LAND SECURITIES CAPITAL MARKETS PLC

(*incorporated in England and Wales with limited liability under registered number 5193511*)

(Legal Entity Identifier 213800ZNMO2OSVLXAK89)

£317,960,000 5.376% FIXED RATE CLASS A BONDS DUE SEPTEMBER 2029

£323,410,000 5.396% FIXED RATE CLASS A BONDS DUE JULY 2032

£500,000,000 5.125% FIXED RATE CLASS A BONDS DUE FEBRUARY 2036

£300,000,000 2.399% FIXED RATE CLASS A BONDS DUE FEBRUARY 2031

£500,000,000 2.625% FIXED RATE CLASS A BONDS DUE SEPTEMBER 2039

£500,000,000 2.750% FIXED RATE CLASS A BONDS DUE SEPTEMBER 2059

£350,000,000 2.375% FIXED RATE CLASS A BONDS DUE MARCH 2029

£400,000,000 4.875% FIXED RATE CLASS A GREEN BONDS DUE SEPTEMBER 2034

£300,000,000 4.75% FIXED RATE CLASS A BONDS DUE SEPTEMBER 2033

£350,000,000 4.625% FIXED RATE CLASS A GREEN BONDS DUE SEPTEMBER 2036

under the £7,000,000,000 Multicurrency Programme for the issuance of Notes

By a resolution of the Board of Directors of Land Securities Capital Markets PLC (the "**Issuer**") passed on 29 October 2004 it was resolved to authorise the establishment by the Issuer of a £4,000,000,000 multicurrency programme for the issuance of Notes (the "**Programme**"). By a resolution of the Issuer passed on 23 July 2018 it was resolved to increase the Maximum Amount (as defined below) to £7,000,000,000.

The Issuer has issued the £317,960,000 5.376% fixed rate bonds due September 2029 (the "**Sub-Class A6 Notes**"), the £323,410,000 5.396% fixed rate bonds due July 2032 (the "**Sub-Class A7 Notes**"), the £500,000,000 5.125% fixed rate bonds due February 2036 (the "**Sub-Class A11 Notes**"), the £300,000,000 2.399% fixed rate bonds due February 2031 (the "**Sub-Class A13 Notes**"), the £500,000,000 2.625% fixed rate bonds due September 2039 (the "**Sub-Class A14 Notes**"), the £500,000,000 2.750% fixed rate bonds due September 2059 (the "**Sub-Class A15 Notes**"), the £350,000,000 2.375% fixed rate bonds due March 2029 (the "**Sub-Class A16 Notes**"), the £400,000,000 4.875% fixed rate green bonds due September 2034 (the "**Sub-Class A17 Notes**"), the £300,000,000 4.75% fixed rate bonds due September 2033 (the "**Sub-Class A18 Notes**") and the £350,000,000 4.625% fixed rate green bonds due September 2036 (the "**Sub-Class A19 Notes**", and together with the Sub-Class A6 Notes, the Sub-Class A7 Notes, the Sub-Class A11 Notes, the Sub-Class A13 Notes, the Sub-Class A14 Notes, the Sub-Class A15 Notes, the Sub-Class A16 Notes, the Sub-Class A17 Notes, the Sub-Class A18 Notes, the "**Notes**" and each a "**Sub-Class**") pursuant to the Programme.

This Prospectus shall be read in conjunction with information incorporated by reference herein, including sections of the Base Prospectus (as defined below) (see "Documents Incorporated by Reference"). The Base Prospectus was approved by the FCA on 7 August 2026.

Each Sub-Class was issued on the following dates (such dates being the "**Issue Date**" in respect of each Sub-Class): (i) in respect of the Sub-Class A6 Notes, 3 November 2004; (ii) in respect of the Sub-Class A7 Notes, 3 November 2004; (iii) in respect of the Sub-Class A11 Notes, 7 February 2007; (iv) in respect of the Sub-Class A13 Notes, 8 February 2017; (v) in respect of the Sub-Class A14 Notes, 22 September 2017; (vi) in respect of the Sub-Class A15 Notes, 22 September 2017; (vii) in respect of the Sub-Class A16 Notes, 29 March 2018; (viii) in respect of the Sub-Class A17 Notes,15 March 2023; (ix) in respect of the Sub-Class A18 Notes, 18 March 2024; and (x) in respect of the Sub-Class A19 Notes, 23 September 2024.

Application has been made to the Financial Conduct Authority (the "**FCA**") under Part VI of the Financial Services and Markets Act 2000, as amended ("**FSMA**") for Notes to be admitted to the official list of the FCA (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's main market (the "**Main Market**"). The Main Market is a regulated market for the purposes of Article 2(1)(13A) of Regulation (EU) No 600/2014 on markets in financial instruments as it forms part of domestic law by virtue of the European Union (Withdrawal Agreement) Act 2020, as amended (the "**EUWAA**") ("**UK MiFIR**"). This Prospectus has been approved by the FCA as a prospectus issued in compliance with the FCA Handbook Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (the "**PRM"**) made in accordance with the Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**"). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the rules in the PRM. Such approval should not be considered as an endorsement of the Issuer, FinCo,

HoldCo or Land Securities PLC nor as an endorsement of the quality of the Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Notes. The total amount of the Notes to be admitted to the Official List and to trading on the Main Market is £3,838,830,500. The admission of the Notes to the Official List and the Main Market and the de-listing of the Notes from Euronext Dublin was authorised by a resolution of the board of directors of the Issuer passed on 3 August 2026.

The Notes (other than the bonds forming part of the Sub-Class A6 Notes and the Sub-Class A7 Notes which were issued in registered form) were represented by temporary global bonds, which were deposited with, and registered in the name of, a common depositary for Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") on or around the applicable Issue Date. The registered Sub-Class A6 Notes and Sub-Class A7 Notes are represented by individual note certificates which were to be deposited with, and registered in the name of, Euroclear or Clearstream, Luxembourg on or around the applicable Issue Date.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (the "**Securities Act**"). The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, United States persons (as defined in Regulation S of the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act.

The Notes are rated AA by DBRS Ratings Limited and AA by S&P Global Ratings UK Limited as at the date of this Prospectus. Investors should understand that a security rating is not a recommendation to buy, sell or hold securities, that it may be subject to suspension, reduction or withdrawal at any time by the assigning rating organisation and that any rating should be evaluated independently of any other rating.

If any withholding or deduction for or on account of tax is applicable to the Notes, payments of interest on, principal of and premium (if any) on the Notes will be made subject to such withholding or deduction, without the Issuer being obliged to pay any additional amounts as a consequence (unless otherwise specified in the applicable Final Terms).

The denomination of the Notes is, in respect of the Sub-Class A6 Notes and the Sub-Class A7 Notes, at least £1,000, in respect of the Sub-Class A11 Notes, at least £50,000, and in respect of the Sub-Class A13 Notes, the Sub-Class A14 Notes, the Sub-Class A15 Notes, the Sub-Class A16 Notes, the Sub-Class A17 Notes, the Sub-Class A18 Notes and the Sub-Class A19 Notes, at least £100,000.

Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Prospectus and pages 43-69 of the Base Prospectus (as defined herein), which are incorporated by reference herein.

This Prospectus is dated 25 August 2026.

IMPORTANT NOTICE

*This prospectus ("**Prospectus**") is a prospectus for the purposes of the PRM. This Prospectus should be read and construed together with any supplement to the Prospectus and, in relation to any Sub-Class, should be read and construed together with the relevant Final Terms.*

In this Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

*This Prospectus is being distributed only to, and is directed only at, persons who: (i) are outside the United Kingdom; or (ii) are persons who have professional experience in matters relating to investments falling within Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (iii) are high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(1) of the Order (all such persons together being referred to as "**relevant persons**"). This Prospectus, or any of its contents, must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Prospectus relates is available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such investments will be engaged in only with, relevant persons.*

Copies of the Final Terms are available at https://landsec.com/investors/debt-investors/corporate-debt-structure from the specified office set out below of each of the Paying Agents or the Registrar and Transfer Agents (as applicable) and from the website of the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html. The contents of this website, other than copies of those documents deemed to be incorporated by reference into this Prospectus, are for information purposes only and do not form part of this Prospectus.

RISK FACTORS

A discussion of certain factors, which should be considered in connection with an investment in the Notes, is set out in Chapter 2, "*Risk Factors*", page 35 below.

Each person contemplating making an investment in the Notes must make its own investigation and analysis of the creditworthiness of the Issuer and the Obligors and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience and any other factors which may be relevant to it in connection with such investment. A prospective investor who is in any doubt whatsoever as to the risks involved in investing in the Notes should consult its own independent professional advisers.

PERSONS RESPONSIBLE

The Issuer accepts responsibility for the information contained in this Prospectus and the Final Terms for each Sub-Class issued under the Programme. To the best of the knowledge of the Issuer, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

Each of FinCo, HoldCo, Land Securities Group PLC and Land Securities PLC accepts responsibility for the information incorporated by reference herein contained in Chapter 2 "*Risk Factors*", the section entitled "*Outstanding Debt Between the Security Group and the Non-Restricted Group*", Chapter 7 "*FinCo*", Chapter 9 "*Main Obligors*", Chapter 10 "*Landsec Group Business and Information regarding the Estate*", Chapter 20 "*General Information*" of the Base Prospectus and any other information relating

to the business of Land Securities Group PLC and Land Securities PLC or any one or more Non-Restricted Group Entities or Security Group members (the "**Land Securities Information**"). To the best of the knowledge of Land Securities Group PLC and Land Securities PLC, the Land Securities Information is in accordance with the facts and makes no omission likely to affect its import.

CBRE Limited accepts responsibility for the information incorporated by reference herein contained in Chapter 12 (*Valuation of the Estate*) of the Base Prospectus under the sub-section titled "*CBRE*" (the "**CBRE Valuation Information**"). To the best of the knowledge of CBRE Limited, the CBRE Valuation Information is in accordance with the facts and makes no omission likely to affect its import.

Jones Lang LaSalle ("**JLL**") accepts responsibility for the information incorporated by reference herein contained in Chapter 12 (*Valuation of the Estate*) of the Base Prospectus under the sub-section titled "*Jones Lang LaSalle*" (the "**JLL Valuation Information**"). To the best of the knowledge of JLL, the JLL Valuation Information is in accordance with the facts and makes no omission likely to affect its import.

THIRD PARTY INFORMATION

The CBRE Valuation Information (see "*Documents Incorporated by Reference*") has been provided by CBRE Limited. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by CBRE Limited, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The JLL Valuation Information (see "*Documents Incorporated by Reference*") has been provided by JLL. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by JLL, no facts have been omitted which would render the reproduced information inaccurate or misleading.

REPRESENTATIONS ABOUT THE NOTES

No person has been authorised in connection with the issue and sale of Notes to make any representation or provide any information other than as contained in this Prospectus or any other document entered into in relation to the Programme. Any such representation or information, if given or made, should not be relied upon as having been authorised by any of the direct or indirect subsidiaries of Land Securities Group PLC (including the Issuer, FinCo and any other Obligor) (together the "**Landsec Group**"), the directors of the Issuer or of any member of the Landsec Group, the Arranger or the Dealers.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Note Trustee or the Obligor Security Trustee as to the accuracy or completeness of the information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution. Each person receiving this Prospectus acknowledges that such person has not relied on the Dealers, the Note Trustee or the Obligor Security Trustee nor any other person affiliated with any of them in connection with any investigation of the accuracy of such information or its investment decision. The statements in this paragraph are without prejudice to the responsibility of the Issuer, Land Securities Group PLC and Land Securities PLC referred to under "*Persons Responsible*" above.

None of the Authorised Signatories or directors of the Issuer or the Obligors shall be personally liable in respect of any certificate issued on behalf of any of the Obligors pursuant to or in accordance with any Transaction Document.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see "*Documents Incorporated by Reference*"). This Prospectus shall be read and construed on the basis that those documents are incorporated in, and form part of, this Prospectus.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Prospectus refers does not form part of this Prospectus.

NOTES ISSUED AS GREEN BONDS

None of the Dealers, nor any of their respective affiliates, accepts any responsibility for any social, environmental and sustainability assessment of any Notes issued as Green Bonds or makes any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including in relation to, but not limited to, Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**") and any related technical screening criteria, the European Green Bonds ("**EuGB**") label or the optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds under Regulation (EU) 2023/2631 (the "**EU Green Bond Regulation**"), Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**") and any implementing legislation and guidelines, or any similar legislation in the United Kingdom or any market standards or guidance, including green, sustainable or social bond principles or other similar principles or guidance published by ICMA (the "**ICMA Principles**") or any requirements of such labels or market standards as they may evolve from time to time. None of the Dealers, nor any of their respective affiliates, is responsible for (i) the use or allocation of proceeds for any Notes issued as Green Bonds, (ii) the impact, monitoring or reporting in respect of such use of proceeds, or (iii) the alignment of any Notes Issued as Green Bonds with the Landsec Group's Green Financing Framework or alignment of the Green Financing Framework with the applicable ICMA Principles, (iv) nor do any of the Dealers nor any of their respective affiliates undertake to ensure that there are at any time sufficient Green Projects (as defined below) eligible green projects to allow for allocation of a sum equal to the net proceeds of the issue of such Green Bonds in full.

No assurance or representation is given by the Issuer, the Dealers or any other person as to the suitability or reliability for any purpose whatsoever of any opinion, review or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion, review or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus. Any such opinion, review or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Dealers or any other person to buy, sell or hold any such Notes. Any such opinion, review or certification is only current as of the date that such opinion, review or certification was initially issued and the criteria and/or considerations that informed the provider of such opinion, review or certification may change at any time. Prospective investors must determine for themselves the relevance of any such opinion, review or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. At the date of this Prospectus, the

providers of such opinions, reviews, certifications and any post-issuance reports are not subject to any specific regulatory or other regime or oversight. The EU Green Bond Regulation introduced a supervisory regime of external reviewers of European Green Bonds which took effect on 21 June 2026 pursuant to which external reviewers of EuGB require registration with ESMA (where such registration is subject to the senior management of the external reviewer satisfying certain conditions, relating to skills, qualification and experience), though this does not apply to external reviewers in respect of an issue of Green Bonds. Any such opinion, review or certification or post issuance report is not, nor should be deemed to be, a recommendation by the Dealers, or any other person to buy, sell or hold any Notes and is current only as of the date it is issued. The criteria and/or considerations that formed the basis of such opinion, review or certification or post issuance report may change at any time and may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of such opinion, review, certification or post issuance report and/or the information contained therein. The Landsec Group's Green Financing Framework may also be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Prospectus. The Landsec Group's Green Financing Framework and any other opinion, review, certification or post-issuance report does not form part of, nor is incorporated by reference, in this Prospectus. In the event that any such Notes are listed or admitted to trading on any dedicated “green”, “environmental”, “sustainable” or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

None of the Dealers, nor any of their respective affiliates, shall be responsible for (i) any assessment of any Green Projects, (ii) any verification of whether a relevant Green Project falls within an investor’s requirements or expectations of a “green” or “sustainable” or an equivalently-labelled project or (iii) the ongoing monitoring of the use of proceeds in respect of any such Notes.

SUMMARY OF SELLING RESTRICTIONS

Neither this Prospectus nor any part hereof nor any Final Terms constitute an offer of, or an invitation to subscribe for or purchase, any Notes.

The distribution of this Prospectus or any Final Terms and the offer, sale and delivery of Notes in certain jurisdictions may be restricted by law. None of the Issuer, any other member of the Landsec Group and the Dealers represents that Notes may at any time be lawfully sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for such sale. No action has been taken by the Issuer, any other member of the Landsec Group, the Arranger or the Dealers (save for the approval of this document as a Prospectus by the FCA) which would permit a public offering of any Notes which are the subject of this Prospectus or distribution of this document in any jurisdiction where action for that purpose is required.

Accordingly, the Notes may not be offered or sold, or in the case of Bearer Notes, delivered directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession the whole or any part of this Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about, and to observe, any such restrictions.

In particular, the Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or jurisdiction of the United States. Accordingly, the Notes may not be offered, sold or, in the case of Bearer Notes, delivered to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. The Notes include Notes in bearer form that are subject to United States tax law requirements.

IMPORTANT – EEA RETAIL INVESTORS

If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Regulation EU 2017/1129 (the "**EU Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS

If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"). Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

EU MiFID II product governance / target market

The Final Terms in respect of any Notes may include a legend entitled "EU MiFID II product governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a

distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

UK MiFIR product governance / target market

The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Prospectus or any Final Terms and other material relating to the Notes, see Chapter 19 of the Base Prospectus "*Subscription and Sale*" under the heading "*Selling Restrictions*").

CURRENCY

In this Prospectus, unless otherwise specified, references to "**£**" and "**sterling**" are to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland and references to "**€**" and "**euro**" are to the lawful currency of Member States of the European Economic and Monetary Union that have adopted the euro as their lawful currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union and the Treaty of Amsterdam.

FORWARD-LOOKING STATEMENTS

This Prospectus (including the information incorporated by reference) contains certain forward-looking statements as defined under U.S. law (Section 21E of the United States Securities Exchange Act of

1934, as amended). These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as “target”, “expect”, “interim”, “believe” or other words of similar meaning. By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty. Accordingly, there are a number of factors that could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Such risks and uncertainties include but are not limited to (a) risks and uncertainties relating to the United Kingdom economy, changes in political and economic conditions or in specific industry segments; declines in property values; variations in supply of and demand for commercial office space or retail space (or commercial office space or retail space of (in each case) a particular type); declines in rental or occupancy rates; increases in interest rates; changes in rental terms including the tenants’ responsibility for operating expenses; falling turnover of those retail tenants who pay a rent wholly or partly calculated by reference to their turnover; fluctuation in the availability of property financing for properties such as the Mortgaged Properties and (b) such other risks and uncertainties detailed herein. All written and oral forward-looking statements attributable to the Security Group and the Issuer or persons acting on their behalf are expressly qualified in their entirety by the cautionary statements set forth in this paragraph. Prospective Noteholders are cautioned not to put undue reliance on such forward-looking statements. The Security Group and the Issuer will not undertake any obligation to publish any revisions to these forward-looking statements to reflect circumstances or events occurring after the date of this Prospectus.

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in any Notes must determine the suitability of that investment for that investor considering its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where the currency for principal or interest payments is different from the potential investor’s currency;

- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets;

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect the investor’s investment and its ability to bear the applicable risks; and

- understand the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the relevant Notes.

GENERAL

Save for obtaining the approval of this Prospectus by the FCA in accordance with the UK Prospectus Regulation for the Notes to be admitted to listing on the Official List and to trading on the Main Market, no action has been or will be taken in any jurisdiction that would permit a public offering of Notes, or possession or distribution of this Prospectus or any other offering material, in any jurisdiction where action for that purpose is required.

Pursuant to the relevant Terms and Conditions, the Issuer and the Note Trustee entered into a Deed of Amendment in order to make certain changes to the relevant Trust Deed, the relevant Terms and Conditions and relevant Final Terms to give effect to the transfer of the listing from Euronext Dublin to the London Stock Exchange.

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CHAPTER 1
OVERVIEW

The following does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the Conditions of any particular Sub-Class, the applicable Final Terms. Words and expressions not defined in this section have the same meanings as defined in Chapter 4 "The Terms of the Notes".

Overview of the Parties

Issuer:

Land Securities Capital Markets PLC is a public company with limited liability incorporated under the laws of England and Wales with registered number 05193511 and whose registered office is at 100 Victoria Street, London SW1E 5JL. On the date of this Base Prospectus, the issued share capital of the Issuer is £50,000, £49,998 of which is beneficially held by Land Securities PLC and £2 which is beneficially held by Land Securities Portfolio Management Limited. The ultimate parent for these companies is Land Securities Group PLC.

The Issuer is a special purpose company with no employees or premises and limited permitted activities. Its principal activities comprise issuing Notes from time to time under the Programme and on-lending the proceeds thereof to FinCo pursuant to the Intercompany Loan Agreement.

FinCo:

LS Property Finance Company Limited is a private limited company incorporated under the laws of England and Wales with registered number 05163698 and whose registered office is at 100 Victoria Street, London SW1E 5JL. On the date of this Base Prospectus, the issued share capital of FinCo is £100, all of which is beneficially held by Land Securities PLC. LEI: 213800Q1EQWHUJR2SL22

FinCo's principal activities comprise entering into the Intercompany Loan Agreement with the Issuer, ACF Agreements with ACF Providers, if applicable, Swap Agreements with the Swap Counterparties and, if applicable, Liquidity Facility Agreements with Liquidity Facility Providers, and, in each case, performing its obligations thereunder; and on-lending the proceeds of any loans from the Issuer or any ACF Provider to Land Securities (Finance) Limited ("**LSF**") or any other Obligor.

Land Securities PLC:

Land Securities PLC is a public company with limited liability incorporated under the laws of England and Wales with registered number 00551412 and whose registered office is at 100 Victoria Street, London SW1E 5JL. As at the date of this Base Prospectus, the issued share capital of Land Securities

PLC is £530,791,386 (divided into 530,791,385 ordinary shares of £1 each and 1 deferred ordinary share of £1), all of which is beneficially held by Land Securities Intermediate Limited ("**HoldCo**"), a wholly owned subsidiary of Land Securities Group PLC apart from 1 ordinary share, legal title to which is held by Land Securities Group PLC. LEI: 213800QVKAWEOUBQE258.

LS London Holdings One Limited: LS London Holdings One Limited is a private limited company incorporated in England and Wales with registered number 06452679 and whose registered office is at 100 Victoria Street, London SW1E 5JL. The issued share capital of LS London Holdings One Limited is £1,002,500,000, all of which is beneficially held by Land Securities PLC.

HoldCo: Land Securities Intermediate Limited is a private limited company incorporated in England and Wales with registered number 05075691 and whose registered office is at 100 Victoria Street, London SW1E 5JL. The issued share capital of HoldCo is £1,000,002, all of which is beneficially held by Land Securities Group PLC.

Land Securities (Finance) Limited: Land Securities (Finance) Limited is a private limited company incorporated in England and Wales with registered number 00680609 and whose registered office is at 100 Victoria Street, London SW1E 5JL. The issued share capital of Land Securities (Finance) Limited is £500,000,002, which is divided into £500,000,001 ordinary shares which is beneficially held by Land Securities PLC and 1 ordinary share held by Land Securities Portfolio Management Limited.

Security Group: The Security Group (being HoldCo and its subsidiaries except the Issuer) comprises the Obligors listed in Schedule 1 (Details of Obligors as at the Date of this Base Prospectus) to the Base Prospectus, together with any Additional Obligors, in each case unless and until such entities have become Released Obligors.

Each of the Obligors (in the case of any Additional Obligor, upon accession to the Common Terms Agreement, the Security Trust and Intercreditor Deed, the Obligor Floating Charge Agreement, the Tax Deed of Covenant, the Servicing Agreement and the Account Bank and Cash Management Agreement and execution of the relevant Obligor Security Documents) has granted (or will grant) security in favour of the Obligor Security Trustee pursuant to the Security Trust and Intercreditor Deed and the Issuer pursuant to the Obligor Floating Charge Agreement.

Obligors: The entities listed in Schedule 1 (Details of Obligors as at the Date of this Base Prospectus) to the Base Prospectus.

