Issuer Security. Any such Further Notes or New Notes will be constituted by a further deed or deeds supplemental to the Trust Deed and have the benefit of the Issuer Security pursuant to the Issuer Security Deed as described above in Condition 4 (*Security*). The provisions of Condition 3(h) (*Status and Ranking – Status, Ranking and Relationship between the Notes and the New Notes*).

The Issuer shall give notice to Noteholders in accordance with Condition 18 (*Notice to Noteholders*) that the conditions described in this Condition 20 have been or will be met on the date of issue of such Further Notes or New Notes, as the case may be.

21. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005% being rounded up to 0.00001%).

22. **Third Party Rights**

These Conditions confer no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Conditions, but this does not affect any right or remedy of a third party which exists or is available aside from the contracts (Rights of Third Parties) Act 1999.

23. **Governing Law**

Each of the Issuer Transaction Documents, the Notes, the Coupons and the Talons are governed by, and shall be construed in accordance with, English law (other than certain aspects of the Issuer Transaction Documents specifically relating to Scottish assets or terms thereof particular to Scots law, which are governed by, and shall be construed in accordance with, Scots law or certain aspects of the Issuer Transaction Documents specifically relating to Northern Irish assets or terms thereof particular to Northern Irish law, which are governed by, and shall be construed in accordance with, Northern Irish law).

SCHEDULE 5
PROVISIONS FOR MEETINGS OF NOTEHOLDERS

1. DEFINITIONS

"Basic Terms Modification" means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes of any Class, to reduce the amount of principal or interest due on any date in respect of the Notes of any Class or to alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;
- (b) (except in accordance with Condition 8(d) (*Redemption, Purchase and Cancellation - Substitution/Redemption in Whole for Taxation Reasons*) and Clause 18 (*Substitution*) of this Deed) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Notes are payable (other than pursuant to redenomination into euro);
- (d) to alter the priority of payment of interest or principal in respect of the Notes;
- (e) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution;
- (f) to change any provisions contained in Condition 15(c) (*Additional right of modification*), Condition 15(d) (*Conditions to additional right of modification*) and Clauses 17.2 (*Additional right of modification*) and 17.3 (*Conditions to additional right of modification*) of this Deed; or
- (g) to amend this definition.

2. VOTING CERTIFICATES AND BLOCK VOTING INSTRUCTIONS

2.1 Issue

The holder of a Note may obtain a Voting Certificate from any Paying Agent or require any Paying Agent to issue a Block Voting Instruction by depositing such Note with such Paying Agent or arranging for such Note to be (to its satisfaction) held to its order or under its control or blocked in an account with a clearing system not later than 48 hours before the time fixed for the relevant Meeting.

2.2 Expiry of Validity

A Voting Certificate or Block Voting Instruction shall be valid until the release of the deposited Notes to which it relates.

2.3 Deemed Holder

So long as a Voting Certificate or Block Voting Instruction is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (in the case of a Block Voting Instruction) shall be deemed to be the holder of the Notes to which it relates for all purposes in connection with the Meeting.

2.4 Mutually Exclusive

A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

3. REFERENCES TO DEPOSIT/RELEASE OF NOTES

Where Notes are held in Euroclear or Clearstream, Luxembourg (whether in the form of Global Notes or Definitive Notes), references to the deposit, or release, of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of Euroclear and Clearstream, Luxembourg and, in other cases, such references are to the deposit or (as the case may be) release of Definitive Notes.

4. VALIDITY OF BLOCK VOTING INSTRUCTIONS

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

5. CONVENING OF MEETING: MEETINGS OF COMBINED CLASSES OF NOTES

5.1 Convening of Meeting

The Issuer or the Note Trustee may convene a Meeting at any time and the Note Trustee shall be obliged to do so, subject to its being indemnified and/or secured and/or prefunded to its satisfaction, upon the request in writing of a class or classes of Noteholders holding not less than ten per cent. of the aggregate Principal Amount Outstanding of the Notes then outstanding of the relevant class. Every Meeting shall be held on a date, and at a time and place, approved by the Note Trustee.

6. NOTICE

6.1 Notice period and notice details

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the relevant Noteholders and the Paying Agents (with a copy to the Issuer where the Meeting is convened by the Note Trustee or, where the Meeting is convened by the Issuer, with a copy to the Note Trustee).