Land Securities Group PLC: Land Securities Group PLC is a public company with limited liability incorporated under the laws of England and Wales with registered number 04369054 and whose registered office is at 100 Victoria Street, London SW1E 5JL, the ordinary share capital of which is listed by the FCA and is traded on the London Stock Exchange.

Land Securities Group PLC is the ultimate parent of the Landsec Group.

The Landsec Group and Non-Restricted Group: The Landsec Group comprises Land Securities Group PLC and each of its direct and indirect subsidiaries (including the Issuer and the Obligors). Any member of the Landsec Group that is neither the Issuer nor an Obligor is a Non Restricted Group Entity.

None of the Non-Restricted Group Entities provides guarantees in respect of FinCo's or any other Obligor's obligations under the Intercompany Loan Agreement or under any ACF Agreement. The Notes are not obligations or responsibilities of, and are not being guaranteed by, Land Securities Group PLC or any other Non-Restricted Group Entity.

Note Trustee: Deutsche Trustee Company Limited, whose registered office is at 21 Moorfields, London EC2Y 9DB, has been appointed as trustee for the holders from time to time of the Notes pursuant to the relevant Trust Deed (see Chapter 4 "*The Terms of the Notes*"). The Note Trustee also holds the security granted by the Issuer under the Issuer Deed of Charge on trust for all of the Issuer Secured Creditors.

Each relevant Trust Deed provides that the Note Trustee may retire by giving not less than three months' notice to the Issuer of its intention to do so or may be removed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes. Such retirement or removal will be effective once a successor Note Trustee has been appointed by the Issuer. If the Issuer has not procured a successor Note Trustee within 30 days of expiry of the notice of the Note Trustee's intention to retire, the Note Trustee may procure a successor Note Trustee.

Obligor Security Trustee: Deutsche Trustee Company Limited, whose registered office is at 21 Moorfields, London EC2Y 9DB, is appointed as security trustee pursuant to the Security Trust and Intercreditor Deed. The Obligor Security Trustee holds the security granted by the Obligors under each of the Obligor Security Documents (other

than the Obligor Floating Charge Agreement) on trust for all Obligor Secured Creditors.

The Security Trust and Intercreditor Deed provides that the Obligor Security Trustee may retire by giving not less than three months' notice to the Obligors of its intention to do so or may be removed by way of a Secured Creditor Instruction. Such retirement or removal will be effective once a successor Obligor Security Trustee has been appointed by the Obligor Secured Creditors. If the Obligor Secured Creditors have not procured a successor Obligor Security Trustee within 30 days of expiry of the notice of the Obligor Security Trustee's intention to retire, the Obligor Security Trustee may procure a successor Obligor Security Trustee.

Account Bank: Lloyds Bank plc, whose correspondence/notice address is 33 Old Broad Street, London EC2N 1HZ, is appointed as account bank to the Issuer, FinCo and the other Obligors and maintains certain accounts on behalf of each of the Issuer, FinCo and the other Obligors pursuant to the Account Bank and Cash Management Agreement.

The Issuer is required under the Account Bank and Cash Management Agreement to maintain the Issuer Account with a bank which has at least the Minimum Short Term Ratings and the Minimum Long Term Ratings. Lloyds Bank plc has, on the date of this Base Prospectus, the Minimum Short Term Ratings and the Minimum Long Term Ratings.

Cash Manager: Land Securities (Finance) Limited, a member of the Security Group, whose registered office is at 100 Victoria Street, London SW1E 5JL, is appointed as cash manager to the Obligors and the Issuer and provides cash management services to the Obligors and the Issuer pursuant to the Account Bank and Cash Management Agreement.

Servicer: Land Securities Properties Limited, a member of the Non-Restricted Group, whose registered office is at 100 Victoria Street, London SW1E 5JL, is appointed to provide certain services to the Security Group pursuant to the Servicing Agreement.

Swap Counterparties: Certain financial institutions act as swap counterparties under Swap Agreements into which the Obligors will enter, or have already entered (the "**Swap Agreements**"), to manage the Security Group's interest rate and currency exposure.

The Obligors are required to ensure that any swap agreement entered into in connection with their floating rate and/or

currency liabilities is entered into with an entity having the Collateral-Posting Required Rating and the Replacement Rating.

Dealers:

The following entities acted as dealers pursuant to the applicable Dealership Agreement, either generally with respect to the Programme or in relation to a particular Sub- Class:

- Sub-Class A6 Notes: Citigroup Global Markets Limited
- Sub-Class A7 Notes: Citigroup Global Markets Limited
- Sub-Class A11 Notes: Barclays Bank PLC, Citigroup Global Markets Limited, HSBC Bank plc, J.P. Morgan Securities Ltd. and The Royal Bank of Scotland plc
- Sub-Class A13 Notes: Banco Santander, S.A., BNP Paribas, Citigroup Global Markets Limited, HSBC Bank plc, Lloyds Bank plc and The Royal Bank of Scotland plc
- Sub-Class A14 Notes: Banco Santander, S.A., BNP Paribas, Citigroup Global Markets Limited, HSBC Bank plc, Lloyds Bank plc and The Royal Bank of Scotland plc (trading as NatWest Markets)
- Sub-Class A15 Notes: Banco Santander, S.A., BNP Paribas, Citigroup Global Markets Limited, HSBC Bank plc, Lloyds Bank plc and The Royal Bank of Scotland plc (trading as NatWest Markets)
- Sub-Class A16 Notes: Banco Santander, S.A., BNP Paribas, Citigroup Global Markets Limited, HSBC Bank plc, Lloyds Bank plc and The Royal Bank of Scotland plc (trading as NatWest Markets)
- Sub-Class A17 Notes: Banco Santander, S.A., Bank of China Limited, London Branch, BNP Paribas, Citigroup Global Markets Limited, Lloyds Bank Corporate Markets plc, NatWest Markets Plc and SMBC Nikko Capital Markets Limited
- Sub-Class A18 Notes: ABN AMRO Bank N.V., Banco Santander, S.A., Bank of China Limited, London Branch, BNP Paribas, Lloyds Bank Corporate Markets plc, NatWest Markets Plc and SMBC Nikko Capital Markets Limited

- Sub-Class A19 Notes: ABN AMRO Bank N.V., Banco Santander, S.A., Bank of China Limited, London Branch, BNP Paribas, Lloyds Bank Corporate Markets plc, NatWest Markets Plc and SMBC Nikko Capital Markets Limited

ACF Providers: The lenders who have provided or will provide a credit facility to FinCo pursuant to an ACF Agreement.

Principal Paying Agent and Agent Bank: Deutsche Bank AG, London Branch, acting through its office at 21 Moorfields, London EC2Y 9DB, provides certain services to the Issuer as principal paying agent and agent bank pursuant to the terms of the Agency Agreement.

Registrars: Sub-Class A6 Notes, Sub-Class A7 Notes and Sub-Class A11 Notes: Deutsche Bank Trust Company Americas and Lloyds TSB Bank plc acted as registrars and provided certain registrar services to the Issuer in respect of Registered Notes pursuant to the terms of the Agency Agreement.

Sub-Class A13 Notes, Sub-Class A14 Notes, Sub-Class A15 Notes, Sub-Class A16 Notes, Sub-Class A17 Notes, Sub-Class A18 Notes and Sub-Class A19 Notes: Deutsche Bank Trust Company Americas and Equiniti Limited acted as registrars and provided certain registrar services to the Issuer in respect of Registered Notes pursuant to the terms of the Agency Agreement.

Transfer Agents: Deutsche Bank AG, London Branch acts as the principal transfer agent and, together with any other Transfer Agents appointed pursuant to the Agency Agreement, provides certain transfer agency services to the Issuer in respect of Registered Notes pursuant to the terms of the Agency Agreement.

The members of the Landsec Group are related to each other as set out above and as indicated in the diagram "*Corporate Structure of the Landsec Group*" in Chapter 3 of the Base Prospectus. None of the members of the Landsec Group is owned or controlled by any of the Note Trustee, the Obligor Security Trustee, the Account Bank, the Dealers, existing ACF Providers, the Principal Paying Agent and Agent Bank, the Registrars, the Transfer Agents or the Arranger.

Key Documents

Common Terms Agreement: The Issuer, FinCo, all other Obligors, the Note Trustee, the Obligor Security Trustee, all Initial ACF Providers and the other Obligor Secured Creditors, on the Exchange Date, entered into a Common Terms Agreement, which sets out, among other things:

(a) a common covenants package for the Obligors and the mechanism for determining which covenants form part of such covenants package at any time (see Chapter 4 of the Base Prospectus under the section entitled "*Determining the Applicable Covenant Regime*");

(b) the procedures for the accession of Additional Obligors to, and the release of existing Obligors from, the Security Group (see Chapter 4 of the Base Prospectus under the section entitled "*The Security Group*") and for Further ACF Providers and other Obligor Secured Creditors to accede to the Common Terms Agreement and the Security Trust and Intercreditor Deed (see Chapter 4 of the Base Prospectus under the section entitled "*Permitted Financial Indebtedness*");

(c) the procedures relating to the introduction, Disposal and intra-Security Group transfer of Mortgaged Properties (see Chapter 4 of the Base Prospectus under the section entitled "*The Estate*"); and

(d) the circumstances in which the Obligors may incur further Secured Financial Indebtedness and Obligors (other than FinCo) may incur Unsecured Debt from credit providers, who will not, in relation to such Unsecured Debt, have the benefit of the Obligor Security nor be bound by the intercreditor provisions contained in the Security Trust and Intercreditor Deed (see Chapter 4 of the Base Prospectus under the section entitled "*Permitted Financial Indebtedness*").

Security Trust and Intercreditor Deed: The Issuer, FinCo, all other Obligors, Land Securities Group PLC, the Note Trustee, the Obligor Security Trustee and all Initial ACF Providers, on the Exchange Date, entered into a Security Trust and Intercreditor Deed which, *inter alia*, contains provisions setting out intercreditor rights and obligations and which regulates the application of the proceeds of the Obligor Security as between the Obligor Secured Creditors.

See further "*Security granted by the Security Group*" below, and "*Security Trust and Intercreditor Deed*" in Chapter 4 of the Base Prospectus

Intercompany Loan Agreement: The Issuer, FinCo, the Obligor Security Trustee and the Note Trustee, on the Exchange Date, entered into an agreement which sets out the terms on which the Issuer would from time to time lend to FinCo an amount equal to the principal amount of Sub-Classes of Notes issued under the Programme from time to time. The principal amount of each ICL Loan under the Intercompany Loan Agreement will correspond to the principal amount of a Sub-Class, the economic terms of which will be

matched by such ICL Loan (save that the rate of interest payable in respect of each ICL Loan under the Intercompany Loan Agreement will exceed that payable in respect of the corresponding Sub-Class by 0.01% per annum).

The obligations of FinCo under the Intercompany Loan Agreement are secured pursuant to the Obligor Security Documents and guaranteed by the other Obligors under the Security Trust and Intercreditor Deed. See "*—Security granted by the Security Group*" below.

The Issuer's obligations to repay principal and pay interest on the Notes are intended to be met exclusively from the payments of principal and interest received from FinCo under the Intercompany Loan Agreement.

For a more detailed description of the ICL Loans under the Intercompany Loan Agreement and the terms relating thereto, see Chapter 4 of the Base Prospectus under the section entitled "*—Intercompany Loan Agreement"*.

Existing ACF Agreements: FinCo entered into several credit facility agreements with the Existing ACF Providers. The total facility amount under the Existing ACF Agreements at the date of this Prospectus is £2,550,000,000.

Further ACF Agreements: FinCo or any of the other Obligors may enter into credit and other facility agreements, pursuant to which Secured Financial Indebtedness may be incurred, which the relevant Obligor has designated as "Further ACF Agreements" and each of the credit providers under which has acceded or is intended to accede to the Common Terms Agreement and the Security Trust and Intercreditor Deed in its capacity as an ACF Provider.

See Chapter 4 of the Base Prospectus under the section entitled "*Further ACF Agreements" and "– Permitted Financial Indebtedness*".

Liquidity Facility Agreements: FinCo may become obliged in certain circumstances to enter into one or more Liquidity Facility Agreements with one or more Liquidity Facility Providers pursuant to which such Liquidity Facility Provider(s) will agree to make available to FinCo (subject to the satisfaction of certain conditions to be agreed with the relevant Liquidity Facility Provider(s)) Liquidity Facilities (i) to meet certain of its payment obligations in respect of ACF Loans and ICL Loans and certain other obligations ranking senior thereto and (ii) to on-lend amounts to any other Obligor in order to enable such Obligor to meet its payment obligations in respect of ACF Loans and certain other

obligations ranking senior thereto, in each case to the extent that there are insufficient funds available for the relevant purpose (see Chapter 4 of the Base Prospectus under the section entitled "*Mandatory Liquidity Provisions*", page 107, below). Alternatively, FinCo may comply with its obligations to provide liquidity by creating a separate liquidity reserve for that purpose. FinCo's obligations to any Liquidity Facility Provider will be secured pursuant to the Obligor Security Documents.

At the date of this Prospectus, no Liquidity Facility has been entered into.

Swap Agreements:

The Obligors have agreed under the Common Terms Agreement to comply with the Hedging Covenant, which requires the Obligors, among other things, to ensure that as of each Scheduled Calculation Date and Additional Calculation Date:

(a) if the T1 Covenant Regime or T2 Covenant Regime applies, interest on the Non-Contingent Loans is hedged at least to the following extent:

YEARS FROM DATE OF TESTING	**INTEREST PAYMENTS SCHEDULED TO BE PAID BY THE SECURITY GROUP BY REFERENCE TO ADJUSTED PRINCIPAL AMOUNT OUTSTANDING**
0 to 2	75%
2+	50%

(b) if a T3 Covenant Regime applies, interest on the Non Contingent Loans is hedged at least to the following extent:

YEARS FROM DATE OF TESTING	**INTEREST PAYMENTS SCHEDULED TO BE PAID BY THE SECURITY GROUP BY REFERENCE TO ADJUSTED PRINCIPAL AMOUNT OUTSTANDING**
0 to 5	90%
5 to 10	75%
10+	50%

(c) at any time, the Security Group's net currency exposure is fully hedged into sterling (subject to an aggregate £50,000,000, (subject to Indexation), or its spot equivalent in

the relevant currency/ies, *de minimis*) where the "**net currency exposure**" of the Security Group (where positive) means the aggregate amount of its Financial Indebtedness which is denominated in a currency other than sterling (subject to certain exclusions described in more detail in Chapter 4 of the Base Prospectus under the section entitled "—*Swap Agreements and Hedging Covenant"*), less the aggregate value of its assets which are denominated in the relevant currency or situated in the relevant currency zone.

FinCo has entered into Swap Agreements which (to the extent required by the Hedging Covenant) hedge the Security Group's interest rate risk arising as a result of any Obligor, including FinCo, being required to pay a floating rate of interest on any Non-Contingent Loan, including Floating Rate ICL Loans and Floating Rate ACF Loans.

FinCo's obligations under the Swap Agreements are and will be secured pursuant to the Obligor Security Documents.

See Chapter 4 of the Base Prospectus under the section entitled "*Hedging Arrangements"*.

Obligor Floating Charge Agreement: The Issuer, FinCo, all other Obligors, the Obligor Security Trustee and the Note Trustee, on the Exchange Date, entered into an Obligor Floating Charge Agreement pursuant to which each Obligor granted in favour of the Issuer a first ranking floating charge over the whole of its undertaking, assets, property and rights whatsoever and wheresoever, present and future.

See further "*Security granted by the Security Group*", below and Chapter 4 of the Base Prospectus under the sections entitled "*Security Trust and Intercreditor Deed*" and "*Obligor Floating Charge Agreement*".

Account Bank and Cash Management Agreement: The Issuer, FinCo, the other Obligors, the Obligor Security Trustee, the Note Trustee, the Cash Manager and the Account Bank, on the Exchange Date, entered into an Account Bank and Cash Management Agreement pursuant to which, amongst other things, the Account Bank agreed to maintain the Accounts and the Cash Manager was appointed to act as cash manager in respect of amounts standing from time to time to the credit of the Accounts.

See further Chapter 4 of the Base Prospectus under the section entitled "*Account Bank and Cash Management Agreement"*.

Servicing Agreement:	The Servicer, FinCo, the other Obligors, the Issuer, the Obligor Security Trustee and the Note Trustee, on the Exchange Date, entered into a Servicing Agreement pursuant to which the Servicer agreed to provide certain services to the Obligors and the Issuer. See further Chapter 4 of the Base Prospectus under the section entitled "*Servicing Agreement"*.
Trust Declarations and Beneficiary Undertakings:	Certain Obligors who are partners in partnerships, on the Exchange Date, entered into certain trust arrangements in respect of the Mortgaged Properties and gave certain undertakings to the Obligor Security Trustee. See further Chapter 4 of the Base Prospectus under the section entitled "*—Trust Declarations and Beneficiary Undertakings"*.
Tax Deed of Covenant:	The Issuer, FinCo, the other Obligors, Land Securities Group PLC, the Obligor Security Trustee and the Note Trustee, on the Exchange Date, entered into the Tax Deed of Covenant to support their obligations under the Transaction Documents and pursuant to which they gave certain representations, warranties and covenants relating to tax matters. See further Chapter 4 of the Base Prospectus under the section entitled "*Tax Deed of Covenant"*.
Land Securities Intra-group Funding Deed:	Under the Land Securities Intra-group Funding Deed entered into on the Exchange Date, the Obligors (other than FinCo) and certain Non-Restricted Group Entities have agreed that all payments and loans made between the Security Group and the Non-Restricted Group shall be made through Land Securities (Finance) Limited in the Security Group and Land Securities Properties Limited in the Non-Restricted Group. This results in all amounts owing by the Security Group (other than FinCo) to the Non-Restricted Group, and vice versa, being obligations of Land Securities (Finance) Limited and Land Securities Properties Limited only. Amounts owing between these two companies may also, subject to certain exceptions, be netted to provide for a single amount to be owed by the Security Group to the Non-Restricted Group (or vice versa).

Security granted by the Security Group

Security granted by the Security Group:	The obligations of FinCo under the Intercompany Loan Agreement and the obligations of the Obligors under the other Obligor Transaction Documents are secured in favour of the Obligor Security Trustee pursuant to the Security Trust and Intercreditor Deed, the Standard Securities and the other

Obligor Security Documents (other than the Obligor Floating Charge Agreement granted in favour of the Issuer). Such security includes:

(a) first ranking charges by way of legal mortgage (or, in the case of real estate properties in Scotland, Standard Securities) over the freehold, heritable and leasehold interests of the Obligors as at the Exchange Date and (subject to the paragraph below) equitable mortgages over all such interests acquired after that date;

(b) first ranking fixed charges over all of the other property, undertaking and assets of the Obligors;

(c) first ranking floating charges over all the property, undertaking and assets of each Obligor (other than any Obligor which is a partnership or is not a body corporate); and

(d) certain non-property assets have also been charged, as Further Credit Assets. In the case of interests in a partnership:

(i) a first fixed charge over all of the Obligor's partnership interests; and

(ii) a first fixed charge over the shares that the relevant Obligor holds in the general partner of the partnership.

The Obligors may, from time to time, in accordance with the terms of the Common Terms Agreement (as described in Chapter 4 of the Base Prospectus under the section entitled "*The Estate"*), bring further real estate properties or Reintroduced Properties into the Estate by granting, in respect of each of these properties, a first ranking charge by way of legal mortgage (in case of real estate property in England and Wales) or Standard Securities (in the case of a real estate property in Scotland) or, in the case of a Non-GB Property, a security interest, the form of which is to be agreed with the Obligor Security Trustee.

The Security Trust and Intercreditor Deed also expressly permits the Security Group to deal freely with its assets, save to the extent that it is restricted by the provisions set out in the Obligor Transaction Documents and the existence of security interests over the Mortgaged Properties from, *inter alia*, disposing of real estate assets, disposing of shares in members of the Security Group and making withdrawals from certain bank accounts (see further Chapter 4 of the Base Prospectus

under the section entitled "*Security Trust and Intercreditor Deed*").

In addition, each Obligor, under the Security Trust and Intercreditor Deed, guarantees the payment obligations of each other Obligor under the Obligor Transaction Documents.

The Obligor Security Trustee holds the benefit of the security created in its favour pursuant to the Obligor Security Documents (other than, in the case of the Issuer, the benefit of the floating charges contained in the Security Trust and Intercreditor Deed) on trust for the benefit of itself, any receiver appointed thereunder, the Issuer, each ACF Provider, each Swap Counterparty, any Replacement Cash Manager, any Replacement Servicer, the Account Bank, any Liquidity Facility Provider (which in each case is party to or has acceded to the Common Terms Agreement and the Security Trust and Intercreditor Deed) and any other Obligor Secured Creditors, subject to and in accordance with the terms thereof.

On the Exchange Date, the Obligors also created first ranking floating charges over all the property, undertakings and assets of each Obligor in favour of the Issuer pursuant to the Obligor Floating Charge Agreement.

The Issuer has assigned its rights under, *inter alia*, the Intercompany Loan Agreement, the Security Trust and Intercreditor Deed and the Obligor Floating Charge Agreement to the Note Trustee pursuant to the Issuer Deed of Charge. Therefore, so long as any Notes are outstanding, the Issuer's rights under these documents will be exercised solely by the Note Trustee.

For a more detailed description of the provisions contained in the Security Trust and Intercreditor Deed and the Obligor Floating Charge Agreement, see Chapter 4 of the Base Prospectus under the sections entitled "*Security Trust and Intercreditor Deed*", page 162, below and "*Obligor Floating Charge Agreement*", page 203, below.

The Programme

Amount and Title:

The Programme permits the Issuer to issue Class A Notes, Class R1 Notes, Class B Notes, Class R2 Notes and Subordinated Notes of any Class or Classes designated as ranking below the Class B Notes in a maximum aggregate principal amount of £7,000,000,000 or the equivalent thereof in other currencies (provided, in the case of Class R Notes, that the Issuer has entered into a Class R Underwriting Agreement).

	(As to the designation of the ranking of a Class of Subordinated Notes, see Chapter 3 of the Base Prospectus under the section entitled "*Debt Ranking"* and Chapter 4 of the Base Prospectus under the section entitled "*Ranking of Financial Indebtedness*").
Description of the Notes:	£317,960,000 5.367% Fixed Rate Class A Bonds Due September 2029 (the "**Sub-Class A6 Notes**") £323,410,000 5.395% Fixed Rate Class A Bonds Due July 2032 (the "**Sub-Class A7 Notes**") £500,000,000 5.125% Fixed Rate Class A Bonds Due February 2036 (the "**Sub-Class A11 Notes**") £300,000,000 2.399% Fixed Rate Class A Bonds Due February 2031 (the "**Sub-Class A13 Notes**") £500,000,000 2.625% Fixed Rate Class A Bonds Due September 2039 (the "**Sub-Class A14 Notes**") £500,000,000 2.750% Fixed Rate Class A Bonds Due September 2059 (the "**Sub-Class A15 Notes**") £350,000,000 2.375% Fixed Rate Class A Bonds Due March 2029 (the "**Sub-Class A16 Notes**") £400,000,000 4.875% Fixed Rate Class A Green Bonds Due September 2034 (the "**Sub-Class A17 Notes**") £300,000,000 4.75% Fixed Rate Class A Bonds Due September 2033 (the "**Sub-Class A18 Notes**") £350,000,000 4.625% Fixed Rate Class A Green Bonds Due September 2036 (the "**Sub-Class A19 Notes**")
Issue Dates:	The Sub-Class A6 Notes were issued on 3 November 2004 The Sub-Class A7 Notes were issued on 3 November 2004 The Sub-Class A11 Notes were issued on 7 February 2007 The Sub-Class A13 Notes were issued on 8 February 2017 The Sub-Class A14 Notes were issued on 22 September 2017 The Sub-Class A15 Notes were issued on 22 September 2017 The Sub-Class A16 Notes were issued on 29 March 2018 The Sub-Class A17 Notes were issued on 15 March 2023 The Sub-Class A18 Notes were issued on 18 March 2024 The Sub-Class A19 Notes were issued on 23 September 2024
Class A Notes:	All of the Class A Notes are designated in the relevant Final Terms as Priority 1 Notes and therefore rank in point of security *pari passu* and *pro rata* as between themselves and prior to any other Class of Notes. The corresponding ICL Loans rank in point of security as Priority 1 Debt of the Security Group under the Security Trust and Intercreditor Deed.
Issuance in Series and Sub-Classes:	Notes issued on the same date comprise a Series. Each Series may comprise one or more non-fungible Classes or (other than the Class R Notes) Sub-Classes. The Notes are classed in the

relevant Final Terms and thereby be accorded a particular priority ranking in point of security. The Notes are Class A Notes (or a Sub-Class thereof). Class A Notes are, together with any Class R1 Notes, Priority 1 Notes and any Class B Notes and Class R2 Notes will be Priority 2 Notes.

The Issuer may make further issues of Notes on identical terms to an existing Sub-Class save for the first Note Payment Date and on terms that such further issue of Notes will be fungible with such existing Sub-Class. Any such further Notes of a Sub-Class issued on any Issue Date will rank *pari passu* and *pro rata* with all Notes of such Sub-Class issued as part of any other Series.

The specific terms of each Sub-Class are set out in the Final Terms applicable to such Sub-Class.

Form of Notes: Each Sub-Class was issued in bearer form as described in "Bearer Notes" below. Tranches of the Sub-Class A6 and the Sub-Class A7 Notes were also issued in registered form. Registered Notes are not exchangeable for Bearer Notes and vice versa.

Bearer Notes: Each Sub-Class (or part thereof) issued in bearer form was initially in the form of a Temporary Global Note, which has been: (a) if the Temporary Global Note was issued in NGN form, as stated in the relevant Final Terms, delivered on or prior to the original issue date of the relevant Sub-Class to a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"); and (b) if the Temporary Global Note was not intended to be issued in NGN form, delivered on or prior to the original issue date of the relevant Sub-Class to a common depositary for Euroclear and Clearstream, Luxembourg. Each Temporary Global Note is exchangeable for a Permanent Global Note. If the TEFRA D Rules are specified in the relevant Final Terms as being applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note for an interest in a Permanent Global Note (or, as the case may be, Definitive Notes) or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note is exchangeable for Definitive Notes with (if the Notes bear interest) Coupons and (if applicable) Talons attached in the circumstances specified in the Permanent Global Note. See further Chapter 16 of the Base Prospectus "*Summary of Provisions relating to the Notes while in Global Form*".

Registered Notes: Tranches of the Sub-Class A6 Notes and the Sub-Class A7 Notes were issued in registered form. Initial Notes are represented by Individual Note Certificates registered in the name of the holder thereof.

Denomination of Notes: Notes are issued in such denominations as specified in the relevant Final Terms. The denomination of the Notes is, in respect of the Sub-Class A6 Notes and the Sub-Class A7 Notes, at least £1,000, in respect of the Sub-Class A11 Notes, at least £50,000, and in respect of the Sub-Class A13 Notes, the Sub-Class A14 Notes, the Sub-Class A15 Notes, the Sub-Class A16 Notes, the Sub-Class A17 Notes, the Sub-Class A18 Notes and the Sub-Class A19 Notes, at least £100,000.

Status and Ranking: Each Class of Notes is constituted by the relevant Trust Deed (see Chapter 4 "*The Terms of the Notes*") and secured by the Issuer Security created under the Issuer Deed of Charge.

The Notes constitute secured, direct, unconditional and unsubordinated obligations of the Issuer. Each Sub-Class of a Class of Notes ranks *pari passu* and *pro rata* without preference or priority in point of security among all other Sub-Classes of that Class of Notes.

Other than as described Chapter in the sections entitled "*Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed" and "Optional Redemption for Taxation Reasons"* the obligations of the Issuer in respect of the notes issued under the Programme (other than in relation to any Note Step-Up Amounts) rank in the following order in point of security:

(a) first, *pro rata* and *pari passu* among themselves, the Priority 1 Notes;

(b) second, *pro rata* and *pari passu* among themselves, the Priority 2 Notes; and

(c) thereafter, the Subordinated Notes.

The payment of any Note Step-Up Amount is subordinated to payments of interest and repayments and prepayments of principal on each Class of Notes and failure to pay any such Note Step-Up Amount will not constitute an Issuer Event of Default. The holders of the Notes will be entitled to receive payments of Note Step-Up Amounts on their respective Notes on any Note Payment Date only to the extent that the Issuer has funds available for the purpose after making payments on such Note Payment Date of all liabilities which are due and

payable on that date and which rank in priority to the liability to pay Note Step-Up Amounts on such Class of Notes.

Security for the Notes and other Secured Obligations:

The Notes are secured by first ranking security created pursuant to the Issuer Deed of Charge. The Note Trustee holds the benefit of such security on trust for itself, the Noteholders, any receiver appointed under the Issuer Deed of Charge, the Account Bank, any Cash Manager and any Replacement Cash Manager (so long as they are not members of the Landsec Group), the Registrar, the Transfer Agents, the Paying Agents, the Agent Bank and any other creditors who accede to the Issuer Deed of Charge from time to time in accordance with the terms thereof (the "**Issuer Secured Creditors**").

The Issuer Deed of Charge creates first ranking security interests over, among other things, the Issuer's rights in respect of the Issuer Accounts, the Issuer's rights under the Issuer Transaction Documents (other than the relevant Trust Deed and the Issuer Deed of Charge) and the Obligor Transaction Documents to which the Issuer is a party (in particular, the Common Terms Agreement, the Security Trust and Intercreditor Deed and the Intercompany Loan Agreement) (see Chapter 4 of the Base Prospectus under the section entitled"— *Issuer Deed of Charge*").

The Notes are also secured by a first ranking floating charge in favour of the Note Trustee (on behalf of itself and the Issuer Secured Creditors) over all the assets and undertaking of the Issuer.

The Issuer also has the benefit of the Obligor Floating Charge Agreement as described in "*Security granted by the Security Group*", above. However, any proceeds arising from the enforcement of the security contained in the Obligor Floating Charge Agreement shall be shared between the Issuer and the other Obligor Secured Creditors by applying such proceeds towards the applicable Security Group Priority of Payments as set out in the Security Trust and Intercreditor Deed.

Certain other obligations of the Issuer (including the amounts owing to the Note Trustee under the relevant Trust Deed to any receiver appointed under the Issuer Deed of Charge, to the Account Bank and any Replacement Cash Manager under the Account Bank and Cash Management Agreement and to the Registrar, the Transfer Agents, the Paying Agents and the Agent Bank under the Agency Agreement) are also secured by the Issuer Security.

For a more detailed description of the provisions of the Issuer Deed of Charge, including the priority of payments by the Issuer both prior and subsequent to the enforcement of the security thereunder (see Chapter 4 of the Base Prospectus under the section entitled "*Issuer Deed of Charge*").

Powers of Noteholders:

The relevant Trust Deed (see Chapter 4 "*The Terms of the Notes*") contains provisions limiting the powers of the holders of any Notes that are not the Most Senior Class of Notes, among other things, to pass any Extraordinary Resolution or to request or direct the Note Trustee to take any action which may affect the interests of a class of Noteholders ranking in priority in point of security thereto.

Pursuant to the Security Trust and Intercreditor Deed, the Trust Deed and the Conditions, Noteholders may also (by instructing the Note Trustee) participate in Debtholders' Meetings called for the purpose of instructing the Obligor Security Trustee (by way of a Secured Creditor Instruction) to take certain actions (see Chapter 4 of the Base Prospectus under the section entitled "*Intercreditor arrangements"*).

Interest:

The Notes are interest-bearing and interest is calculated on the Principal Amount Outstanding of each such Note. Interest accrues at a fixed rate (although, with respect to the Sub-Class A6 Notes, the Sub-Class A7 Notes and the Sub-Class A11 Notes, only until the Interest Rate Step-Up Date) and is payable in arrear, as specified in the relevant Final Terms, at such rate as may be so specified and in the currency in which the Notes are denominated.

Failure by the Issuer to pay interest on the Most Senior Class of Notes when due and payable may result in the Note Trustee enforcing the Issuer Security. To the extent that funds available to the Issuer on any Note Payment Date, after paying interest then due and payable on the More Senior Classes of Notes, are insufficient to pay in full interest otherwise due on any one or more Classes of Lower Ranking Notes then outstanding, the shortfall in the amount then due will not be paid on such Note Payment Date but will only be paid (together with interest accrued thereon) on any subsequent Note Payment Date to the extent that amounts are available to the Issuer for such purpose after the Issuer's other higher priority liabilities have been paid.

The non-payment of any interest of any Class or Classes of Notes ranking below the Most Senior Class of Notes shall not constitute an Issuer Event of Default.

Fixed Rate Notes:	The Notes bear interest at a fixed rate (although, in the case of the Sub-Class A6 Notes, the Sub-Class A7 Notes and the Sub-Class A11 Notes, only until the Interest Rate Step-Up Date), as specified in the relevant Final Terms.
Floating Rate Notes:	From the Interest Rate Step-Up Date specified in the relevant Final Terms, the Sub-Class A6 Notes, Sub-Class A7 Notes and Sub-Class A11 Notes will bear interest at a floating rate plus a margin as specified therein (see "Interest Rate Step-Up" below).
Interest Rate Step-Up:	The Final Terms in respect of the Notes specify that the interest rate in respect of each Sub-Class will be subject to adjustment in accordance with the Conditions as completed by the relevant Final Terms. The ratings of the Rating Agencies do not address the likelihood of payment of any step-up amounts.
Note Payment Dates and Note Interest Periods:	Interest on the Notes is payable by reference to successive interest periods on the payment dates specified in the relevant Final Terms. Each successive Note Interest Period will commence on (and include) a Note Payment Date and end on (but exclude) the following Note Payment Date.
Withholding Tax:	Payments of interest, principal and premium (if any) on the Notes will be made without withholding or deduction for, or on account of, any tax unless required by law (whether in the United Kingdom or elsewhere). None of the Issuer, any Paying Agent or any other person will be obliged to pay any additional amounts to Noteholders (or, if Definitive Notes are issued, Couponholders) in respect of any amounts required to be withheld or deducted.
Final Redemption:	The Notes were issued with the maturities specified in the relevant Final Terms.
Optional Redemption:	Prior to their stated final maturity, the Notes are redeemable in whole or in part at the option of the Issuer in accordance with the optional redemption provisions in the applicable Terms and Conditions at their Redemption Amount, together with accrued but unpaid interest on the Principal Amount Outstanding of such Notes up to (but excluding) the Note Payment Date on which such redemption occurs.
Optional Redemption as Result of Ratings Event:	If a Ratings Event occurs at any time, the Issuer may, subject to a Noteholders' Affirmation and the satisfaction of certain conditions set out in the optional redemption provisions relating to Ratings Events in the applicable Terms and Conditions in

	respect of any Sub-Class, redeem such Sub-Class in whole at their Redemption Amount, together with accrued but unpaid interest on the Principal Amount Outstanding of such Sub-Class up to (but excluding) the respective Note Payment Dates on which such redemption occurs.
Optional Redemption for Taxation Reasons:	If the Issuer at any time satisfies the Note Trustee that: (a) any change in tax law (or the application or official interpretation thereof) requires or will require the Issuer to make any withholding or deduction for or on account of any United Kingdom tax from payments in respect of the Notes (although the Issuer will not have any obligation to pay additional amounts in respect of such withholding or deduction); or (b) FinCo is obliged to increase any sum payable by it to the Issuer under the Intercompany Loan Agreement as a result of FinCo being required by a change in tax law (or the application or official interpretation thereof) to make a withholding or deduction for or on account of any United Kingdom tax from that payment, then the Issuer may, in accordance with the provisions relating to optional redemptions for an index event or taxation reasons in the applicable Terms and Conditions, redeem (without premium or penalty) 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 such Notes up to (but excluding) the respective Note Payment Dates on which such redemption occurs.
Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed:	If the Issuer receives any monies in Actual Prepayment of all or any ICL Loan under the Intercompany Loan Agreement either pursuant to the Security Group Post-Enforcement (Pre Acceleration) Priority of Payments, the Security Group Post Enforcement (Post-Acceleration) Priority of Payments or the exercise of the P1 ICL Call Option, or other than pursuant to the optional redemption provisions set out in the applicable Conditions, the Issuer shall apply a principal amount equal to any amount by which the corresponding ICL Loan under the Intercompany Loan Agreement is Actually Prepaid towards redemption of the relevant Sub-Class in accordance with the mandatory redemption provisions set out in the applicable Terms and Conditions. Such redemption will, subject to the terms of the mandatory redemption provisions, be made on the Note Payment Date of the relevant Sub-Class falling after such Actual Prepayment.

	Any Note to be wholly or partly redeemed will be redeemed at its Principal Amount Outstanding, together with accrued but unpaid interest on the Principal Amount Outstanding of such Note up to (but excluding) the Note Payment Date on which such redemption occurs or (where part only of the relevant ICL Loan has been Actually Prepaid) the proportion of the relevant Note which the Actual Prepayment amount bears to the amount of the relevant ICL Loan immediately prior to such Actual Prepayment.
Purchases:	The Issuer may not purchase the Notes of any Class. FinCo or any other Obligor resident for tax purposes in the United Kingdom may at any time purchase Notes of any Class in accordance with applicable law and the provisions of the Common Terms Agreement. Any Notes purchased by FinCo may be surrendered to the Issuer. Upon surrender of any such Note to the Issuer, the Note will be cancelled.
Ratings:	The Notes are rated AA by DBRS Ratings Limited and AA by S&P Global Ratings UK Limited as at the date of this Prospectus. No assurance can be given that any rating currently assigned to the Notes will be maintained following the date hereof. The ratings of the Rating Agencies do not address the likelihood of receipt by any Noteholder of any redemption premium, nor do the ratings of the Rating Agencies address the likelihood of receipt of any Note Step-Up Amount. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Each credit rating should be evaluated independently of any other rating and, among other things, will depend on the performance of the business of the Security Group from time to time.
Admission to Trading and Listing:	Application has been made for the Notes to be admitted to the Official List of the FCA and to trading on the Main Market of London Stock Exchange.
Terms and Conditions:	The Conditions applicable to each Sub-Class will be those set out in Chapter 4 below which are to be read in conjunction with the Final Terms.

Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.
Transfer and Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United Kingdom and the United States, and such other restrictions as may be required in connection with the offering and sale of a particular Sub-Class (see Chapter 19 of the Base Prospectus "*Subscription and Sale*" under the heading "*Selling Restrictions*").

CHAPTER 2
RISK FACTORS

*The Issuer believes that the factors incorporated by reference from the Base Prospectus (the "**Incorporated Risk Factors**") may affect its ability to fulfil its obligations under the Notes and related transactions. All of these factors are contingencies which may or may not occur.*

Factors which the Issuer believes may be material for the purpose of assessing the risks relating to the structure and terms of the Notes are also included in the Incorporated Risk Factors.

The Issuer believes that the Incorporated Risk Factors represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

The Incorporated Risk Factors were drafted on the basis that Notes may be issued from time to under the Programme. Any language which contemplates notes not yet in issue as at the date of the base Prospectus shall, for the purposes of this Prospectus, be construed as applying to the Notes with such modifications as necessary to reflect the fact that the Notes have been issued and are outstanding as at the date hereof.

The risk factors set out in Chapter 2 "*Risk Factors*" of the Base Prospectus are incorporated by reference into this Prospectus.

CHAPTER 3
DOCUMENTS INCORPORATED BY REFERENCE

Base Prospectus

The sections of the Base Prospectus incorporated by reference herein were drafted on the basis that Notes may be issued from time to time under the Programme. Any language which contemplates notes not yet in issue as at the date of the base Prospectus shall, for the purposes of this Prospectus, be construed as applying to the Notes with such modifications as necessary to reflect the fact that the Notes have been issued and are outstanding as at the date hereof.

This Prospectus should be read and construed in conjunction with the following sections of the Base Prospectus, which shall be incorporated in and form part of this Prospectus:

Section Title / Reference	**Page(s)**
Chapter 2 – Risk Factors	43 – 69
Chapter 3 – Structure of the Transaction	70 - 79
Chapter 4 – Description of the Principal Transaction Documents	80 – 225
Chapter 6 – The Issuer	227 – 228
Chapter 7 – FinCo	229 – 230
Chapter 8 – Land Securities Group PLC	231 – 232
Chapter 9 – Main Obligors	233 - 236
Chapter 10 – Landsec Group Business and Information regarding the Estate	237 – 240
Chapter 11 – Certain Legislative Conditions	241 – 243
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Chapter 17 – Description of the Swap Counterparties	361 – 364
Chapter 18 – Taxation	365
Chapter 19 – Subscription and Sale	368
Glossary of Defined Terms	380 – 475
Schedule 1 – Details of Obligors as at the date of this Base Prospectus	476 - 278

Financial Statements

The following documents which have previously been published shall be incorporated into and form part of this Prospectus:

(a) the Land Securities Group PLC Annual Report for the financial years ending 31 March 2025 and 31 March 2026 (which contain the audited financial statements of the Landsec Group), which are available for viewing at https://content.landsec.com/media/0ilhb1mo/annual_report_2025_interactive_0_0.pdf and https://content.landsec.com/media/kqml0uxw/landsec-annual-report-2026-interactive.pdf, including the information set out at the following pages in particular:

	Financial year ending 31 March 2025	**Financial year ending 31 March 2026**
Independent Auditor's Report.....	Pages 84 - 91	Pages 84 - 91
Income Statement	Page 92	Page 92
Statement of comprehensive income	Page 92	Page 92
Balance sheets.....	Page 93	Page 93
Statements of changes in equity	Page 94	Page 94
Statement of cash flows	Page 95	Page 95
Notes to the financial statements.....	Pages 96 – 151	Pages 96 - 147
Alternative Performance Measures*	Page 163	Page 159
Glossary*.....	Pages 175 - 176	Pages 170 - 171

** these sections of the Annual Report have not been audited*

(b) the audited financial statements of Land Securities Capital Markets PLC in respect of the financial years ending 31 March 2025 and 31 March 2026 which are available for viewing at 25_ls_197_land_securities_capital_markets_plc_31325_ey_signed.pdf and land-securities-capital-markets-plc-31032026.pdf respectively, including the information set out at the following pages in particular:

	Financial year ending 31 March 2025	Financial year ending 31 March 2026
Independent Auditor's Report.....	Pages 5 - 9	Pages 5 – 9
Statement of comprehensive income	Page 10	Page 10
Balance sheet.....	Page 11	Page 11
Statement of changes in equity	Page 12	Page 12
Notes to the financial statements.....	Pages 13 - 18	Pages 13 - 19

(c) the audited financial statements of LS Property Finance Company Limited in respect of the financial years ending 31 March 2025 and 31 March 2026 which are available for viewing at 25_ls_196_ls_property_finance_company_limited_ey_signed.pdf and ls-property-finance-company-limited-31032026.pdf respectively, including the information set out at the following pages in particular:

	Financial year ending 31 March 2025	Financial year ending 31 March 2026
Independent Auditor's Report.....	Pages 5 - 7	Pages 5 - 7
Statement of comprehensive income	Page 8	Page 8
Balance sheet.....	Page 9	Page 9
Statement of changes in equity	Page 10	Page 10

Notes to the financial statements.....	Pages 11 - 19	Pages 11 - 19

(d) the audited financial statements of Land Securities PLC in respect of the financial years ending 31 March 2024 and 31 March 2025 which are available for viewing at https://content.landsec.com/media/lg3bsl2q/land-securities-plc-31032024-signed.pdf and https://content.landsec.com/media/ccppuira/land-securities-plc-31032025-signed.pdf respectively, including the information set out at the following pages in particular:

	Financial year ending 31 March 2024	**Financial year ending 31 March 2025**
Independent Auditor's Report.....	Pages 5 - 7	Pages 5 - 7
Statement of comprehensive income	Page 8	Page 8
Balance sheet.....	Page 9	Page 9
Statement of changes in equity	Page 10	Page 10
Notes to the financial statements.....	Pages 11 - 18	Pages 11 - 19

(e) the audited financial statements of Land Securities Intermediate Limited in respect of the financial years ending 31 March 2024 and 31 March 2025 which are available for viewing at https://content.landsec.com/media/pdykii5m/land-securities-intermediate-ltd-31032024-signed.pdf and https://content.landsec.com/media/byyl3opn/land-securities-intermediate-ltd-31032025-signed.pdf respectively, including the information set out at the following pages in particular:

	Financial year ending 31 March 2024	Financial year ending 31 March 2025
Independent Auditor's Report.....	Pages 5 - 7	Pages 4 – 6
Statement of comprehensive income	Page 8	Page 7
Balance sheet.....	Page 9	Page 8
Statement of changes in equity	Page 10	Page 9
Notes to the financial statements.....	Pages 11 - 14	Pages 10 - 13

Any non-incorporated parts of a document referred to herein are either not relevant for an investor or are covered elsewhere in this Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not constitute part of this Prospectus.

The financial statements of Land Securities Group PLC for the years ending 31 March 2025 and 31 March 2026 have been prepared in accordance with United Kingdom adopted International Accounting Standards ("**UKIAS**").

The financial statements of the Issuer and FinCo for the years ending 31 March 2025 and 31 March 2026, and the financial statements of Land Securities PLC and HoldCo for the years ending 31 March 2024 and 31 March 2025, have not been prepared in accordance with UKIAS. The financial statements of the Issuer and FinCo for the years ending 31 March 2025 and 31 March 2026 have been prepared in accordance with FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally) ("**FRS 101**"). Although there are differences in disclosure requirements, there are no material differences between FRS 101 as applied by the Issuer, FinCo, Land Securities PLC and HoldCo respectively and UKIAS.

CHAPTER 4
THE TERMS OF THE NOTES

The terms of the Sub-Class A6 Notes and the Sub-Class A7 Notes are contained in the terms and conditions scheduled to the trust deed dated 3 November 2004 relating to the Programme (the "**Principal Trust Deed**") (the "**2004 Terms and Conditions**") and completed by: (i) in the case of the Sub-Class A6 Notes, the relevant pricing supplement originally dated 2 November 2004 relating to such Sub-Class A6 Notes (each a "**Sub-Class A6 Pricing Supplement**" and together, the "**Sub-Class A6 Pricing Supplements**"), and (ii) in the case of the Sub-Class A7 Notes, the relevant pricing supplement originally dated 2 November 2004 and amended and restated by the Ninth Supplemental Trust Deed on 25 November 2021 relating to such Sub-Class A7 Notes (each a "**Sub-Class A7 Pricing Supplement**" and together, the "**Sub-Class A7 Pricing Supplements**"). Capitalised terms used in this Chapter 4 "The Terms of the Notes" which relate to the Sub-Class A6 Notes and the Sub-Class A7 Notes shall have the meaning given to them in the 2004 Terms and Conditions.