6.2 Notice of proposed resolutions

The notice shall set out the full text of any resolutions to be proposed unless the Note Trustee agrees that the notice shall instead specify the nature of the resolutions without including the full text and shall state that the Notes may be deposited with, or to the order of, any Paying Agent for the purpose of obtaining Voting Certificates or appointing Proxies not later than 48 hours before the time fixed for the Meeting.

7. CHAIRMAN

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

8. QUORUM

8.1 Quorum: The quorum at any meeting convened to vote on:

8.1.1 an Extraordinary Resolution, other than regarding a Basic Terms Modification, relating to a meeting of a particular class or classes of Notes will be two or more persons holding or representing a majority of the Principal Amount Outstanding of the Notes then outstanding in that class or those classes or, at any adjourned meeting, two or more persons being or representing Noteholders of that class or those classes, whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented in such class or classes;

8.1.2 an Extraordinary Resolution relating to a Basic Terms Modification (which must be proposed separately to each class of Noteholders) will be two or more persons holding or representing in the aggregate 75 per cent. of the Principal Amount Outstanding of the Notes then outstanding in the relevant class or classes or, at any adjourned meeting, two or more persons holding or representing not less than in the aggregate $33\frac{1}{3}$ per cent. of the Principal Amount Outstanding of the Notes then outstanding in the relevant class or classes.

9. ADJOURNMENT FOR WANT OF QUORUM

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

9.1 in the case of a Meeting requested by Noteholders, it shall be dissolved; and

9.2 in the case of any other Meeting (unless the Issuer and the Note Trustee otherwise agree), it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place as the Chairman determines (with the approval of the Note Trustee), **provided that:**

- (a) the Meeting shall be dissolved if the Issuer and the Note Trustee together so decide; and
- (b) no Meeting may be adjourned more than once for want of a quorum.

10. **ADJOURNED MEETING**

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

11. **NOTICE FOLLOWING ADJOURNMENT**

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

- 11.1 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- 11.2 the notice shall specifically set out the quorum requirements that will apply when the Meeting resumes.

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

12. **PARTICIPATION**

The following may attend and speak at a Meeting:

- 12.1 Voters;
- 12.2 representatives of the Issuer and the Note Trustee;
- 12.3 the financial advisers of the Issuer and the Note Trustee;
- 12.4 the legal counsel to the Issuer and the Note Trustee; and
- 12.5 any other person approved by the Meeting or the Note Trustee.

13. **SHOW OF HANDS**

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

14. **POLL**

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Note Trustee or one or more Voters representing or holding not less than one fiftieth of the

aggregate principal amount of the outstanding Notes. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairman directs.

15. **VOTES**

15.1 **Number**

Every Voter shall have:

15.1.1 on a show of hands, one vote; and

15.1.2 on a poll, one vote in respect of each £100,000 in aggregate face amount of the outstanding Note(s) represented or held by him.

15.2 **No Obligation to exercise**

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

16. **VOTES BY PROXIES**

16.1 **Validity**

Any vote by a Proxy in accordance with the relevant Block Voting Instruction shall be valid even if such Block Voting Instruction or any instruction pursuant to which it was given has been amended or revoked, **provided that** neither the Issuer, the Note Trustee nor the Chairman has been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting.

16.2 **Adjournment**

Unless revoked, any appointment of a Proxy under a Block Voting Instruction in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment. No such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction to vote at the Meeting when it is resumed.

17. **POWERS**

17.1 **Power of a Meeting**

Subject to Paragraphs 17.2 (*Basic Terms Modifications*) and 17.3 (*Extraordinary Resolution of a single Class*), a Meeting shall have the power (exercisable only by

Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

- 17.1.1 to approve any Basic Terms Modification;
- 17.1.2 to approve any proposal by the Issuer or the Note Trustee for any modification, abrogation, variation or compromise of any provisions of the Transaction Documents or the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;
- 17.1.3 to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes except pursuant to Clause 18 (*Substitution*) of this Deed where the provisions of Clause 18 (*Substitution*) shall prevail;
- 17.1.4 to give consent in relation to any of the provisions contained in the Notes, Coupons or Receipts (if applicable), the Conditions thereof, this Deed or any other Transaction Documents which shall be proposed pursuant to the provisions of such Transaction Documents;
- 17.1.5 to waive any breach or authorise any proposed breach by the Issuer or (if relevant) any other Transaction Party of its obligations under or in respect of this Deed, the Notes or the other Transaction Documents or any act or omission which might otherwise constitute an Event of Default under the Notes;
- 17.1.6 to remove any Note Trustee;
- 17.1.7 to approve the appointment of a new Note Trustee;
- 17.1.8 to authorise the Note Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- 17.1.9 to discharge or exonerate the Note Trustee from any liability in respect of any act or omission for which it may become responsible under this Deed or the Notes;
- 17.1.10 to give any other authorisation or approval which under this Deed, any other Transaction Documents or the Notes is required to be given by Extraordinary Resolution; and
- 17.1.11 to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