The terms of the Sub-Class A11 Notes are contained in the terms and conditions scheduled to the Principal Trust Deed, as amended and restated by a first supplemental trust deed dated 28 September 2005 (the "**First Supplemental Trust Deed**") (the "**2005 Terms and Conditions**") and completed by the final terms originally dated 5 February 2007 (the "**Sub-Class A11 Final Terms**"). Capitalised terms used in this Chapter 4 "The Terms of the Notes" which relate to the Sub-Class A11 Notes shall have the meaning given to them in the 2005 Terms and Conditions.

The terms of the Sub-Class A13 Notes are contained in the terms and conditions scheduled to the Principal Trust Deed, as amended and restated by the First Supplemental Trust Deed, a second supplemental trust deed dated 7 January 2011 (the "**Second Supplemental Trust Deed**"), a third supplemental trust deed dated 8 December 2011 (the "**Third Supplemental Trust Deed**"), a fourth supplemental trust deed dated 6 June 2013 (the "**Fourth Supplemental Trust Deed**"), a fifth supplemental trust deed dated 25 July 2014 (the "**Fifth Supplemental Trust Deed**") (the "**2014 Terms and Conditions**"), as completed by the 2031 notes issue terms set out in the Issuer's drawdown prospectus dated 6 February 2017 (the "**Sub-Class A13 Final Terms**"). Capitalised terms used in this Chapter 4 "The Terms of the Notes" which relate to the Sub-Class A13 Notes shall have the meaning given to them in the 2014 Terms and Conditions.

The terms of the Sub-Class A14 Notes, the Sub-Class A15 Notes and the Sub-Class A16 Notes are contained in the terms and conditions scheduled to the Principal Trust Deed, as amended and restated by the First Supplemental Trust Deed, the Second Supplemental Trust Deed, the Third Supplemental Trust Deed, the Fourth Supplemental Trust Deed, the Fifth Supplemental Trust Deed, a supplemental trust deed dated 2 August 2017 (the "**Sixth Supplemental Trust Deed**") (the "**2017 Terms and Conditions**"), as completed by: (i) in the case of the Sub-Class A14 Notes, the final terms dated 20 September 2017 (the "**Sub-Class A14 Final Terms**"), (ii) in the case of the Sub-Class A15 Notes, the final terms dated 20 September 2017 as amended and restated by the Ninth Supplemental Trust Deed (the "**Sub-Class A15 Final Terms**"), and (iii) in the case of the Sub-Class A16 Notes, the final terms dated 27 March 2018 as amended and restated by the Ninth Supplemental Trust Deed (the "**Sub-Class A16 Final Terms**"). Capitalised terms used in this Chapter 4 "The Terms of the Notes" which relate to the Sub-Class 14 Notes, the Sub-Class A15 Notes and the Sub-Class A16 Notes shall have the meaning given to them in the 2017 Terms and Conditions.

The terms of the Sub-Class A17 Notes are contained in the terms and conditions scheduled to the Principal Trust Deed, as amended and restated by the First Supplemental Trust Deed, the Second

Supplemental Trust Deed, the Third Supplemental Trust Deed, the Fourth Supplemental Trust Deed, the Fifth Supplemental Trust Deed, the Sixth Supplemental Trust Deed, a seventh supplemental trust deed dated 1 August 2018 (the "**Seventh Supplemental Trust Deed**"), an eighth supplemental trust deed dated 16 July 2020 (the "**Eighth Supplemental Trust Deed**"), the Ninth Supplemental Trust Deed and a tenth supplemental trust deed dated 20 July 2022 (the "**Tenth Supplemental Trust Deed**") (the "**2022 Terms and Conditions**"), as completed by the final terms dated 13 March 2023 (the "**Sub-Class A17 Final Terms**"). Capitalised terms used in this Chapter 4 "The Terms of the Notes" which relate to the Sub-Class A17 Notes shall have the meaning given to them in the 2022 Terms and Conditions.

The terms of the Sub-Class A18 Notes and the Sub-Class A19 Notes are contained in the terms and conditions scheduled to the Principal Trust Deed, as amended and restated by the First Supplemental Trust Deed, the Second Supplemental Trust Deed, the Third Supplemental Trust Deed, the Fourth Supplemental Trust Deed, the Fifth Supplemental Trust Deed, the Sixth Supplemental Trust Deed, the Seventh Supplemental Trust Deed, the Eighth Supplemental Trust Deed, the Ninth Supplemental Trust Deed, the Tenth Supplemental Trust Deed and an eleventh supplemental trust deed dated 8 August 2023 (the "**Eleventh Supplemental Trust Deed**") (the "**2023 Terms and Conditions**", and, together with the 2004 Terms and Conditions, the 2005 Terms and Conditions, the 2014 Terms and Conditions, the 2017 Terms and Conditions and the 2022 Terms and Conditions, the "**Terms and Conditions**"). Capitalised terms used in this Chapter 4 "The Terms of the Notes" which relate to the Sub-Class A18 Notes and Sub-Class A19 Notes shall have the meaning given to them in the 2023 Terms and Conditions.

Each of the 2004 Conditions, the 2005 Conditions, the 2014 Conditions and the 2017 Conditions shall be read as amended and restated pursuant to the supplemental trust deed dated 25 November 2021 (the "**Ninth Supplemental Trust Deed**").

Each of the Sub-Class A6 Pricing Supplements, the Sub-Class A7 Pricing Supplements, the Sub-Class A11 Final Terms, the Sub-Class A13 Final Terms, the Sub-Class A14 Final Terms, the Sub-Class A15 Final Terms and the Sub-Class A16 Final Terms shall be read as amended and restated by the Ninth Supplemental Trust Deed.

Each of the 2004 Conditions, the 2005 Conditions, the 2014 Conditions, the 2017 Conditions, the 2022 Conditions and the 2023 Conditions shall be read as amended by the supplemental trust deed dated 25 August 2026 (the "**Thirteenth Supplemental Trust Deed**").

Each of the Sub-Class A6 Pricing Supplements, the Sub-Class A7 Pricing Supplements, the Sub-Class A11 Final Terms, the Sub-Class A13 Final Terms, the Sub-Class A14 Final Terms, the Sub-Class A15 Final Terms, the Sub-Class A16 Final Terms, the Sub-Class A17 Final Terms, the Sub-Class A18 Final Terms and the Sub-Class A19 Final Terms shall be read as amended pursuant to the Thirteenth Supplemental Trust Deed.

The Noteholders have rights and obligations in relation to the Notes under the applicable Terms and Conditions and relevant Trust Deed and will need to exercise those rights or perform those obligations pursuant to the relevant Terms and Conditions and the relevant Trust Deed.

The Notes are constituted by the relevant "**Trust Deed**", being the Principal Trust Deed as amended, supplemented or amended and restated by the applicable supplemental trust deeds set out above. These terms include summaries of, and are subject to, the detailed provisions of the relevant Trust Deeds.

The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the applicable Terms and Conditions and the relevant Trust Deed.

PART A
PRINCIPAL TERMS OF THE NOTES

1. Sub-Class A6 Notes and Sub-Class A7 Notes: 2004 Terms and Conditions (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

CHAPTER 11

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which (subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement and, save for the italicised paragraphs) will be incorporated by reference into each Note in definitive form (if any) issued in exchange for the Global Note(s) representing Notes in bearer, or, as the case may be, registered, form and each Individual Note Certificate representing Notes in registered form (only if such incorporation by reference is permitted by the relevant stock exchange and agreed by the Issuer). If such incorporation by reference is not so permitted and agreed, each Note in definitive form and each Individual Note Certificate representing Notes in registered form will have endorsed thereon or attached thereto such text (as so completed, amended, varied or supplemented). For a summary of the provisions of the Notes whilst in global form, see Chapter 14 ''Summary of Provisions Relating to the Notes while in Global Form'', page 244, below. Further information with respect to each Sub-Class of Notes will be given in the relevant Pricing Supplement which will provide for those aspects of these Conditions which are applicable to such Sub-Class of Notes.

Contents

1. *Form, Denomination, Title*
2. *Exchanges of Bearer Notes for Registered Notes and Transfers of Registered Notes*
3. *Status of Notes*
4. *Security and Relationship with Issuer Secured Creditors*
5. *Issuer Covenants*
6. *Interest and other Calculations*
7. *Indexation*
8. *Redemption, Purchase and Cancellation*
9. *Payments*
10. *Taxation*
11. *Issuer Events of Default*
12. *Enforcement Against Issuer*
13. *Prescription*
14. *Replacement of Notes, Coupons, Receipts and Talons*
15. *Meetings of Noteholders, Modification, Waiver and Substitution*
16. *Notices*
17. *European Economic and Monetary Union*
18. *Miscellaneous*

Land Securities Capital Markets PLC (the ''**Issuer**'') has established a multicurrency programme (the ''**Programme**'') for the issuance of up to £4,000,000,000 Notes (the ''**Notes**''). Notes issued under the Programme on a particular Issue Date comprise a Series (a ''**Series**''), and each Series comprises one or more Classes of Notes (each a ''**Class**''). Each Class may comprise one or more sub-classes (each a ''**Sub-Class**'').

A Class designation denotes priority ranking in point of security. First ranking Notes will be designated as ''**Class A Notes**'' or (if issued pursuant to a Class R Underwriting Agreement) as Class R1 Notes (''**Class R1 Notes**'' and, together with the Class A Notes, the ''**Priority 1 Notes**''), second ranking Notes will be designated as ''**Class B Notes**'' or (if issued pursuant to a Class R Underwriting Agreement) as Class R2 Notes (''**Class R2 Notes**'' and, together with the Class R1 Notes, the ''**Class R Notes**'', and the Class B Notes together with the Class R2 Notes, the ''**Priority 2 Notes**'') and any Notes issued in any Class or Classes of Notes designated as ranking below the Priority 2 Notes will be designated as the ''**Subordinated Notes**''.

A Sub-Class of Notes may have economic terms that differ from the other Sub-Class(es) of Notes in the same Class and each Sub-Class may therefore be denominated in a different currency or

have different interest rates and/or interest payment dates, maturity dates or other terms. Notes of any Sub-Class may be zero coupon (''**Zero Coupon Notes**''), fixed rate (''**Fixed Rate Notes**''), floating rate (''**Floating Rate Notes**''), index-linked (''**Indexed Notes**''), dual currency Notes (''**Dual Currency Notes**''), partly paid Notes (''**Partly Paid Notes**''), instalment Notes (''**Instalment Notes**'') or any other type of Note issued by the Issuer from time to time and may be denominated in sterling, euro, U.S. dollars or in other currencies subject to compliance with applicable law.

The terms and conditions applicable to any particular Sub-Class of Notes are these terms and conditions (''**Conditions**'') as supplemented, amended and/or replaced by a pricing supplement relating to such Sub-Class (a ''**Pricing Supplement**''). In the event of any inconsistency between these Conditions and the relevant Pricing Supplement, the relevant Pricing Supplement shall prevail.

The Pricing Supplement for this Note (or the relevant provisions thereof) supplements these Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of this Note. Reference to a ''**Pricing Supplement**'' is to the Pricing Supplement (or the relevant provisions thereof) annexed to this Note.

The Notes are subject to and have the benefit of a trust deed dated 3 November 2004 (the ''**Exchange Date**'') (as amended, supplemented, restated and/or novated from time to time, the ''**Trust Deed**'') between the Issuer and Deutsche Trustee Company Limited as trustee for the Noteholders (the ''**Note Trustee**'', which expression includes the trustee or trustees of the Trust Deed from time to time).

The Notes have the benefit (to the extent applicable) of an agency agreement (as amended, supplemented and/or restated from time to time, the ''**Agency Agreement**'') dated on or about the Exchange Date between the Issuer, the Note Trustee, the Principal Paying Agent, the other Paying Agents, the Transfer Agents and the Registrar. As used herein, each of ''**Principal Paying Agent**'', ''**Paying Agents**'', ''**Agent Bank**'', ''**Transfer Agents**'' and/or ''**Registrar**'' means, in relation to the Notes, the persons specified in the Agency Agreement as the Principal Paying Agent, Paying Agents, Agent Bank, Transfer Agents and/or Registrar respectively and, in each case, any successor to such person in such capacity. The Notes may also have the benefit (to the extent applicable) of a calculation agency agreement (in the form or substantially in the form of Schedule 1 to the Agency Agreement, the ''**Calculation Agency Agreement**'') between, among others, the Issuer and any calculation agent appointed by the Issuer as calculation agent (the ''**Calculation Agent**''). In these Conditions, ''**Agents**'' means the Principal Paying Agent, the Paying Agents, the Agent Bank, the Transfer Agents, the Registrar and any Calculation Agent and ''**Agent**'' means any of them.

On or before the Exchange Date, the Issuer has also entered into a note subscription agreement (the ''**Note Subscription Agreement**'') with Land Securities PLC, pursuant to which Land Securities PLC has agreed to purchase the Notes issued by the Issuer on the Exchange Date (the ''**Initial Notes**''). Following the issue of the Initial Notes on the Exchange Date, Land Securities PLC will transfer the Initial Notes in full or partial consideration of the redemption or repurchase by Land Securities PLC of other bonds previously issued by Land Securities PLC (the ''**Existing Bonds**'').

On or about the Exchange Date, the Issuer will enter into a loan agreement (the ''**Intercompany Loan Agreement**'') with LS Property Finance Company Limited (''**FinCo**'') pursuant to which the Issuer will make loan advances to FinCo and which will provide for the making of further advances to FinCo with the proceeds of any issue of further Notes under the Programme. The obligation of FinCo to pay interest and/or repay principal under the Intercompany Loan Agreement will exclusively support the Issuer's obligations in respect of the Notes and will be secured pursuant to the Obligor Security Documents.

On or about the Exchange Date, the Issuer will enter into an account bank and cash management agreement (the ''**Account Bank and Cash Management Agreement**'') with Lloyds TSB Bank plc (the ''**Account Bank**'', which term shall include the successors or assignees thereof), Land Securities (Finance) Limited (the ''**Cash Manager**''), FinCo, the Obligors, the Obligor Security Trustee (each as defined below) and the Note Trustee.

On or about the Exchange Date, the Issuer will enter into a deed of charge (the ''**Issuer Deed of Charge**'') with, among others, the Note Trustee in its capacity as trustee for the Issuer Secured Creditors (as defined below), pursuant to which the Issuer will grant fixed and floating charge

security over all its assets and undertakings (the "**Issuer Security**") to the Note Trustee for itself and on behalf of the Noteholders, any receiver appointed under the Issuer Deed of Charge, each Agent, the Account Bank and any Replacement Cash Manager and any other creditors who accede to the Issuer Deed of Charge from time to time in accordance with the terms thereof (together, the "**Issuer Secured Creditors**").

On or about the Exchange Date, the Issuer will enter into a security trust and intercreditor deed (the "**Security Trust and Intercreditor Deed**") with the Note Trustee, Deutsche Trustee Company Limited as security trustee for the Issuer and the other Obligor Secured Creditors (as defined in the Security Trust and Intercreditor Deed) (the "**Obligor Security Trustee**"), the Obligors (as defined in the Security Trust and Intercreditor Deed) and the other Obligor Secured Creditors, pursuant to which the Obligor Security Trustee will hold the Obligor Security on trust for the Obligor Secured Creditors (including, save as regards the floating charges contained in the Security Trust and Intercreditor Deed, the Issuer) and the Obligor Secured Creditors (including the Issuer) will agree to certain intercreditor arrangements.

On or about the Exchange Date, the Issuer will enter into a floating charge agreement (the "**Obligor Floating Charge Agreement**") with the Note Trustee, the Obligor Security Trustee and the Obligors, pursuant to which the Issuer will have the benefit of a first ranking floating charge over the whole of each Obligor's undertaking, assets, property and rights whatsoever and wheresoever, present and future.

On or about the Exchange Date, the Issuer will enter into a common terms agreement (the "**Common Terms Agreement**") with the Note Trustee, the Obligor Security Trustee, the Obligors and the other Obligor Secured Creditors pursuant to which the Issuer will have the benefit of certain representations, warranties and covenants made by the Obligors.

On or about the Exchange Date, certain Obligors will grant standard securities (the "**Standard Securities**") over their real estate properties in Scotland, the benefit of which will be held on trust in accordance with the Security Trust and Intercreditor Deed.

The Security Trust and Intercreditor Deed, the Obligor Floating Charge Agreement and the Standard Securities will secure (*inter alia*) the obligations of FinCo under the Intercompany Loan Agreement, which (by virtue of the Issuer Deed of Charge) will mean that the Notes are indirectly secured by all the assets over which such security is created. The Issuer Deed of Charge will enable the Note Trustee to exercise all of the Issuer's rights in respect of the Intercompany Loan Agreement and the security documents referred to above.

The Obligors (who will grant such security) will be affiliates of the Issuer, including in particular FinCo and Land Securities PLC.

It is a condition of the redemption of the Existing Bonds that certain ratings are assigned to the Initial Notes by each of Standard and Poor's and Fitch. This will not occur unless (*inter alia*) such security is granted as referred to above to the satisfaction of the Obligor Security Trustee, the Note Trustee and each of such Rating Agencies.

On or before the Exchange Date, the Issuer will enter into a dealership agreement (the "**Dealership Agreement**") with the Obligors and the dealers named therein (the "**Dealers**") in respect of the Programme, pursuant to which any of the Dealers may enter into subscription agreements in relation to Classes or Sub-Classes of Notes (other than any Class R Notes) issued by the Issuer after the Exchange Date, and pursuant to which the Dealers will agree to subscribe for the relevant Classes or Sub-Classes of Notes.

After the Exchange Date, the Issuer may enter into an underwriting agreement (a "**Class R Underwriting Agreement**") with the underwriters named therein (the "**Class R Underwriters**"), pursuant to which the Class R Underwriters will agree to underwrite the issue and sale of Class R Notes.

On or about the Exchange Date, the Issuer will also enter into a deed of covenant (the "**Tax Deed of Covenant**") with the Note Trustee, the Obligor Security Trustee, the Obligors and Land Securities Group PLC.

The Trust Deed, the Notes (including the applicable Pricing Supplements), the Agency Agreement, the Issuer Deed of Charge, the Security Trust and Intercreditor Deed, the Intercompany Loan Agreement, the Obligor Floating Charge Agreement, the Common Terms Agreement, the Account Bank and Cash Management Agreement and the Tax Deed of Covenant are together referred to as the "**Issuer Transaction Documents**".

Terms not defined in these Conditions have the meaning set out in the Trust Deed.

Certain statements in these Conditions are summaries of, and are subject to, the detailed provisions appearing (or which will, as from the Exchange Date, appear) in the Trust Deed, the Issuer Deed of Charge, the Agency Agreement, any Class R Underwriting Agreement, the Dealership Agreement or the other Issuer Transaction Documents. Copies of, *inter alia*, the Issuer Transaction Documents are available for inspection during normal business hours at the specified offices of the Paying Agents (in the case of Bearer Notes) or the specified offices of the Transfer Agents and the Registrar (in the case of Registered Notes) (each as defined below), save that, if this Note is an unlisted Note of any Sub-Class, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more unlisted Notes of that Sub-Class and such Noteholder must provide evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity.

The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the relevant Pricing Supplement and the provisions of the Agency Agreement applicable to them. In addition, the Noteholders are entitled to the benefit of, are bound by, and will be deemed to have notice of the provisions of the Issuer Deed of Charge, the Intercompany Loan Agreement, the Common Terms Agreement and the other Issuer Transaction Documents applicable to them upon their execution by the parties thereto on or before the Exchange Date.

Any reference in these Conditions to a matter being ''**specified**'' means as the same may be specified in the relevant Pricing Supplement.

1. **Form, Denomination and Title**

(a) *Form and Denomination*

The Notes will be issued either (i) in bearer form (''**Bearer Notes**''), serially numbered in a Specified Denomination (as specified in the Pricing Supplement) or (ii) in registered form (''**Registered Notes**'') serially numbered in the Specified Denomination or an integral multiple thereof. References in these Conditions to ''**Notes**'' include Bearer Notes and Registered Notes and all Sub-Classes, Classes and Series of Notes.

Interest bearing Bearer Notes (other than Class R Notes) are issued with Coupons (as defined below) and, where appropriate, a Talon (as defined below) attached. After all the Coupons attached to, or issued in respect of, any Bearer Note which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and (if necessary) one further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent. Any Bearer Note which is an Instalment Note will be issued with one or more Receipts (as defined below) and, where appropriate, a Talon attached thereto. After all the Receipts attached to, or issued in respect of, any Instalment Note which was issued with a Talon have matured, a receipt sheet comprising further Receipts (other than Receipts which would be void) and (if necessary) a further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent.

(b) *Title*

Title to Bearer Notes, Coupons, Receipts and Talons (if any) passes by delivery. Title to Registered Notes passes by registration in the register (the ''**Register**''), which the Issuer shall procure will be kept by the Registrar.

In these Conditions, subject as provided below, each ''**Noteholder**'', ''**holder**'' and ''**Holder**'' (in relation to a Note) means (i) in relation to a Bearer Note, the bearer of any Bearer Note and (ii) in relation to a Registered Note, the person in whose name a Registered Note is registered. The expressions ''**Noteholder**'', ''**holder**'' and ''**Holder**'' also include the bearers of Receipts (which, in relation to Class A Notes will be ''**Class A Receipts**'', in relation to Class B Notes, ''**Class B Receipts**'', in relation to the Subordinated Notes, ''**Subordinated Receipts**'' and, together, the ''**Receipts**'') appertaining to Bearer Notes which are Instalment Notes (the ''**Receiptholders**''), the holders of the Coupons (which, in relation to Class A Notes, will be ''**Class A Coupons**'', in relation to Class B Notes, ''**Class B Coupons**'', in relation to the Subordinated Notes, ''**Subordinated Coupons**'' and, together, the ''**Coupons**'') (if any) appertaining to interest bearing Bearer Notes (the ''**Couponholders**'') and the expression Couponholders or Receiptholders includes the bearers of Talons in relation to

Coupons or Receipts as applicable (which, in relation to Class A Notes, will be "**Class A Talons**", in relation to Class B Notes, "**Class B Talons**", in relation to the Subordinated Notes, "**Subordinated Talons**" and together, the "**Talons**") (if any) for further Coupons or Receipts, as applicable, attached to such Notes (the "**Talonholders**").

The bearer of any Bearer Note, Coupon, Receipt or Talon and the registered holder of any Registered Note will (except as otherwise required by law) be deemed and treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the relevant Note, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Registered Note, a duly executed transfer of such Note in the form endorsed on the Note Certificate in respect thereof) and no person will be liable for so treating the holder.

(c) *Fungible Issues of Notes comprising a Sub-Class*

A Sub-Class of Notes may comprise a number of issues of Notes of such Sub-Classes in addition to the initial issue of such Sub-Class, each of which will be issued on identical terms and conditions save for the first Note Payment Date, the Issue Date and the Issue Price. Such further issues of the same Sub-Class will be consolidated with and form a single series with the prior issues of Notes of that Sub-Class.

2. **Exchanges of Notes and Transfers of Registered Notes**

(a) *Exchange of Notes*

Registered Notes may not be exchanged for Bearer Notes and *vice versa*.

(b) *Transfer of Registered Notes*

A Registered Note may upon the terms and subject to the conditions of the Agency Agreement be transferred upon the surrender of the relevant Individual Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of any Transfer Agent or the Registrar. However, a Registered Note may not be transferred unless (i) the principal amount of Registered Notes to be transferred and (ii) the remaining principal amount of the Registered Notes (if any) to be retained by the relevant transferor are, in each case, Specified Denominations. In the case of a transfer of part only of a holding of Registered Notes represented by an Individual Note Certificate, a new Individual Note Certificate in respect of the balance not transferred will be issued to the transferor within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer.

(c) *Delivery of New Individual Note Certificates*

Each new Individual Note Certificate to be issued upon transfer of Registered Notes will, within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer, be available for delivery at the specified office of the Transfer Agent or the Registrar stipulated in the form of transfer, or be mailed at the risk of the Noteholder entitled to the Individual Note Certificate to such address as may be specified in such form of transfer. For these purposes, a form of transfer received by the Registrar after the Record Date (as defined in Condition 9(b) below) in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar until the business day (as defined in Condition 9(g) below) following the due date for such payment.

(d) *No Charge*

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(e) *Closed Periods*

No transfer of a Registered Note may be registered during the period of 15 days ending on the due date for any payment of principal, interest, Interest Amount or Redemption Amount on that Note.

3. **Status of Notes**

(a) *Status of Class A Notes and Class R1 Notes*

This Condition 3(a) is applicable only in relation to Notes that are specified as being a Sub-Class of Class A Notes or Class R1 Notes in the relevant Pricing Supplement.

The Class A Notes, Class A Coupons, Class A Talons, Class A Receipts (if any) and the Class R1 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and rank *pari passu* and *pro rata* without any preference among themselves.

(b) *Status of Class B Notes and Class R2 Notes*

This Condition 3(b) is applicable only in relation to Notes that are specified as being a Sub-Class of Class B Notes or Class R2 Notes in the relevant Pricing Supplement.

Any Class B Notes, Class B Coupons, Class B Talons, Class B Receipts (if any) and the Class R2 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class A Notes, Class A Coupons, Class A Talons, Class A Receipts (if any) and the Class R1 Notes and rank *pari passu* and *pro rata* without any preference among themselves.

(c) *Status of Subordinated Notes*

This Condition 3(c) is applicable only in relation to Notes that are specified as being a Sub-Class of Subordinated Notes in the relevant Pricing Supplement.

Any Subordinated Notes, Subordinated Coupons, Subordinated Talons and Subordinated Receipts (if any) will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class B Notes, Class B Coupons, Class B Talons, Class B Receipts (if any) and the Class R2 Notes and rank *pari passu* and *pro rata* without any preference among themselves. The precise ranking of the Subordinated Notes *vis-à-vis* any other Class of Subordinated Notes issued by the Issuer is as specified in the Pricing Supplement.

The Issuer may after the Issue Date issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to, *pari passu* and *pro rata* with, or subordinate to, the Subordinated Notes existing at the time of such issue provided that the Issuer may only issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to Subordinated Notes existing at the time of such issue if such issue has been approved by the Note Trustee (acting on an Extraordinary Resolution of the Noteholders of any Affected Class).

In these Conditions "**Affected Class**" means:

(i) in relation to the proposed introduction or change of any Secondary Debt Rank or Primary Debt Rank, each Sub-Class of Notes which corresponds to an ICL Loan which, as a result of such introduction or change, will become subordinated in point of security to any other Subordinated ICL Loan or Subordinated ACF Loan to which it is not then subordinated;

(ii) in relation to the proposed incurrence of any Subordinated Debt after a Subordinated Debt Split, each Sub-Class of Notes which corresponds to a Subordinated ICL Loan that will be subordinate in point of security to the Subordinated Debt proposed to be drawn;

(iii) in relation to the proposed change of the Primary Debt Rank of any ICL Loan, the Sub-Class of Notes which corresponds to such Loan; and

(iv) in relation to any proposal to use funds standing to the credit of a DCA Ledger in respect of an ICL Loan to Prepay any Loan other than such ICL Loan, the Sub-Class of Notes which corresponds to such ICL Loan.

(d) *Note Trustee not responsible for monitoring compliance*

The Note Trustee shall not be responsible for monitoring compliance by the Issuer with any of its obligations under the Issuer Transaction Documents except by means of receipt of a certificate from the Issuer which will state, among other things, that no Issuer Event of Default is outstanding. The Note Trustee shall be entitled to rely on such certificates absolutely. The

Note Trustee is not responsible for monitoring compliance by any of the parties with their respective obligations under the Issuer Transaction Documents. The Note Trustee may call for and is at liberty to accept as sufficient evidence a certificate signed by any two Authorised Signatories of the Issuer, the Obligors (or any of them) or any other party to any Issuer Transaction Document to the effect that any particular dealing, transaction, step or thing is in the opinion of the persons so certifying suitable or expedient or as to any other fact or matter upon which the Note Trustee may require to be satisfied. The Note Trustee is in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such certificate although the same may contain some error or is not authentic. The Note Trustee is entitled to rely upon any certificate believed by it to be genuine and will not be liable for so acting.

4. **Security and Relationship with Issuer Secured Creditors**

(a) *Security*

As far as permitted by and subject to compliance with any applicable law and as continuing security for the payment and discharge of the Issuer's obligations in respect of the Notes, Coupons and Receipts and in respect of the other Issuer Secured Creditors under the Issuer Transaction Documents (including the remuneration, fees, expenses and other claims of the Note Trustee under the Trust Deed, and of the Note Trustee and any Receiver appointed under the Issuer Deed of Charge, to any Replacement Cash Manager and the Account Bank under the Account Bank and Cash Management Agreement and to the Agents under the Agency Agreement) (the "**Issuer Secured Liabilities**") the Issuer will create the following security (the "**Issuer Security**") in favour of the Note Trustee for itself and on behalf of the other Issuer Secured Creditors (including, without limitation, the Note Trustee on behalf of the Noteholders) by execution of the Issuer Deed of Charge on or about the Exchange Date:

(i) a first fixed charge over the Issuer Accounts;

(ii) an assignment and assignation by way of security of the interest of the Issuer under each Issuer Transaction Document (other than the Trust Deed and the Issuer Deed of Charge);

(iii) an assignment by way of security of the beneficial interest of the Issuer under the Obligor Transaction Documents; and

(iv) a first floating charge over the whole of the Issuer's undertaking, assets, property and rights whatsoever and wheresoever, present and future, including its uncalled capital,

all as more particularly set out in the Issuer Deed of Charge.

All Notes issued by the Issuer under the Programme will share in the Issuer Security as more particularly set out in the Issuer Deed of Charge.

(b) *Relationship among Noteholders and with other Issuer Secured Creditors*

Except where expressly provided otherwise in the Trust Deed and/or these Conditions, including Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*), 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, 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 then outstanding if, in the Note Trustee's opinion, there is a conflict between the interests of the holders of such Class and any other Class of Notes then outstanding.

So long as any of the Notes remain outstanding, in the exercise of its rights, authorities and discretions under the Trust Deed, the Note Trustee is only required to have regard to the interests of the Noteholders or, as the case may be, the holders of the Most Senior Class of Notes then outstanding and not to the interests of the other Issuer Secured Creditors.

The Trust Deed and these Conditions contain provisions limiting the powers of the holders of any Class of Notes other than the Most Senior Class of Notes, *inter alia*, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution which may affect the interests of the holders of each of the other Classes of Notes ranking equally with or senior to such Class. Except in certain circumstances set out in the Trust Deed and these Conditions (including Condition 15 (*Meetings of Noteholders, Modification, Waiver and*

Substitution)), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class of Notes, the exercise of which will be binding on all such holders, irrespective of the effect thereof on their interests.

In exercising its rights, powers, trusts, authorities, duties and discretions in accordance with this Condition, the Note Trustee shall disregard any Step-Up Amounts for the purposes of determining whether there are any Notes of a particular Class outstanding.

In these Conditions, "**Most Senior Class of Notes**" means (i) any outstanding Class A Notes and Class R1 Notes, or (ii) if no Class A Notes or Class R1 Notes are then outstanding, any outstanding Class B Notes and Class R2 Notes, or (iii) if no Class A Notes, Class R1 Notes, Class B Notes or Class R2 Notes are then outstanding, the most senior outstanding Class of the Subordinated Notes, in each case, if instructing, directing or requesting the Note Trustee on any matter, acting together whether by means of an Extraordinary Resolution or a written instruction, direction or request of the holders of at least one quarter of the principal amount of the relevant Class of Notes then outstanding.

(c) *Relationship with Obligor Secured Creditors*

The Security Trust and Intercreditor Deed will include provisions relating to the holding of meetings between the providers of secured finance to the Obligors and Noteholders and voting on certain issues concerning the Obligors.

(i) *Debtholders' Meetings*: On issues relating to the enforcement of the security interests granted by the Obligors, the acceleration of secured obligations owed by the Obligors, the removal of the Obligor Security Trustee and the appointment of any successor thereof, and the modification or waiver of the Financial Covenant (as defined in the Common Terms Agreement), the Obligor Security Trustee shall, in accordance with the Security Trust and Intercreditor Deed, hold a Debtholders' Meeting, at which certain Class(es) or Sub-Class(es) of Noteholders who are Qualifying Debtholders for the purpose of such Debtholders' Meeting ("**Qualifying Noteholders**") are eligible to vote (the composition of the Qualifying Debtholders (and hence Qualifying Noteholders) in respect of a Debtholders' Meeting being prescribed in the Security Trust and Intercreditor Deed). At any Debtholders' Meeting, the Note Trustee shall act as the Representative (as defined in the Security Trust and Intercreditor Deed) of such Qualifying Noteholders. The Note Trustee will vote on behalf of such Qualifying Noteholders in accordance with Condition 15(b) (*Debtholders' Meetings*) below, and any decision reached at a Debtholders' Meeting shall bind all Classes of Noteholders.

(ii) *Extraordinary Resolutions*: On issues relating to the modification of, the consents under, or the waivers in respect of breaches or potential breaches of, the Obligor Transaction Documents (including any Basic Terms Modification, the creation or modification of Primary Debt Ranks or Secondary Debt Ranks, consent for the Obligors to incur Subordinated Debt (as defined in the Common Terms Agreement) which rank prior to, or *pari passu* with, any Subordinated Notes), the Obligor Security Trustee may, in accordance with the Security Trust and Intercreditor Deed, seek confirmation from the Note Trustee that the holders of the Most Senior Class of Notes then outstanding (or, in the case of a Basic Terms Modification, the holders of each Sub-Class of Notes, or in the case of the modification of Primary Ranks or the creation or modification of Secondary Debt Ranks, the holders of Notes comprised in any Affected Class) have passed an Extraordinary Resolution approving such modification, consent or waiver, in accordance with Condition 15(a) (*Meetings of Noteholders*). Any such Extraordinary Resolution shall bind all Noteholders.

(d) *Application Prior to Enforcement*

Prior to enforcement of the Issuer Security by the Note Trustee, the Cash Manager, on behalf of the Issuer, is required to apply funds available to the Issuer in accordance with the Issuer Pre-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(e) *Enforceable Security*

In the event of the Issuer Security becoming enforceable as provided in Condition 11(b) (*Default Events*) below, the Note Trustee may, at its discretion and without further notice, institute such proceedings as it thinks fit to enforce its rights with respect to the Issuer Security, but it shall not be bound to do so unless instructed by the holders of the Most

Senior Class of Notes then outstanding, and without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any particular Noteholder, provided that the Note Trustee shall not be obliged to take any action unless it is indemnified and/or secured to its satisfaction.

Although the Issuer holds certain floating charges granted by the Obligors under the Obligor Floating Charge Agreement (and the Note Trustee is an assignee by way of security of such floating charges pursuant to the Issuer Deed of Charge), the Issuer and the Note Trustee have agreed with the Obligor Security Trustee in the Obligor Floating Charge Agreement that any proceeds from the enforcement of the security contained in the Obligor Floating Charge Agreement shall be shared between the Issuer and the other Obligor Secured Creditors, by applying such proceeds towards the applicable priority of payments as set out in the Security Trust and Intercreditor Deed.

The Obligor Floating Charge Agreement shall also provide that the Note Trustee (as the assignee by way of security of the floating charges contained therein) will be required to appoint an administrative receiver in respect of any Obligor if the Note Trustee has actual notice of an application for the appointment of an administrator or of the giving of notice of intention to appoint an administrator in respect of such Obligor, such appointment to take effect upon the final day by which the appointment must be made in order to prevent an administration from proceeding or (where an Obligor or the directors of an Obligor have initiated its administration) not later than that final day (and the Obligor Floating Charge Agreement shall provide that the Note Trustee shall agree that it is adequately indemnified and secured in respect of its making such appointment by virtue of its indemnification rights against the Issuer under the Issuer Deed of Charge and against the Obligors under the Obligor Floating Charge Agreement, and the security it has in respect of those rights).

(f) *Application After Enforcement*

After enforcement of the Issuer Security in accordance with Condition 4(e) *(Enforceable Security*), the Note Trustee shall (to the extent that such funds are available) use all monies received or recovered by it under the Issuer Deed of Charge (except proceeds in respect of the floating charge contained in the Obligor Floating Charge Agreement) to make payments in accordance with the Issuer Post-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(g) *Note Trustee not liable for security*

The Note Trustee will not be liable for any failure to make the usual investigations or any investigations which might be made by a security holder in relation to the property which is the subject of the Issuer Security, and shall not be bound to enquire into or be liable for any defect or failure in the right or title of the Issuer to the Issuer Security, whether such defect or failure was known to the Note Trustee or might have been discovered upon examination or enquiry or whether capable of remedy or not, nor will it have any liability for the enforceability of the Issuer Security whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting such Issuer Security. The Note Trustee has no responsibility for the value of any Issuer Security.

5. **Issuer Covenants**

So long as any of the Notes remain outstanding, the Issuer has agreed to comply with the covenants set out in the Issuer Deed of Charge.

The Note Trustee shall be entitled to rely absolutely on a certificate signed by two directors of the Issuer in relation to any matter relating to such covenants and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter stated in such certificate.

6. **Interest and other Calculations**

(a) *Interest Rate and Accrual*

Each Note other than (i) Zero Coupon Notes and (ii) any Class R Note for so long as it is held by the Issuer bears interest on its Principal Amount Outstanding (as defined below) or as otherwise specified in the relevant Pricing Supplement from the Interest Commencement

Date (as defined below) at the Interest Rate (as defined below), such interest being payable in arrear (unless otherwise specified in the relevant Pricing Supplement) on each Note Payment Date (as defined below).

Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after judgment) at the Interest Rate in the manner provided in this Condition 6 to the Relevant Date (as defined below).

In the case of accrued interest on any Class of Notes other than the Most Senior Class of Notes (as defined in Condition 4(b) above) (or any accrued Note Step-Up Amount relating to the Most Senior Class of Notes), if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a), there are insufficient funds available to the Issuer to pay such accrued interest or such accrued Note Step-Up Amount, the Issuer's liability to pay such accrued interest or accrued Note Step-Up Amount will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred interest on a Sub-Class of Notes shall be payable *pari passu* and *pro rata* with deferred interest on all other Sub-Classes of Notes in that Class. Interest will accrue on such deferred interest at the rate otherwise payable on unpaid principal of such Notes.

In this Condition, "**Note Step-Up Amount**" means, in relation to any Sub-Class of Notes, the amount of the interest payable in respect thereof which represents an increase in Margin equal to the Note Step-Up Rate (in the case of Floating Rate Notes or, where Condition 6(f) (*Floating Rate Step-Up*) applies, Fixed Rate Notes, Indexed Notes or Zero Coupon Notes), from a specific date, as specified in the relevant Pricing Supplement; and "**Note Step-Up Rate**" means the rate specified in the relevant Pricing Supplement as such.

(b) *Business Day Convention*

If any date referred to in these Conditions or the relevant Pricing Supplement is specified to be subject to adjustment in accordance with a Business Day Convention and would otherwise fall on a day that is not a Business Day (as defined below), then if the Business Day Convention specified in the relevant Pricing Supplement is:

(i) the "**Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day;

(ii) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(iii) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day.

(c) *Floating Rate Notes*

Subject to Condition 6(f) (*Floating Rate Step-Up*) this Condition 6(c) is applicable only if the relevant Pricing Supplement specifies the Notes as Floating Rate Notes.

If "**Screen Rate Determination**" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Notes for each Note Interest Period will be determined by the Agent Bank (or the Calculation Agent, if applicable) on the following basis:

(i) if the Page (as defined below) displays a rate which is a composite quotation or customarily supplied by one entity, the Agent Bank (or the Calculation Agent, if applicable) will determine the Relevant Rate (as defined in Condition 6(j) (*Definitions*) below);

(ii) in any other case, the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the Relevant Rates (as defined in Condition 6(j) (*Definitions*) below) which appear on the Page as of the Relevant Time (as defined in Condition 6(j) (*Definitions*) below) on the relevant Interest Determination Date;

(iii) if, in the case of (i) above, such rate does not appear on that Page or, in the case of (ii) above, fewer than two such rates appear on that Page or if, in either case, the Page is unavailable, the Agent Bank (or the Calculation Agent, if applicable) will:

(a) request the principal Relevant Financial Centre office of each of the Reference Banks (as defined in Condition 6(j) (*Definitions*) below) to provide a quotation of the Relevant Rate at approximately the Relevant Time on the relevant Interest Determination Date to prime banks in the Relevant Financial Centre (as defined in Condition 6(j) (*Definitions*) below) interbank market (or, if appropriate, money market) in an amount that is representative for a single transaction in that market at that time; and

(b) determine the arithmetic mean of such quotations; and

(iv) if fewer than two such quotations are provided as requested in Condition 6(c)(iii), the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the rates (being the rates nearest to the Relevant Rate as determined by the Agent Bank (or the Calculation Agent, if applicable)) quoted by the Reference Banks at approximately 11.00 a.m. (local time in the Relevant Financial Centre of the Relevant Currency) on the first day of the relevant Note Interest Period (as defined in Condition 6(j) (*Definitions*) below) for loans in the Relevant Currency to leading European banks for a period equal to the relevant Note Interest Period and in the Representative Amount (as defined in Condition 6(j) (*Definitions*) below),

and the Interest Rate for such Note Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined. However, if the Agent Bank (or the Calculation Agent, if applicable) is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Note Interest Period, the Interest Rate applicable to the Notes during such Note Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Note Interest Period.

If "**ISDA Determination**" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate(s) applicable to the Notes for each Note Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Note Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions (as defined in Condition 6(j) (*Definitions*) below)) that would be determined by the Agent Bank (or the Calculation Agent, if applicable) under an interest rate swap transaction if the Agent Bank (or the Calculation Agent, if applicable) were acting as calculation agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Pricing Supplement;

(ii) the Designated Maturity (as defined in the ISDA Definitions) is the Specified Duration (as defined in Condition 6(j) (*Definitions*) below);

(iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (1) if the relevant Floating Rate Option is based on LIBOR for a currency, the first day of that Note Interest Period, (2) if the relevant Floating Rate Option is based on EURIBOR, the first day of that Note Interest Period or (3) in any other case, as specified in the relevant Pricing Supplement; and

(iv) all other terms are as specified in the relevant Pricing Supplement.

No interest shall be payable on any Class R Notes while held by the Issuer.

(d) *Fixed Rate Notes*

Subject to Condition 6(f) (*Floating Rate Step-Up*), this Condition 6(d) is applicable only if the relevant Pricing Supplement specifies the Notes as Fixed Rate Notes.

The Interest Rate applicable to the Notes for each Note Interest Period will be the fixed rate specified in the relevant Pricing Supplement.

(e) *Indexed Notes*

Subject to Condition 6(f) (*Floating Rate Step-Up*), this Condition 6(e) is applicable only if the relevant Pricing Supplement specifies the Notes as Indexed Notes.

Payments of principal on, and the interest payable in respect of, the Notes will be subject to adjustment for indexation as set out in Condition 7(b) (*Application of the Index Ratio*). The Interest Rate applicable to the Notes for each Note Interest Period will be at the rate specified in the relevant Pricing Supplement.

(f) *Floating Rate Step-Up*

This Condition 6(f) is applicable only if the relevant Pricing Supplement specifies the Floating Rate Step-Up as applicable.

From and including the Note Step-Up Date specified in the relevant Pricing Supplement, the Interest Rate in respect of any Sub-Class of Notes that are specified in the Pricing Supplement as Floating Rate Notes, Fixed Rate Notes, Indexed Notes or Zero Coupon Notes will be determined in accordance with the terms of Condition 6(c) (*Floating Rate Notes*), save that the Margin shall be increased by the Note Step-Up Rate specified in the Pricing Supplement.

(g) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in the Pricing Supplement):

(i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);

(ii) all figures will be rounded according to market convention; and

(iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes, "**unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(h) *Calculations*

The amount of interest payable in respect of any Note for each Note Interest Period shall be calculated by multiplying the product of the Interest Rate and the Principal Amount Outstanding of such Note during that Note Interest Period by the Day Count Fraction (as defined below) and, in the case of Indexed Notes only, adjusted according to the indexation set out in Condition 7(b) (*Application of the Index Ratio*), unless an Interest Amount is specified in respect of such period in the relevant Pricing Supplement, in which case the amount of interest payable in respect of such Note for such Note Interest Period will equal such Interest Amount.

(i) *Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts and Instalment Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Cash Manager or the Agent Bank (or the Calculation Agent, if applicable), as applicable, may be required to calculate any Redemption Amount or the amount of an instalment of scheduled principal (an "**Instalment Amount**"), in the case of the Cash Manager, or obtain any quote or make any determination or calculation, in the case of the Agent Bank (or the Calculation Agent, if applicable), the Agent Bank (or the Calculation Agent, if applicable) will determine the Interest Rate and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Specified Denomination of Notes for the relevant Note Interest Period (including, for the avoidance of doubt, any applicable Index Ratio to be calculated in accordance with Condition 7(b) (*Application of the Index Ratio*)) and obtain such quote or make such determination or calculation, as the case may be, and the Cash Manager shall calculate the Redemption Amount or Instalment Amount.

The Agent Bank will cause the Interest Rate and the Interest Amounts for each Note Interest Period and the relevant Note Payment Date and, if required to be calculated, the Redemption Amount, Principal Amount Outstanding or any Instalment Amount to be notified to, in the case of Bearer Notes, the Paying Agents or, in the case of Registered Notes, the Registrar and, in each case, the Note Trustee, the Issuer, the Noteholders and the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system by which the relevant Notes have then been admitted to listing, trading and/or quotation as soon as possible after its determination but in no event later than (i) (in case of notification to the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system on which the relevant Notes have then been admitted to listing, trading and/or quotation) the commencement of the relevant Note Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination.