17.2 Basic Terms Modifications

No Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one class of Notes shall be effective unless it is sanctioned by an

Extraordinary Resolution of the holders of each of the other classes of Notes then outstanding.

17.3 Extraordinary Resolution of a single Class

No Extraordinary Resolution to approve any matter other than a Basic Terms Modification of any class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other classes of Notes then outstanding ranking equally with or senior to such class (to the extent that there are Notes outstanding ranking equally with or senior to such class) unless the Note Trustee considers that none of the holders of each of the other classes of Notes ranking equally with or senior to such class would be materially prejudiced by the absence of such sanction. For the purpose of this paragraph 17.3 Class A Notes rank senior to Class B Notes.

18. EXTRAORDINARY RESOLUTION BINDS ALL HOLDERS

18.1 Binding Nature

Subject to Paragraph 17.2 (*Basic Terms Modifications*) and Paragraph 17.3 (*Extraordinary Resolution of a single class*) which take priority over the following, any resolution passed at a Meeting of Noteholders duly convened and held in accordance with this Deed shall be binding upon all Noteholders of such class or classes, whether or not present at such Meeting and whether or not voting and upon all Couponholders and Receiptholders of such class or classes and, except in the case of a Meeting relating to a Basic Terms Modification, any resolution passed at a meeting of the holders of the Most Senior Class of Notes only duly convened and held as aforesaid shall also be binding upon the holders of all the other classes of Notes and the holders of the Coupons and Receipts relating thereto.

18.2 Notice of Voting Results

Notice of the result of every vote on a resolution duly considered by the Noteholders shall be published (at the cost of the Issuer) in accordance with the Conditions and given to the Paying Agents (with a copy to the Issuer and the Note Trustee) within 14 days of the conclusion of the Meeting.

19. MINUTES

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

20. WRITTEN RESOLUTION

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

21. **JOINT MEETINGS**

Subject to the provisions of this Deed and the Conditions, joint meetings of the Class A Noteholders and the Class B Noteholders may be held to consider the same Extraordinary Resolution and the provisions of this Schedule 5 shall apply *mutatis mutandis* thereto.

22. **SEPARATE AND COMBINED MEETINGS OF CLASSES OF NOTEHOLDERS**

The Note Trustee shall have certain discretions regarding the constitution of meetings of Noteholders as set out below:

- 22.1 an Extraordinary Resolution which in the opinion of the Note Trustee affects the Notes of only one class shall be transacted at a separate meeting of the Noteholders of that class;
- 22.2 an Extraordinary Resolution which in the opinion of the Note Trustee affects the Noteholders of more than one class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one class of Notes and the holders of another class of Notes shall be transacted either at separate meetings of the Noteholders of each such class or at a single meeting of the Noteholders of all such classes of Notes as the Note Trustee shall determine in its absolute discretion; and
- 22.3 an Extraordinary Resolution which in the opinion of the Note Trustee affects the Noteholders of more than one class and gives rise to any conflict of interest, actual or potential, between the Noteholders of one class of Notes, and the Noteholders of any other class of Notes shall be transacted at separate meetings of the Noteholders of each such class.

23. **FURTHER REGULATIONS**

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

EXECUTION PAGE

The Issuer

EXECUTED as a **DEED** by)
DIGNITY FINANCE PLC)
in the presence of:)
)

Witness:

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

Facsimile No: [REDACTED]
Attention: [REDACTED]

The Note Trustee

EXECUTED as a **DEED** by
BNY MELLON CORPORATE TRUSTEE
SERVICES LIMITED
in its capacity as Note Trustee
acting by two of its lawful Attorneys:

Attorney _____

Attorney _____

in the presence of:

Witness name:

Signature:

Address: One Canada Square, London E14 5AL

Facsimile No: [REDACTED]
Attention: Corporate Trust Administration
Ref: Dignity Finance plc Notes