The Interest Amounts and the Note Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Note Interest Period. Any such amendment will be promptly notified to the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system on which the relevant Sub-Class or Class of Notes are for the time being listed, traded and/or quoted or by which they have been admitted to listing, trading and/or quotation and to the Noteholders in accordance with Condition 16 (*Notices*). If the Notes become due and payable under Condition 11 (*Issuer Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously provided in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made unless otherwise required by the Note Trustee. The determination of each Interest Rate, Interest Amount, Redemption Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Agent Bank (or the Calculation Agent, if applicable), the Cash Manager or, as the case may be, the Note Trustee pursuant to this Condition 6 or Condition 7 (*Indexation*), shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Definitions*

In these Conditions and in the relevant Pricing Supplement, unless the context otherwise requires, the following defined terms shall have the meanings set out below.

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in London and each (if any) additional city or cities specified in the relevant Pricing Supplement; and

(ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London and each (if any) additional city or cities specified in the relevant Pricing Supplement.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting a Note Interest Period, the "**Calculation Period**"):

(i) if "**Actual/Actual (ISMA)**" is specified:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Period**" means the period from and including a Determination Date in any year but excluding the next Determination Date; and

"**Determination Date**" means the date specified as such in the Pricing Supplement or, if none is so specified, the Note Payment Date;

(ii) if "**Actual/365**" or "**Actual/Actual**" is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366, and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is specified, the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/360**" is specified, the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (1) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (2) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and

(vi) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the last day of such period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

"**euro**" means the lawful currency of the Participating Member States;

"**Interest Commencement Date**" means, in respect of any Sub-Class of Notes, the Issue Date or such other date as may be specified in the relevant Pricing Supplement;

"**Interest Determination Date**" means, with respect to an Interest Rate and a Note Interest Period in respect of any Sub-Class of Notes, the date specified as such in the relevant Pricing Supplement or, if none is so specified, the day falling two Business Days in London prior to the first day of such Note Interest Period (or if the specified currency is sterling the first day of such Note Interest Period) (as adjusted in accordance with any Business Day Convention (as defined above) specified in the relevant Pricing Supplement);

"**Interest Rate**" means, in respect of any Sub-Class of Notes, the rate of interest payable from time to time in respect of such Notes and which is either specified as such in, or calculated in accordance with the provisions of, these Conditions and/or the relevant Pricing Supplement;

"**ISDA Definitions**" means the 2000 ISDA Definitions (as amended and updated as at the date of issue of the first Series of Notes of the relevant Sub-Class as published by the International Swaps and Derivatives Association, Inc.);

"**Issue Date**" means, in respect of any Sub-Class of Notes, the date specified as such in the relevant Pricing Supplement;

"**Margin**" means, in respect of any Sub-Class of Floating Rate Notes, the rate per annum (or otherwise as specified in the relevant Pricing Supplement) (expressed as a percentage) specified as such in item 18(vii) of the relevant Pricing Supplement and, in relation to Fixed Rate Notes, Indexed Notes and Zero Coupon Notes, for the purposes of Condition 6(f), means the rate specified as such in item 19 of the relevant Pricing Supplement;

"**Maturity Date**" means, in respect of any Sub-Class of Notes, the date specified in the relevant Pricing Supplement as the final date on which the full principal amount of the Note is due and payable;

"**Note Interest Period**" means, in respect of any Sub-Class of Notes, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Note Payment Date and each successive period beginning on (and including) a Note Payment Date and ending on (but excluding) the next succeeding Note Payment Date;

"**Note Payment Dates**" means, in respect of any Sub-Class of Notes, the dates specified as such in the relevant Pricing Supplement;

"**Page**" means such page, section, caption, column or other part of a particular information service (including the Reuters Money 3000 Service ("**Reuters**") and the Telerate Monitor Screen ("**Telerate**")) as may be specified in the relevant Pricing Supplement, or such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

"**Participating Member State**" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty establishing the European Communities (as amended), and "**Participating Member States**" means all of them;

"**Principal Amount Outstanding**" means, at any date (a) in relation to a Note, the principal amount of that Note upon issue less any repayment of principal made to the Holder(s) thereof and plus (in the case of a Partly Paid Note) principal amounts received by the Issuer from the relevant Noteholder after the relevant Issue Date in respect thereof and (b) in relation to any Sub-Class or Class, the aggregate principal amount of all Notes in such Sub-Class or Class less any repayment of principal made to the Holder(s) thereof and plus (in the case of a Sub-Class or Class of Partly Paid Notes) principal amounts received by the Issuer from the relevant Noteholder after the relevant Issue Date in respect thereof, provided that, in the case of (b) for the purposes of Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*) only, it shall exclude those Notes (if any) which are for the time being held by (1) the Issuer, any Obligor or any Non-Restricted Group Entity, (2) any person for the benefit of the Issuer or any of its subsidiaries or holding companies or any subsidiaries of any of its holding companies or (3) any person who has failed to surrender for repurchase any Class R Note on any Note Payment Date (other than where the Issuer was not obliged to repurchase the same);

"**Redemption Amount**" means, in respect of any Sub-Class of Notes, the amount provided under Condition 8 (*Redemption, Purchase and Cancellation*), unless otherwise specified in the relevant Pricing Supplement;

"**Reference Banks**" means the institutions specified as such or, if none, four major banks selected by the Agent Bank (or the Calculation Agent, if applicable) in the interbank market (or, if appropriate, money market) which is most closely connected with the Relevant Rate as determined by the Agent Bank (or the Calculation Agent, if applicable), on behalf of the Issuer, in its sole and absolute discretion;

"**Relevant Currency**" means the currency specified as such or, if none is specified, the currency in which such Notes are denominated;

"**Relevant Date**" means, in respect of any Sub-Class of Notes, the earlier of (a) the date on which all amounts in respect of such Notes have been paid, and (b) five days after the date on which all of the Principal Amount Outstanding (adjusted in the case of Indexed Notes in accordance with Condition 7(b) (*Application of Index Ratio*)) has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*);

"**Relevant Financial Centre**" means, with respect to any Sub-Class of Notes, the financial centre specified as such in the relevant Pricing Supplement or, if none is so specified, the financial centre with which the Relevant Rate is most closely connected as determined by the Agent Bank (or the Calculation Agent, if applicable);

"**Relevant Rate**" means the offered rate for a Representative Amount of the Relevant Currency for a period (if applicable) equal to the Specified Duration (or such other rate as shall be specified in the relevant Pricing Supplement);

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Pricing Supplement or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Representative Amount**" means, with respect to any rate to be determined on an Interest Determination Date, the amount specified in the relevant Pricing Supplement as such or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

"**Specified Duration**" means, with respect to any Floating Rate (as defined in the ISDA Definitions) to be determined on an Interest Determination Date, the period or duration specified as such in the relevant Pricing Supplement or, if none is specified, a period of time equal to the relative Note Interest Period;

"**TARGET Settlement Day**" means any day on which the TARGET system is open; and

"**TARGET system**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer system.

(k) *Agent Bank, Calculation Agent and Reference Banks*

The Issuer will procure that there shall at all times be an Agent Bank (and a Calculation Agent, if applicable) and four Reference Banks selected by the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) with offices in the Relevant Financial Centre if provision is made for them in these Conditions applicable to this Note and for so long as it is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) will select another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Agent Bank (or the Calculation Agent, if applicable) is unable or unwilling to act as such or if the Agent Bank (or the Calculation Agent, if applicable) fails duly to establish the Interest Rate for any Note Interest Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint (with the prior written consent of the Note Trustee) a successor to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

(l) *Determination or Calculation by Note Trustee*

If the Agent Bank (or the Calculation Agent, if applicable) or the Cash Manager, as applicable, does not at any time for any reason determine any Interest Rate, Interest Amount, Redemption Amount, Instalment Amount or any other amount to be determined or calculated by it, the Note Trustee shall (without liability for so doing) determine such Interest Rate, Interest Amount, Redemption Amount, Instalment Amount or other amount as aforesaid at such rate or in such amount as in its absolute discretion (having regard as it shall think fit to the procedures described above, but subject to the terms of the Trust Deed) it shall deem fair and reasonable in all the circumstances or, subject as aforesaid, apply the foregoing provisions of this Condition, with any consequential amendments, to the extent that, in its sole opinion, it can do so and in all other respects it shall do so in such manner as it shall, in its absolute discretion, deem fair and reasonable in the circumstances, and each such determination or calculation shall be deemed to have been made by the Agent Bank (or the Calculation Agent, if applicable) or the Cash Manager, as applicable.

(m) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of Condition 6 (*Interest and Other Calculations*), whether by the Principal Paying Agent, the Agent Bank

(or the Calculation Agent, the Note Trustee or the Cash Manager, if applicable), shall (in the absence of wilful default, negligence, bad faith or manifest error) be binding on the Issuer, the Agent Bank, the Note Trustee, the Cash Manager, the Principal Paying Agent, the other Agents and all Noteholders, Receiptholders, Couponholders and other Issuer Secured Creditors and (in the absence as aforesaid) no liability to the Issuer, the Note Trustee, the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent, the Cash Manager, the Agent Bank or, if applicable, any Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(n) *Interest on Dual Currency Notes*

The rate or amount of interest payable in respect of Dual Currency Notes shall be determined in the manner specified in the applicable Pricing Supplement.

(o) *Interest on Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

7. **Indexation**

This Condition 7 is applicable only if the relevant Pricing Supplement specifies the Notes as Indexed Notes.

(a) *Definitions*

"**affiliate**" means, in relation to any person, any entity controlled, directly or indirectly, by that person, any entity that controls, directly or indirectly, that person or any entity, directly or indirectly, under common control with that person and, for this purpose, "**control**" means control as defined in the Companies Act 1985;

"**Base Index Figure**" means (subject to Condition 7(c)(i) (*Change in base*)) the base index figure as specified in the relevant Pricing Supplement;

"**Index**" or "**Index Figure**" means, subject as provided in Condition 7(c)(i) (*Change in base*), unless otherwise specified in the relevant Pricing Supplement, the UK Retail Price Index (RPI) (for all items) published by the Office for National Statistics (January 1987 — 100) or any comparable index which may replace the UK Retail Price Index for the purpose of calculating the amount payable on repayment of the Reference Gilt. Any reference to the Index Figure applicable to a particular month shall, subject as provided in Condition 7(c) (*Changes in Circumstances Affecting the Index*) and 7(e) (*Cessation of or Fundamental Changes to the Index*), be construed as a reference to the Index Figure published in the seventh month prior to that particular month and relating to the month before that of publication. If the Index is replaced, the Issuer will describe the replacement Index in a supplementary offering circular;

"**Index Ratio**" applicable to any month means the Index Figure applicable to such month divided by the Base Index Figure;

"**Limited Index Ratio**" means (a) in respect of any month prior to the relevant Issue Date (as defined in Condition 6(j) (*Definitions*)), the Index Ratio for that month; (b) in respect of any Limited Indexation Month after the relevant Issue Date, the product of the Limited Indexation Factor for that month and the Limited Index Ratio as previously calculated in respect of the month twelve months prior thereto; and (c) in respect of any other month, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month;

"**Limited Indexation Factor**" means, in respect of a Limited Indexation Month, the ratio of the Index Figure applicable to that month divided by the Index Figure applicable to the month twelve months prior thereto, **provided that** (a) if such ratio is greater than the Maximum Indexation Factor specified in the relevant Pricing Supplement, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor specified in the relevant Pricing Supplement, it shall be deemed to be equal to such Minimum Indexation Factor;

"**Limited Indexation Month**" means any month specified in the relevant Pricing Supplement for which a Limited Indexation Factor is to be calculated;

"**Limited Indexed Notes**" means Indexed Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the relevant Pricing Supplement) applies; and

"**Reference Gilt**" means the index-linked Treasury Stock specified as such in the relevant Pricing Supplement for so long as such stock is in issue, and thereafter such issue of index-linked Treasury Stock determined to be appropriate by a gilt-edged market maker or other adviser selected by the Issuer and approved by the Note Trustee (an "**Indexation Adviser**").

(b) *Application of the Index Ratio*

Each payment of interest and principal in respect of the Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month in which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(c) *Changes in Circumstances Affecting the Index*

(i) *Change in base*: If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the calendar month from and including that in which such substitution takes effect (1) the definition of "**Index**" and "**Index Figure**" in Condition 7(a) (*Definitions*) shall (unless otherwise specified in the relevant Pricing Supplement) be deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date or month as may have been substituted therefor), and (2) the new Base Index Figure shall be the product of the existing Base Index Figure (specified in the relevant Pricing Supplement) and the Index Figure immediately following such substitution, divided by the Index Figure immediately prior to such substitution.

(ii) *Delay in publication of Index*: If the Index Figure which is normally published in the seventh month and which relates to the eighth month (the "**relevant month**") before the month in which a payment is due to be made is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable to the month in which the date for payment falls shall be (1) (unless otherwise specified in the relevant Pricing Supplement) such substitute index figure (if any) as the Note Trustee considers to have been published by the Bank of England for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser (and approved by the Note Trustee) or (2) if no such determination is made by such Indexation Adviser within 7 days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(c)(i) (*Change in base*)) before the date for payment.

(d) *Application of Changes*

Where the provisions of Condition 7(c)(ii) (*Delay in publication of Index*) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls shall be conclusive and binding. If, where an Index Figure has been applied pursuant to Condition 7(c)(ii)(2), the Index Figure relating to the relevant month is subsequently published while a Note is still outstanding, then:

(i) in relation to a payment of principal or interest in respect of such Note other than upon final redemption of such Note, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced by an amount equal to (respectively) the shortfall or excess of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 7(c)(ii)(2), below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and

(ii) in relation to a payment of principal or interest upon final redemption, no subsequent adjustment to amounts paid will be made.

(e) *Cessation of or Fundamental Changes to the Index*

(i) If (1) the Note Trustee has been notified by the Agent Bank (or the Calculation Agent, if applicable) that the Index has ceased to be published or (2) any change is made to the coverage or the basic calculation of the Index which constitutes a fundamental

change which would, in the opinion of the Note Trustee acting solely on the advice of an Indexation Adviser, be materially prejudicial to the interests of the relevant Noteholders, the Note Trustee will give written notice of such occurrence to the Issuer, and the Issuer and the Note Trustee together shall seek to agree for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made.

(ii) If the Issuer and the Note Trustee fail to reach agreement as mentioned above within 20 business days following the giving of notice as mentioned in paragraph (i), a bank or other person in London shall be appointed by the Issuer and the Note Trustee or, failing agreement on the making of such appointment within 20 business days following the expiry of the 20 business day period referred to above, by the Note Trustee (in each case, such bank or other person so appointed being referred to as the "**Expert**"), to determine for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as an expert and not as an arbitrator and all fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Note Trustee in connection with such appointment shall be borne by the Issuer.

(iii) The Index shall be adjusted or replaced by a substitute index as agreed by the Issuer and the Note Trustee or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, and references in these Conditions to the Index and to any Index Figure shall be deemed amended in such manner as the Note Trustee and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the other Issuer Secured Creditors, the Note Trustee and the Noteholders, and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (*Notices*) of such amendments as promptly as practicable following such notification.

8. **Redemption, Purchase and Cancellation**

(a) *Scheduled Partial and Final Redemption*

Unless previously redeemed, or purchased and cancelled as provided below, each Note will be redeemed at its Principal Amount Outstanding (in the case of Indexed Notes as adjusted in accordance with Condition 7(b) (*Application of the Index Ratio*)) on the date or dates (or, in the case of Floating Rate Notes, on the Note Payment Date(s)) specified in the relevant Pricing Supplement plus accrued but unpaid interest (other than in the case of Zero Coupon Notes) and, in the case of Indexed Notes, as adjusted in accordance with Condition 7(b) (*Application of the Index Ratio*).

(b) *Optional Redemption*

Subject as provided below, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and all of the Noteholders in accordance with Condition 16 (*Notices*), the Issuer may (prior to the Maturity Date) redeem any Sub-Class of the Notes in whole or in part (but on a *pro rata* and *pari passu* basis only) on any day at their Redemption Amount (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Pricing Supplement) as follows:

(i) in respect of Fixed Rate Notes, the Redemption Amount will, unless otherwise specified in the relevant Pricing Supplement, be an amount equal to the higher of (i) the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser nominated by the Issuer and approved by the Note Trustee) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the Notes on the Relevant Date (as defined below) is equal to the Redemption Rate (as defined

below), plus, in either case, accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption, provided that, in any case where Condition 6(f) (*Floating Rate Step-Up*) applies, from and including the date which is two years prior to the Maturity Date specified in the relevant Pricing Supplement, the Redemption Amount shall be equal to the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed plus accrued but unpaid interest on such amount to (but excluding) the date of redemption.

For the purposes of this Condition 8(b)(i): "**Redemption Rate**" means the Relevant Swap Mid Curve Rate or, if the Relevant Swap Mid Curve Rate is not able to be determined, such rate as may be approved by the Note Trustee; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute and Faculty of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Note Trustee may approve; "**Relevant Date**" means the date which is two Business Days prior to the publication or dispatch of the notice of redemption under this Condition 8(b); "**Relevant Swap Mid Curve Rate**" means the mid-point of the bid-side and offer-side rates for the fixed leg of a hypothetical interest rate swap with a notional profile equal to the semi-annual interest that would be payable on the relevant Sub-Class of Notes to be redeemed, with the same payment dates as the relevant Notes, against a floating leg of Six Month Sterling LIBOR with no spread, where such hypothetical interest rate swap is between two highly-rated (AA- or equivalent or higher) and fully collateralised market counterparties (the Relevant Swap Mid Curve Rate shall be determined by a financial adviser (nominated by the Issuer and approved by the Note Trustee) using its standard valuation methodology as at the date of calculation) as at or about 11.00 a.m. (London time) on such Relevant Date; and "**Six Month Sterling LIBOR**" means the rate of interest for six month sterling deposits as determined as at or about 11.00 a.m. (London time) on the Relevant Date by reference to the display designated as the British Bankers Association LIBOR Rates as quoted on the Telerate Monitor as Telerate Screen No. 3750 or such other page as may replace Telerate Screen No. 3750 on that service for the purposes of displaying such information; or if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Note Trustee) as may replace the Telerate Monitor);

(ii) in respect of Floating Rate Notes, the Redemption Amount will, unless otherwise specified in the relevant Pricing Supplement, be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Pricing Supplement) plus any accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption;

(iii) in respect of Indexed Notes, the Redemption Amount will be that specified in the relevant Pricing Supplement; and

(iv) in respect of Zero Coupon Notes, the Redemption Amount will (unless otherwise specified in the relevant Pricing Supplement) be an amount equal to the sum of:

(A) the Reference Price; and

(B) the product of the Accrual Yield (compounded annually) and the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption,

and where such calculation is to be made for a period which is less than a full year, such calculation shall be made on the basis of the Day Count Fraction specified in the Pricing Supplement for the purposes of this Condition 8(b)(iv) or, if none is so specified, a Day Count Fraction of 30/360, plus accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption.

In this Condition 8(b)(iv), "**Accrual Yield**" and "**Reference Price**" have the meanings given to them in the relevant Pricing Supplement.

In any such case:

(1) prior to giving any notice of redemption under this Condition 8(b), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer that it will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date; and

(2) where Condition 6(f) (*Floating Rate Step-Up*) applies, any date of redemption falling on or after the Note Step-Up Date shall be required to be a Note Payment Date.

(c) *Optional Redemption as Result of REITs Event*

Following the satisfaction of all conditions precedent in respect of a REITs Event, the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and all of the Noteholders in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Notes in whole on any day at a Redemption Amount to be determined in accordance with Condition 8(b)(i), (ii), (iii) or (iv), as applicable, plus accrued but unpaid interest (if applicable) on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption, except that, where the Notes are Fixed Rate Notes, for the purposes of the calculation of the Redemption Amount, the Redemption Rate shall be equal to the sum of Relevant Swap Mid Curve Rate and the Relevant REIT Redemption Spread.

Before giving any notice of redemption under this Condition 8(c), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(c) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(c), the "**Relevant REIT Redemption Spread**" means (i) in respect of any Sub-Class of Notes with an unexpired maturity greater than 12 years, 0.20 per cent per annum, (ii) in respect of any Sub-Class of Notes with an unexpired maturity greater than 5 years but less than 12 years, 0.125 per cent per annum and (iii) in respect of any Sub-Class of Notes with an unexpired maturity less than 5 years, 0.00 per cent per annum provided that, where any Sub-Class of Notes is a Sub-Class in respect of which there is a Note Step-Up Date, the maturity date for such Sub-Class of Notes shall be deemed, for the purposes of this Condition 8(c), to be that Note Step-Up Date.

(d) *Optional Redemption as Result of Ratings Event*

Following the satisfaction of all conditions precedent in respect of a Ratings Event, the Issuer may seek to exercise its option to redeem the Notes by notifying the holders of each Sub-Class of Notes in accordance with Condition 16 of the occurrence of such Ratings Event and its intention to redeem the Notes if a Noteholders' Affirmation (as defined below) is passed. The Issuer shall also convene a meeting of each such Sub-Class to take place at least 21 days following such notification. If at such meeting 75% or more by Principal Amount Outstanding of the Noteholders of the relevant Sub-Class of Notes vote in favour of such redemption on a specified date (a "**Noteholders' Affirmation**"), then the Issuer shall redeem such Sub-Class of Notes in whole (but not in part) on that date (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Pricing Supplement). If at such meeting, less than 75% of the Noteholders of the relevant Sub-Class vote in favour of such redemption, then the Issuer shall not redeem any of the Notes of such Sub-Class.

Any redemption under this Condition 8(d) will be made (I) if the Notes are not Fixed Rate Notes, at the Redemption Amount determined in accordance with Condition 8(b)(ii), (iii) or (iv) or (II) if the Notes are Fixed Rate Notes, at a Redemption Amount equal to the higher of (i) their Principal Amount Outstanding and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser selected by the Issuer and approved by the Note Trustee) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield (as defined below) on such Notes on the Reference Date (as defined below) is equal to the sum of (a) Gross Redemption Yield

at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt (as defined below) and (b) the Issue Spread for the relevant Notes (as per the relevant Pricing Supplement), in each case plus accrued but unpaid interest on the Principal Amount Outstanding to (but excluding) the date of redemption.

Before giving any notification under this Condition 8(d), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(d): the "**Issue Spread**" shall be the spread on the relevant Class of Notes as specified in the relevant Pricing Supplement; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Note Trustee may approve; "**Reference Date**" means the date which is two Business Days prior to the dispatch of the notice of redemption under this Condition 8(d); and "**Reference Gilt**" means the Treasury Stock specified in the relevant Pricing Supplement while that stock is in issue, and thereafter such UK government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market (selected by the Issuer and approved by the Note Trustee), determine to be appropriate.

(e) *Optional Redemption for Index Event or Taxation Reasons*

(i) *Optional Redemption for Index Events*: Upon the occurrence of any Index Event (as defined below), the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on any day at the Redemption Amount specified in relation to such Notes in the relevant Pricing Supplement, together with accrued but unpaid interest on the Principal Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs. Before giving any notice of redemption under this Condition 8(e)(i), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(e)(i) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(e), "**Index Event**" means (i) if the Index Figure for three consecutive months is to be determined on the basis of an Index Figure previously published as provided in Condition 7(c)(ii) (*Delay in publication of Index*) and the Issuer has been notified by the Principal Paying Agent that publication of the Index has ceased or (ii) notice is published by Her Majesty's Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt (as defined in Condition 7(a) (*Definitions*) above), and (in either case) no amendment or substitution of the Index has been advised by the Indexation Adviser to the Issuer and such circumstances are continuing.

(ii) *Optional Redemption for Taxation Reasons*: If at any time the Issuer satisfies the Note Trustee that (a) the Issuer would, on the next Note Payment Date, be obliged to deduct or withhold from any payment of interest or principal in respect of the Notes (other than in respect of default interest), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) or (b) FinCo would, on or about the next interest payment date under the Intercompany Loan Agreement, be obliged to increase

any sum payable by it to the Issuer under the Intercompany Loan Agreement as a result of FinCo being required to deduct or withhold any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) from that payment, then the Issuer may, upon giving not more than 60 days nor less than 30 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Notes on any date at their Principal Amount Outstanding plus accrued but unpaid interest thereon to (but excluding) the date of redemption (adjusted, in the case of Indexed Notes, in accordance with Condition 7(b) (*Application of the Index Ratio*)) without premium or penalty. Before giving any notice of redemption under this Condition 8(e)(ii), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(e)(ii) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(f) *Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*

If the Issuer receives (or is to receive) any monies (a) pursuant to the Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments or the Security Group Post-Enforcement (Post-Acceleration) Priority of Payments, (b) pursuant to the exercise of the P1 ICL Call Option (as defined in the Security Trust and Intercreditor Deed) or (c) other than in accordance with Condition 8(b) (*Optional Redemption*), 8(c) (*Optional Redemption as Result of REITs Event*), 8(d) (*Optional Redemption as Result of Ratings Event)* or 8(e) (*Optional Redemption for Index Event or Taxation Reasons*) above, in Prepayment of all or any ICL Loan under the Intercompany Loan Agreement, the Issuer shall, upon giving not more than 30 nor less than 10 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all of the Notes of the relevant Sub-Class of Notes on their next respective Note Payment Dates at their Principal Amount Outstanding plus accrued but unpaid interest to (but excluding) the date of redemption or (where part only of such ICL Loan has been Prepaid) the proportion of the relevant Sub-Class of Notes which the prepayment amount bears to the amount of the relevant ICL Loan. Before giving any notice of redemption under this Condition 8(f), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer stating that the Issuer is required to effect such redemption under this Condition 8(f) and setting forth a statement of facts showing that the conditions precedent to the obligation of the Issuer so to redeem have been satisfied.

(g) *Purchase of Notes (other than Class R Notes) by the Issuer*

The Issuer may not at any time purchase any of the Notes (other than Class R Notes in accordance with Condition 8(i) (*Issue, repurchases and resales of Class R Notes by Issuer*)).

(h) *Purchase of Notes by FinCo and other Obligors*

FinCo and any of the other Obligors (provided that such Obligor is ordinarily resident in the United Kingdom for United Kingdom tax purposes) may at any time purchase Notes of any Class in accordance with applicable law and the provisions of the Common Terms Agreement. Any Notes purchased by FinCo may, at the option of FinCo, be surrendered to the Issuer. Upon surrender of any such Note (other than a Class R Note), the Note will be cancelled.

If not all the Registered Notes are to be purchased, upon surrender of the existing Individual Note Certificate, the Registrar shall forthwith upon the written request of the Noteholder concerned issue a new Individual Note Certificate in respect of the Notes which are not to be purchased and despatch such Individual Note Certificate to the Noteholder (at the risk of the Noteholder and to such address as the Noteholder may specify in such request).

(i) *Issue, repurchases and resales of Class R Notes by Issuer*

(i) After the Exchange Date, the Issuer may enter into a Class R Underwriting Agreement (as defined below) and issue Class R1 Notes and Class R2 Notes, in which case it may use the proceeds from the issue of the Class R Notes immediately to repurchase (but not cancel) such Class R Notes. The Issuer may only issue Class R Notes if it enters into a Class R Underwriting Agreement and if the aggregate nominal amount of Class R1 Notes issued is equal to the aggregate nominal amount of Class R2 Notes issued.

(ii) The Issuer will (save to the extent that Condition 8(i)(iii) applies and save where an Issuer Event of Default or a Potential Issuer Event of Default is outstanding) on any Note Payment Date falling on or prior to the Note Payment Date falling on or before the last day of the period agreed as being the period throughout which the underwriters will be bound to repurchase from the Issuer any Class R Notes (the "**Underwriting Period**") repurchase all Class R Notes outstanding on each Note Payment Date at a price which is equal to their Principal Amount Outstanding, plus accrued but unpaid interest to (but excluding) the date of repurchase. The Issuer may at its option cancel, hold or resell all or any of the Class R Notes so purchased (or purchased by FinCo and surrendered to the Issuer pursuant to Condition 8(h) (*Purchase of Notes by FinCo and other Obligors*) above) provided that it shall not on any Note Payment Date resell, or procure the resale of, more than 50 per cent of the aggregate Principal Amount Outstanding of the Class R Notes or cancel Class R Notes such that the aggregate nominal amount of Class R1 Notes then outstanding and the aggregate nominal amount of Class R2 Notes then outstanding is unequal.

(iii) Notwithstanding the provisions of Condition 8(i)(ii), the Issuer shall not, during the Underwriting Period, be obliged to repurchase from holders any Class R Notes in respect of which it holds insufficient funds to effect such repurchase in accordance with Condition 8(i)(ii), if such insufficiency arises as a result of the Class R Underwriters not being obliged to repurchase Class R Notes from the Issuer to finance such repurchase from holders by the Issuer, or as a result of any Class R Underwriter failing to honour its commitment under the Class R Underwriting Agreement to purchase Class R Notes from the Issuer. The Class R Notes to be repurchased on a Note Payment Date, in respect of which there are insufficient funds to effect such repurchase in full, shall be repurchased *pro rata* from the holders of the Class R Notes using such funds as are available for such purpose pursuant to the Issuer Pre-Enforcement Priority of Payments.

(iv) If, by virtue of the operation of Condition 8(i)(iii), the Issuer is not obliged to repurchase all the Class R Notes on any Note Payment Date, the Issuer shall, as soon as reasonably practicable after becoming aware that it will not be repurchasing such Class R Notes by virtue of the operation of Condition 8(i)(iii) (and, in any event, by no later than 11.00 a.m. on the Note Payment Date upon which it would otherwise have repurchased such Class R Notes), give notice to the Class R Noteholders, the Note Trustee, the Rating Agencies and the Principal Paying Agent, in accordance with the provisions of Condition 16 (*Notices*), specifying the amount of Class R Notes which will not be repurchased on such Note Payment Date.

(v) Any Class R Notes held by or on behalf of the Issuer at the close of business on the Note Payment Date falling at the end of the Underwriting Period shall be cancelled and any Class R Notes purchased by the Issuer on or after such Note Payment Date shall be cancelled immediately upon such repurchase.

(vi) *Definition of "Class R Underwriting Agreement"*

A Class R Underwriting Agreement shall mean an underwriting agreement entered into with underwriters whose short-term and long-term ratings are at least equal to the Minimum Short Term Ratings and the Minimum Long Term Ratings (each as defined in or for the purposes of the Common Terms Agreement) from each of the Rating Agencies rating the Class R Notes pursuant to which:

(1) such underwriters agree during the Underwriting Period to purchase and repurchase from the Issuer on request all or any Class R Notes then in issue on (subject to (2) below in the case of certain repurchases) such terms as are agreed between them;

(2) the only condition that may apply to the repurchase of Class R Notes by the underwriters up to a maximum aggregate nominal amount not exceeding that of all Class R Notes then in circulation shall be that no Issuer Event of Default or Potential Issuer Event of Default shall have occurred and be continuing; and

(3) if (but for any Obligor Event of Default or Potential Obligor Event of Default, as defined in the Common Terms Agreement) FinCo would be obliged under the Common Terms Agreement to refinance, in whole or in part, any ICL Loan (as defined in or for the purposes of the Common Terms Agreement) corresponding to any Class R1 Notes under the Intercompany Loan Agreement (which corresponds to any Class R1 Notes) with another ICL Loan from the Issuer (which is to be financed by the repurchase price payable by the underwriters for Class R2 Notes), the underwriters are obliged (subject only to (2) above, and notwithstanding any Obligor Event of Default or Potential Obligor Event of Default) to repurchase Class R2 Notes from the Issuer in an amount sufficient to finance the making of such ICL Loan.

(vii) *Maturity of Class R Notes*

Subject to satisfying the Ratings Test, the Class R Notes may mature on a date falling after the end of the Underwriting Period, as specified in the relevant Pricing Supplement.

(j) *Redemption of Instalment Notes*

Unless previously redeemed, purchased and cancelled as provided in this Condition 8 (*Redemption, Purchase and Cancellation*), each Note specified as an Instalment Note will be partially redeemed on each specified Instalment Date and at the specified Instalment Amount. In the case of early redemption, the Redemption Amount of such Instalment Note will be determined pursuant to Conditions 8(b) (*Optional Redemption*), 8(c) (*Optional Redemption as Result of REITs Event*), 8(d) (*Optional Redemption as Result of Ratings Event*), 8(e) (*Optional Redemption for Index Event or Taxation Reasons*) and 8(f) (*Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*) above, as applicable.

(k) *Redemption of Partly Paid Notes*

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of Conditions 8(b) (*Optional Redemption*), 8(c) (*Optional Redemption as Result of REITs Event*), 8(d) (*Optional Redemption as Result of Ratings Event*), 8(e) (*Optional Redemption for Index Event or Taxation Reasons*) and 8(f) (*Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*) and the applicable Pricing Supplement.

(l) *Cancellation*

In respect of all Notes redeemed by the Issuer, the Bearer Notes or the Registered Notes shall be surrendered to or to the order of the Principal Paying Agent or the Registrar, as the case may be, for cancellation and, if so surrendered, will be cancelled forthwith (together with, in the case of Bearer Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(m) *Subordination of principal*

In the case of principal on any Class of Notes other than the Most Senior Class of Notes, if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a), there are insufficient funds available to the Issuer in accordance with the Issuer Payment Priorities to pay such principal due, the Issuer's liability to pay such principal will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred principal on a

Sub-Class of Notes shall be payable *pro rata* and *pari passu* with deferred principal on all other Sub-Classes of Notes in such Class. Interest will accrue on such deferred principal at the rate otherwise payable on unpaid principal of such Notes.

9. **Payments**

(a) *Bearer Notes*

Payments to the Noteholders of principal (or, as the case may be, Redemption Amounts or other amounts payable on redemption) and interest (or, as the case may be, Interest Amounts) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payment of Instalment Amounts other than on the due date for final redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 9(f) (*Unmatured Coupons and Receipts and Unexchanged Talons*)) or Coupons (in the case of interest, save as specified in Condition 9(f) (*Unmatured Coupons and Receipts and Unexchanged Talons*)), as the case may be, at the specified office of any Paying Agent outside the United States of America by transfer to an account denominated in the currency in which such payment is due which is maintained by the payee with, or (in the case of Notes in definitive form only) a cheque payable in that currency drawn on, a bank in the Relevant Financial Centre.

(b) *Registered Notes*

Payments of principal (or, as the case may be Redemption Amounts or other amounts payable on redemption) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the fifteenth day before the due date for any such payment (the "**Record Date**"), by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with, a bank in the Relevant Financial Centre upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

Payments of interest (or, as the case may be Interest Amounts) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the relevant Record Date, by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with, a bank in the Relevant Financial Centre and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

(c) *Payments in the United States of America*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

(i) the Issuer shall have appointed Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due;

(ii) payment in full of such amounts at all such offices outside the United States of America is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and

(iii) such payment is then permitted by the law of the United States of America, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of this Condition 9. No commission or expenses shall be charged to the Noteholders, Couponholders or Receiptholders (if any) in respect of such payments.

(e) *Appointment of the Agents*

The Paying Agents, the Agent Bank, the Transfer Agents and the Registrar appointed by the Issuer (and their respective specified offices) are listed in the Agency Agreement. Any Calculation Agent will be listed in the relevant Pricing Supplement and will be appointed pursuant to a Calculation Agency Agreement. The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right, with the prior written consent of the Note Trustee at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, provided that the Issuer will at all times maintain (i) a Principal Paying Agent (in the case of Bearer Notes), (ii) a Registrar (in the case of Registered Notes), (iii) an Agent Bank or Calculation Agent (as specified in the relevant Pricing Supplement) (in the case of Floating Rate Notes or Indexed Notes), (iv) if European Union Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 is brought into force, a Paying Agent in an EU member state that does not impose a requirement to withhold or deduct any amount for or on account of any Tax pursuant to that Directive or any law implementing or complying with, or introduced in order to conform to, that Directive (if such an EU member state exists); and (v) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent, Transfer Agent or Registrar in any particular place, a Paying Agent, Transfer Agent and/or Registrar, as applicable, having its specified office in the place required by such listing authority, stock exchange and/or quotation system, which, while any Notes are admitted to trading on the Irish Stock Exchange, shall be in Ireland. Notice of any such variation, termination or appointment will be given in accordance with Condition 16 (*Notices*).

(f) *Unmatured Coupons and Receipts and Unexchanged Talons*

(i) Subject to the provisions of the relevant Pricing Supplement, upon the due date for redemption of any Note which is a Bearer Note (other than a Fixed Rate Note, unless it has all unmatured Coupons attached), unmatured Coupons and Receipts relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the date for redemption of any Note, any unmatured Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iii) Upon the due date for redemption of any Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(iv) Where any Note, which is a Bearer Note and is a Fixed Rate Note, is presented for redemption without all unmatured Coupons and any unexchanged Talons relating to it, a sum equal to the aggregate amount of the missing unmatured Coupons will be deducted from the amount of principal due for payment and redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption of any Note is not a Note Payment Date, interest accrued from the preceding Note Payment Date or the Interest Commencement Date, as the case may be, or the Interest Amount payable on such date for redemption shall only be payable against presentation (and surrender if appropriate) of the relevant Note and Coupon.

(g) *Non-Business Days*

Subject as provided in the relevant Pricing Supplement, if any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, ''**business day**'' means a day (other than a Saturday or a Sunday) on which banks are open for presentation and payment of debt securities and for dealings in foreign currency in London and in the relevant place of presentation and in the cities referred to in the definition of Business Days and (in the case of a payment in a currency other than euro), where payment is to be made by transfer to an

account maintained with a bank in the relevant currency, on which dealings may be carried on in the relevant currency in the principal financial centre of the country of such currency and, in relation to any sum payable in euro, a TARGET Settlement Day.

(h) *Talons*

On or after the Note Payment Date for the final Coupon or Receipt forming part of a coupon or receipt sheet issued in respect of any Note, the Talon forming part of such coupon or receipt sheet may be surrendered at the specified office of any Paying Agent in exchange for a further coupon or receipt sheet (and if necessary another Talon for a further coupon or receipt sheet but excluding any Coupons or Receipts which may have become void pursuant to Condition 13 (*Prescription*)).

10. **Taxation**

All payments in respect of the Notes, Receipts and Coupons will be made (whether by the Issuer, any Paying Agent, the Registrar or the Note Trustee) without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, any Paying Agent or the Registrar or, where applicable, the Note Trustee is required by applicable law to make such a withholding or deduction. In that event, the Issuer, such Paying Agent, the Registrar or the Note Trustee, 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. None of the Issuer, any Paying Agent, the Registrar or the Note Trustee will be obliged to make any additional payments to the Noteholders, Receiptholders or the Couponholders in respect of such withholding or deduction.

11. **Issuer Events of Default**

(a) *Default Events*

If an Issuer Event of Default (as defined below) occurs and is continuing, then the Note Trustee may, at its discretion, at any time (in accordance with the provisions of the Trust Deed), having certified (in the case of Condition 11(a)(ii)) in writing that in its opinion the happening of such event is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and shall, upon the Note Trustee being (i) so requested in writing by holders of at least one quarter in principal amount of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*)) of the holders of the Most Senior Class of Notes then outstanding and (ii) indemnified and/or secured to its satisfaction, give notice (a "**Note Enforcement Notice**") to the Issuer and the Noteholders declaring the Notes to be immediately due and repayable.

Each of the following will constitute an "**Issuer Event of Default**" under the Notes:

(i) if default is made for a period of six days in the payment of any sum due in respect of the Most Senior Class of Notes then outstanding (or any Sub-Class of them) (other than the payment of any Note Step-Up Amount); or

(ii) if the Issuer fails to perform or observe any of its obligations (other than payment obligations referred to in (i) above) under the Notes (including these Conditions) or the Issuer Transaction Documents and, if the Note Trustee considers that such default can be remedied, such failure continues for a period of 30 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or

(iii) if any order is made by any competent court or any resolution passed for the winding up or dissolution of the Issuer (or any analogous proceedings) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Note Trustee or sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding; or

(iv) if (other than as referred to in (v) below) (1) any other proceedings are initiated against the Issuer under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws and such proceedings are not being disputed in good faith, (2) an administrative receiver or other receiver, administrator or other similar official is appointed in relation to the Issuer or in relation to, in the opinion

of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer, (3) an encumbrancer (other than the Note Trustee) takes possession of, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer or (4) a distress or execution or other process is levied or enforced upon or sued out against, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases (other than in relation to the circumstances described in (2) where no grace period shall apply) such order, appointment, possession or process (as the case may be) is not discharged or stayed or does not cease to apply within 14 days; or

(v) if the Issuer or its directors (or any of them) initiates or consents to judicial proceedings relating to itself (except for the purposes of any amalgamation, merger, consolidation, reorganisation or other similar arrangement referred to in paragraph (iii) above) (including, without limitation, the giving of notice of intention to appoint an administrator or the filing of an application for administration by the Issuer or any of the directors of the Issuer) under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally; or

(vi) if the Issuer becomes unable to pay its debts as they fall due or is adjudicated or found bankrupt.

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

Upon delivery of a Note Enforcement Notice in accordance with Condition 11(a) (*Default Events*) above, all Classes of the Notes then outstanding 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 Deed of Charge.

(c) *Confirmation of no Issuer Event of Default*

The Issuer shall provide written confirmation to the Note Trustee, on an annual basis, that no Issuer Event of Default has occurred.

12. **Enforcement Against Issuer**

No Noteholder is entitled to take any action against the Issuer or any assets of the Issuer to enforce its rights in respect of the Notes or to enforce any of the Issuer Security. The Note Trustee will act (subject to Condition 4(e) (*Enforcement of Security*)) on the instructions of the holders of the Most Senior Class of Notes then outstanding and the Note Trustee shall not be bound to take any such action unless it is indemnified and/or secured to its satisfaction against all fees, costs, expenses, liabilities, claims and demands to which it may thereby become liable or which it may incur by so doing.

Neither the Note Trustee nor the Noteholders may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Issuer Deed of Charge and subject to the Trust Deed) or other proceeding under any similar law for so long as any Notes are outstanding or for two years and a day after the latest Maturity Date on which any Note of any Series is due to mature.

13. **Prescription**

Claims against the Issuer for payment in respect of the Notes, Receipts or Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 6(j) (*Definitions*)) in respect thereof.

14. **Replacement of Notes, Coupons, Receipts and Talons**

If any Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and requirements of the Irish Stock Exchange or any other relevant exchange on which Notes are listed (in the case of listed Notes) (and each other listing authority, stock exchange and or quotation system upon which the relevant Notes have then been admitted to listing, trading and/or quotation), at the specified office of

the Principal Paying Agent or, as the case may be, the Registrar 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 require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15. **Meetings of Noteholders, Modification, Waiver and Substitution**

(a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of the Noteholders (in addition to a meeting of Noteholders held pursuant to Condition 8(d) (*Optional Redemption as Result of Ratings Event*)) to consider any matter affecting their interests, including the modification of the Notes, the Receipts, the Coupons or any of the provisions of the Trust Deed and any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement, save insofar as they relate to the Issuer) to which the Note Trustee is a party or over which it has security. Any modification may (subject to the other terms of this Condition 15(a)) be made if sanctioned by a resolution passed at a meeting or meetings of the relevant Noteholders duly convened and held in accordance with the Trust Deed and these Conditions by a majority of not less than $66^{2}/_{3}$ per cent of the votes cast (an "**Extraordinary Resolution**") at such meeting or meetings. Such a meeting may be convened by the Note Trustee or the Issuer, and shall be convened by the Issuer upon the request in writing of the relevant Noteholders holding not less than one-tenth in nominal amount of the relevant Notes for the time being outstanding.

The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent (or 75 per cent in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification (as defined in the Security Trust and Intercreditor Deed) (save as regards any meeting convened by the Issuer pursuant to Condition 8(d) (*Optional Redemption as Result of Ratings Event*)) in respect of the Notes and the other Transaction Documents) in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting, one or more persons being or representing Noteholders, whatever the principal amount of the relevant Notes held or represented (or one or more persons holding or representing not less than 25 per cent in principal amount of the relevant Notes for the time being outstanding, in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification). Any Extraordinary Resolution duly passed at any such meeting shall be binding on all of the Noteholders, Receiptholders and Couponholders whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Note Trustee shall, if requested in writing by Noteholders holding Notes having in aggregate a Principal Amount Outstanding of at least 50% of the aggregate Principal Amount Outstanding of all the Notes, notify the Issuer of the Noteholders' desire for a meeting between the Issuer and the Noteholders to discuss the asset backing for the Notes and any issues directly relevant thereto. The Issuer shall, following receipt of such a notice from the Note Trustee, give to the Noteholders notice in accordance with Condition 16 of a meeting to be held in London for such purpose falling not earlier than 30 days and not later than 60 days after receipt by it of the notice from the Note Trustee. All Noteholders shall be entitled to attend any such meeting and to raise with the Issuer's representatives present at such meeting (who shall include at least one director) any questions which relate directly to the asset backing for the Notes.

In the absence of any Obligor Event of Default or Issuer Event of Default, the Note Trustee (and the Noteholders) shall not be entitled to require the Issuer to convene more than one such meeting in any period of twelve months.

A Rating Agency may, on request, attend meetings of Noteholders at which an Extraordinary Resolution is to be considered unless the Noteholders at such meeting vote to exclude them in accordance with the Trust Deed. Any Rating Agency present at such a meeting must leave the meeting when the Noteholders cast their votes on the relevant Extraordinary Resolution. A Rating Agency may not attend any other type of Noteholder meeting.

(b) *Debtholders' Meetings*

Pursuant to the Issuer Deed of Charge, the Issuer has assigned by way of security its interest in respect of the advances to FinCo under the Intercompany Loan Agreement and the security therefor to the Note Trustee for the benefit of, *inter alios*, the Noteholders. Accordingly the Security Trust and Intercreditor Deed provides that the relevant Qualifying Noteholders shall be entitled to instruct the Note Trustee to vote in Debtholders' Meetings instead of the Issuer on certain proposals relating to the Obligors and the Obligor Secured Creditors. Such proposal, if duly approved in such Debtholders' Meeting shall be a "**Secured Creditor Instruction**".

Any Noteholder who is a Qualifying Noteholder will vote at a Debtholders' Meeting solely by instructing the Note Trustee to vote on its behalf as its Representative (as defined in the Security Trust and Intercreditor Deed) in such Debtholders' Meeting. In any Debtholders' Meeting, voting shall be determined on a pound-for-pound basis by reference to the Principal Amount Outstanding owed to each of the relevant Qualifying Debtholders, so that all votes in favour of the proposal and against the proposal from the Qualifying Noteholders and the other Qualifying Debtholders (who are not Noteholders) are considered on an aggregated basis, irrespective of whether a majority of such Qualifying Noteholders are in favour of or against the proposal.

If any Noteholder is a Qualifying Noteholder, then for the purpose of voting in such Debtholders' Meeting, the Note Trustee shall convene a meeting of the Qualifying Noteholders of any relevant Class or Sub-Class in accordance with the Trust Deed to consider the proposed Secured Creditor Instruction and to instruct the Note Trustee how to vote on each Qualifying Noteholder's behalf on such proposal. After obtaining the instruction of the Qualifying Noteholders who are present at such meeting, the Note Trustee shall vote in the Debtholders' Meeting in accordance with such instructions.

The Obligor Security Trustee shall, pursuant to the Security Trust and Intercreditor Deed, request the Note Trustee to confirm that the quorum requirement for any meeting of Qualifying Noteholders had been satisfied, that is, one or more persons holding or representing at least 25 per cent in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting of Qualifying Noteholders, one or more persons being or representing Qualifying Noteholders, whatever the principal amount of the relevant Notes held or represented.

Irrespective of the result of voting at a meeting of Noteholders in relation to a proposed Secured Creditor Instruction, any Secured Creditor Instruction duly approved at a Debtholders' Meeting shall be binding on all of the Noteholders, Receiptholders and Couponholders.

(c) *Modification, consent and waiver*

As more fully set out in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may, without the consent of the Noteholders of any Sub-Class, concur with the Issuer and any other relevant parties in making (i) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement save insofar as they relate to the Issuer) which is of a formal, minor or technical nature or is made to correct a manifest error or an error in respect of which an English Court could reasonably be expected to make a rectification order; (ii) any other modification and granting any consent under or waiver or authorisation of any breach or proposed breach of these Conditions, the Trust Deed or any other Issuer Transaction Document or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) which is, in the opinion of the Note Trustee, not materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding; and (iii) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Documents or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) if such modification is made

for an Accepted Restructuring Purpose or pursuant to Proposed Non-UK Structural Changes (as defined in or for the purposes of the Common Terms Agreement) and no Ratings Event occurs in respect of the proposed modification. Any such modification, consent, waiver or authorisation shall be binding on all Noteholders and the holders of all relevant Receipts and Coupons and, in each case, if the Note Trustee so requires, notice thereof shall be given by the Issuer to the Noteholders as soon as practicable thereafter.

No Extraordinary Resolution in respect of a Basic Terms Modification or a change in respect of the Financial Covenant shall be binding on the Note Trustee or the Noteholders (or any of them) unless the Obligor Security Trustee has confirmed to the Note Trustee that such modification has also been approved by each of the other providers of finance to the Obligors in accordance with the relevant credit facility agreements between FinCo (or any other Obligor) and the other providers of such finance.

The Note Trustee, in exercising its discretion to concur in making any modification, granting any consent under or waiver for authorisation of any breach or proposed breach of these Conditions, the Trust Deed or any other Issuer Transaction Document (other than a Basic Terms Modification or a change in respect of the Financial Covenant), shall be entitled to have regard to the Ratings Test (as defined in the Common Terms Agreement) and it may consider the Ratings Test to be an appropriate test or the only appropriate test to apply in that circumstance in exercising its discretion.

(d) *Substitution of the Issuer*

As more fully set forth in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may also agree with the Issuer, without reference to the Noteholders, to the substitution of another corporation in place of the Issuer as principal debtor in respect of the Trust Deed and the Notes of all Series.

16. **Notices**

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the date of posting. Other notices to Noteholders will be valid if published in a leading daily newspaper having general circulation in Ireland (which is expected to be the Irish Times). The Issuer shall also ensure that all notices are duly published in a manner that complies with the rules and regulations of the Irish Stock Exchange and any other listing authority, stock exchange and/or quotation system on which the Notes are for the time being listed. Any such notice (other than to holders of Registered Notes as specified above) 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. Couponholders and Receiptholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16 (*Notices*).

The Note Trustee will also provide a Rating Agency, at its request from time to time, with all notices, written information and reports that the Note Trustee sends or makes available to all Noteholders of any Class or Sub-Class except to the extent that such notices, information or reports contain information confidential to third parties.

17. **Miscellaneous**

(a) *Governing Law*

The Trust Deed, the Issuer Deed of Charge (except in respect of certain terms that may relate to the creation, subsistence or enforcement of security in assets governed by law other than English law), the Notes, the Coupons, the Receipts, the Talons (if any) and the other Issuer Transaction Documents are, and all matters arising from or in connection with such documents shall be governed by, and shall be construed in accordance with, English law.

(b) *Third Party Rights*

No person shall have any right to enforce any term or condition of the Notes or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

2. Sub-Class A11 Notes: 2005 Terms and Conditions (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

CHAPTER 11

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which (subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Final Terms and, save for the italicised paragraphs) will be incorporated by reference into each Note in definitive form (if any) issued in exchange for the Global Note(s) representing Notes in bearer, or, as the case may be, registered, form and each Individual Note Certificate representing Notes in registered form (only if such incorporation by reference is permitted by the relevant stock exchange and agreed by the Issuer). If such incorporation by reference is not so permitted and agreed, each Note in definitive form and each Individual Note Certificate representing Notes in registered form will have endorsed thereon or attached thereto such text (as so completed, amended, varied or supplemented). For a summary of the provisions of the Notes whilst in global form, see Chapter 14 "Summary of Provisions Relating to the Notes while in Global Form", page 263, below. Further information with respect to each Sub-Class of Notes will be given in the relevant Final Terms which will provide for those aspects of these Conditions which are applicable to such Sub-Class of Notes.

These terms and conditions, as supplemented or varied by the relevant Final Terms, and if applicable as amended by Chapter *14* "*—Summary of Provisions Relating to the Notes While in Global Form",* set out the rights of Noteholders.

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17. *Miscellaneous*

Land Securities Capital Markets PLC (the "**Issuer**") has established a multicurrency programme (the "**Programme**") for the issuance of up to £4,000,000,000 Notes (the "**Notes**"). Notes issued under the Programme on a particular Issue Date comprise a Series (a "**Series**"), and each Series comprises one or more Classes of Notes (each a "**Class**"). Each Class may comprise one or more sub-classes (each a "**Sub-Class**").

A Class designation denotes priority ranking in point of security. First ranking Notes will be designated as "**Class A Notes**" or (if issued pursuant to a Class R Underwriting Agreement) as Class R1 Notes ("**Class R1 Notes**" and, together with the Class A Notes, the "**Priority 1 Notes**"), second ranking Notes will be designated as "**Class B Notes**" or (if issued pursuant to a Class R Underwriting Agreement) as Class R2 Notes ("**Class R2 Notes**" and, together with the Class R1 Notes, the "**Class R Notes**", and the Class B Notes together with the Class R2 Notes, the "**Priority 2 Notes**") and any Notes issued in any Class or Classes of Notes designated as ranking below the Priority 2 Notes will be designated as the "**Subordinated Notes**".

A Sub-Class of Notes may have economic terms that differ from the other Sub-Class(es) of Notes in the same Class and each Sub-Class may therefore be denominated in a different currency or have different interest rates and/or interest payment dates, maturity dates or other terms. Notes of any Sub-Class may be zero coupon ("**Zero Coupon Notes**"), fixed rate ("**Fixed Rate Notes**"), floating rate ("**Floating Rate Notes**"), index-linked ("**Indexed Notes**"), dual currency Notes ("**Dual Currency Notes**"), partly paid Notes ("**Partly Paid Notes**"), instalment Notes ("**Instalment Notes**") or any other type of Note issued by the Issuer from time to time and may be denominated in sterling, euro, U.S. dollars or in other currencies subject to compliance with applicable law.

The terms and conditions applicable to any particular Sub-Class of Notes are these terms and conditions ("**Conditions**") as supplemented, amended and/or replaced by a final terms relating to such Sub-Class substantially in the form of the *pro forma* final terms set out in the base prospectus as revised, supplemented or amended from time to time ("**Base Prospectus**") for the Notes ("**Final Terms**") or, in the case of Notes issued before 1 July 2005, a pricing supplement in which case, where the context requires or permits, a reference in these Conditions to Final Terms shall be a reference to such pricing supplement. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

The Final Terms for this Note (or the relevant provisions thereof) supplement these Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of this Note. Reference to a "**Final Terms**" is to the Final Terms (or the relevant provisions thereof) annexed to this Note.

The Notes are subject to and have the benefit of a trust deed dated 3 November 2004 (the "**Exchange Date**") (as amended, supplemented, restated and/or novated from time to time, the "**Trust Deed**") between the Issuer and Deutsche Trustee Company Limited as trustee for the Noteholders (the "**Note Trustee**", which expression includes the trustee or trustees of the Trust Deed from time to time).

The Notes have the benefit (to the extent applicable) of an agency agreement (as amended, supplemented and/or restated from time to time, the "**Agency Agreement**") dated on or about the Exchange Date between the Issuer, the Note Trustee, the Principal Paying Agent, the other Paying Agents, the Transfer Agents and the Registrar. As used herein, each of "**Principal Paying Agent**", "**Paying Agents**", "**Agent Bank**", "**Transfer Agents**" and/or "**Registrar**" means, in relation to the Notes, the persons specified in the Agency Agreement as the Principal Paying Agent, Paying Agents, Agent Bank, Transfer Agents and/or Registrar respectively and, in each case, any successor to such person in such capacity. The Notes may also have the benefit (to the extent applicable) of a calculation agency agreement (in the form or substantially in the form of Schedule 1 to the Agency Agreement, the "**Calculation Agency Agreement**") between, *inter alios*, the Issuer and any calculation agent appointed by the Issuer as calculation agent (the "**Calculation Agent**"). In these Conditions, "**Agents**" means the Principal Paying Agent, the Paying Agents, the Agent Bank, the Transfer Agents, the Registrar and any Calculation Agent and "**Agent**" means any of them.

On the Exchange Date, the Issuer entered into a loan agreement (the "**Intercompany Loan Agreement**") with LS Property Finance Company Limited ("**FinCo**") pursuant to which the Issuer will make loan advances to FinCo with the proceeds of any issue of Notes under the Programme. The obligation of FinCo to pay interest and/or repay principal under the

Intercompany Loan Agreement will exclusively support the Issuer's obligations in respect of the Notes and will be secured pursuant to the Obligor Security Documents.

On the Exchange Date, the Issuer entered into an account bank and cash management agreement (the "**Account Bank and Cash Management Agreement**") with Lloyds TSB Bank plc (the "**Account Bank**", which term shall include the successors or assignees thereof), Land Securities (Finance) Limited (the "**Cash Manager**"), FinCo, the Obligors, the Obligor Security Trustee (each as defined below) and the Note Trustee.

On the Exchange Date, the Issuer entered into a deed of charge (the "**Issuer Deed of Charge**") with, among others, the Note Trustee in its capacity as trustee for the Issuer Secured Creditors (as defined below), pursuant to which the Issuer grants fixed and floating charge security over all its assets and undertakings (the "**Issuer Security**") to the Note Trustee for itself and on behalf of the Noteholders, any receiver appointed under the Issuer Deed of Charge, each Agent, the Account Bank and any Replacement Cash Manager and any other creditors who accede to the Issuer Deed of Charge from time to time in accordance with the terms thereof (together, the "**Issuer Secured Creditors**").

On the Exchange Date, the Issuer entered into a security trust and intercreditor deed (the "**Security Trust and Intercreditor Deed**") with the Note Trustee, Deutsche Trustee Company Limited as security trustee for the Issuer and the other Obligor Secured Creditors (as defined in the Security Trust and Intercreditor Deed) (the "**Obligor Security Trustee**"), the Obligors (as defined in the Security Trust and Intercreditor Deed) and the other Obligor Secured Creditors, pursuant to which the Obligor Security Trustee holds the Obligor Security on trust for the Obligor Secured Creditors (including, save as regards the floating charges contained in the Security Trust and Intercreditor Deed, the Issuer) and the Obligor Secured Creditors (including the Issuer) agree to certain intercreditor arrangements.

On the Exchange Date, the Issuer entered into a floating charge agreement (the "**Obligor Floating Charge Agreement**") with the Note Trustee, the Obligor Security Trustee and the Obligors, pursuant to which the Issuer has the benefit of a first ranking floating charge over the whole of each Obligor's undertaking, assets, property and rights whatsoever and wheresoever, present and future.

On the Exchange Date, the Issuer entered into a common terms agreement (the "**Common Terms Agreement**") with the Note Trustee, the Obligor Security Trustee, the Obligors and the other Obligor Secured Creditors pursuant to which the Issuer has the benefit of certain representations, warranties and covenants made by the Obligors.

On the Exchange Date, certain Obligors granted standard securities (the "**Standard Securities**") over their real estate properties in Scotland, the benefit of which are held on trust in accordance with the Security Trust and Intercreditor Deed.

The Security Trust and Intercreditor Deed, the Obligor Floating Charge Agreement and the Standard Securities secure (*inter alia*) the obligations of FinCo under the Intercompany Loan Agreement, which (by virtue of the Issuer Deed of Charge) means that the Notes are indirectly secured by all the assets over which such security is created. The Issuer Deed of Charge enables the Note Trustee to exercise all of the Issuer's rights in respect of the Intercompany Loan Agreement and the security documents referred to above.

The Obligors (who have granted such security) will be affiliates of the Issuer, including in particular FinCo and Land Securities PLC.

On 14 March 2005 the Issuer has entered into a dealership agreement (the "**Dealership Agreement**") with the Obligors and the dealers named therein (the "**Dealers**") in respect of the Programme, pursuant to which any of the Dealers may enter into subscription agreements in relation to Classes or Sub-Classes of Notes (other than any Class R Notes) issued by the Issuer, and pursuant to which the Dealers agree to subscribe for the relevant Classes or Sub-Classes of Notes.

The Issuer may enter into an underwriting agreement (a "**Class R Underwriting Agreement**") with the underwriters named therein (the "**Class R Underwriters**"), pursuant to which the Class R Underwriters will agree to underwrite the issue and sale of Class R Notes.

On the Exchange Date, the Issuer entered into a deed of covenant (the "**Tax Deed of Covenant**") with the Note Trustee, the Obligor Security Trustee, the Obligors and Land Securities Group PLC.

The Trust Deed, the Notes (including the applicable Final Terms), the Agency Agreement, the Issuer Deed of Charge, the Security Trust and Intercreditor Deed, the Intercompany Loan Agreement, the Obligor Floating Charge Agreement, the Common Terms Agreement, the Account Bank and Cash Management Agreement and the Tax Deed of Covenant are together referred to as the "**Issuer Transaction Documents**".

Terms not defined in these Conditions have the meaning set out in the Trust Deed.

Certain statements in these Conditions are summaries of, and are subject to, the detailed provisions appearing in the Trust Deed, the Issuer Deed of Charge, the Agency Agreement, any Class R Underwriting Agreement, the Dealership Agreement or the other Issuer Transaction Documents. Copies of, *inter alia*, the Issuer Transaction Documents are available for inspection during normal business hours at the specified offices of the Paying Agents (in the case of Bearer Notes) or the specified offices of the Transfer Agents and the Registrar (in the case of Registered Notes) (each as defined below), save that, if this Note is an unlisted Note of any Sub-Class, the applicable Final Terms will only be obtainable by a Noteholder holding one or more unlisted Notes of that Sub-Class and such Noteholder must provide evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity.

The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the relevant Final Terms and the provisions of the Agency Agreement applicable to them. In addition, the Noteholders are entitled to the benefit of, are bound by, and will be deemed to have notice of the provisions of the Issuer Deed of Charge, the Intercompany Loan Agreement, the Common Terms Agreement and the other Issuer Transaction Documents applicable to them.

Any reference in these Conditions to a matter being "**specified**" means as the same may be specified in the relevant Final Terms.

1. **Form, Denomination, Title**

(a) *Form and Denomination*

The Notes will be issued either (i) in bearer form ("**Bearer Notes**"), serially numbered in a Specified Denomination (as specified in the Final Terms) or (ii) in registered form ("**Registered Notes**") serially numbered in the Specified Denomination or an integral multiple thereof. References in these Conditions to "**Notes**" include Bearer Notes and Registered Notes and all Sub-Classes, Classes and Series of Notes.

Interest bearing Bearer Notes (other than Class R Notes) are issued with Coupons (as defined below) and, where appropriate, a Talon (as defined below) attached. After all the Coupons attached to, or issued in respect of, any Bearer Note which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and (if necessary) one further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent. Any Bearer Note which is an Instalment Note will be issued with one or more Receipts (as defined below) and, where appropriate, a Talon attached thereto. After all the Receipts attached to, or issued in respect of, any Instalment Note which was issued with a Talon have matured, a receipt sheet comprising further Receipts (other than Receipts which would be void) and (if necessary) a further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent.

(b) *Title*

Title to Bearer Notes, Coupons, Receipts and Talons (if any) passes by delivery. Title to Registered Notes passes by registration in the register (the "**Register**"), which the Issuer shall procure will be kept by the Registrar.

In these Conditions, subject as provided below, each "**Noteholder**", "**holder**" and "**Holder**" (in relation to a Note) means (i) in relation to a Bearer Note, the bearer of any Bearer Note and (ii) in relation to a Registered Note, the person in whose name a Registered Note is registered. The expressions "**Noteholder**", "**holder**" and "**Holder**" also include the bearers of Receipts (which, in relation to Class A Notes will be "**Class A Receipts**", in relation to Class B Notes, "**Class B Receipts**", in relation to the Subordinated Notes, "**Subordinated Receipts**" and, together, the "**Receipts**") appertaining to Bearer Notes which are Instalment Notes (the "**Receiptholders**"), the holders of the Coupons (which, in relation to Class A Notes, will be "**Class A Coupons**", in relation to Class B Notes, "**Class B Coupons**", in relation to the Subordinated Notes, "**Subordinated Coupons**" and, together, the "**Coupons**") (if any) appertaining to interest bearing Bearer Notes (the "**Couponholders**") and the expression Couponholders or Receiptholders includes the bearers of Talons in relation to Coupons or Receipts as applicable (which, in relation to Class A Notes, will be "**Class A Talons**", in relation to Class B Notes, "**Class B Talons**", in relation to the Subordinated Notes, "**Subordinated Talons**" and together, the "**Talons**") (if any) for further Coupons or Receipts, as applicable, attached to such Notes (the "**Talonholders**").

The bearer of any Bearer Note, Coupon, Receipt or Talon and the registered holder of any Registered Note will (except as otherwise required by law) be deemed and treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the relevant Note, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Registered Note, a duly executed transfer of such Note in the form endorsed on the Note Certificate in respect thereof) and no person will be liable for so treating the holder.

(c) *Fungible Issues of Notes comprising a Sub-Class*

A Sub-Class of Notes may comprise a number of issues of Notes of such Sub-Classes in addition to the initial issue of such Sub-Class, each of which will be issued on identical terms and conditions save for the first Note Payment Date, the Issue Date and the Issue Price. Such further issues of the same Sub-Class will be consolidated with and form a single series with the prior issues of Notes of that Sub-Class.

2. **Exchanges of Notes and Transfers of Registered Notes**

(a) *Exchange of Notes*

Registered Notes may not be exchanged for Bearer Notes and vice versa.

(b) *Transfer of Registered Notes*

A Registered Note may upon the terms and subject to the conditions of the Agency Agreement be transferred upon the surrender of the relevant Individual Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of any Transfer Agent or the Registrar. However, a Registered Note may not be transferred unless (i) the principal amount of Registered Notes to be transferred and (ii) the remaining principal amount of the Registered Notes (if any) to be retained by the relevant transferor are, in each case, Specified Denominations. In the case of a transfer of part only of a holding of Registered Notes represented by an Individual Note Certificate, a new Individual Note Certificate in respect of the balance not transferred will be issued to the transferor within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer.

(c) *Delivery of New Individual Note Certificates*

Each new Individual Note Certificate to be issued upon transfer of Registered Notes will, within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer, be available for delivery at the specified office of the Transfer Agent or the Registrar stipulated in the form of transfer,

or be mailed at the risk of the Noteholder entitled to the Individual Note Certificate to such address as may be specified in such form of transfer. For these purposes, a form of transfer received by the Registrar after the Record Date (as defined in Condition 9(b) below) in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar until the business day (as defined in Condition 9(g) below) following the due date for such payment.

(d) *No Charge*

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(e) *Closed Periods*

No transfer of a Registered Note may be registered during the period of 15 days ending on the due date for any payment of principal, interest, Interest Amount or Redemption Amount on that Note.

3. **Status of Notes**

(a) *Status of Class A Notes and Class R1 Notes*

This Condition 3(a) is applicable only in relation to Notes that are specified as being a Sub-Class of Class A Notes or Class R1 Notes in the relevant Final Terms.

The Class A Notes, Class A Coupons, Class A Talons, Class A Receipts (if any) and the Class R1 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and rank *pari passu* and *pro rata* without any preference among themselves.

(b) *Status of Class B Notes and Class R2 Notes*

This Condition 3(b) is applicable only in relation to Notes that are specified as being a Sub-Class of Class B Notes or Class R2 Notes in the relevant Final Terms.

Any Class B Notes, Class B Coupons, Class B Talons, Class B Receipts (if any) and the Class R2 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class A Notes, Class A Coupons, Class A Talons, Class A Receipts (if any) and the Class R1 Notes and rank *pari passu* and *pro rata* without any preference among themselves.

(c) *Status of Subordinated Notes*

This Condition 3(c) is applicable only in relation to Notes that are specified as being a Sub-Class of Subordinated Notes in the relevant Final Terms.

Any Subordinated Notes, Subordinated Coupons, Subordinated Talons and Subordinated Receipts (if any) will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class B Notes, Class B Coupons, Class B Talons, Class B Receipts (if any) and the Class R2 Notes and rank *pari passu* and *pro rata* without any preference among themselves. The precise ranking of the Subordinated Notes *vis-à-vis* any other Class of Subordinated Notes issued by the Issuer is as specified in the Final Terms.

The Issuer may after the Issue Date issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to, *pari passu* and *pro rata* with, or subordinate to, the Subordinated Notes existing at the time of such issue provided that the Issuer may only issue further Classes or Sub-Classes of Subordinated Notes which

rank in priority to Subordinated Notes existing at the time of such issue if such issue has been approved by the Note Trustee (acting on an Extraordinary Resolution of the Noteholders of any Affected Class).

In these Conditions "**Affected Class**" means:

(i) in relation to the proposed introduction or change of any Secondary Debt Rank or Primary Debt Rank, each Sub-Class of Notes which corresponds to an ICL Loan which, as a result of such introduction or change, will become subordinated in point of security to any other Subordinated ICL Loan or Subordinated ACF Loan to which it is not then subordinated;

(ii) in relation to the proposed incurrence of any Subordinated Debt after a Subordinated Debt Split, each Sub-Class of Notes which corresponds to a Subordinated ICL Loan that will be subordinate in point of security to the Subordinated Debt proposed to be drawn;

(iii) in relation to the proposed change of the Primary Debt Rank of any ICL Loan, the Sub-Class of Notes which corresponds to such Loan; and

(iv) in relation to any proposal to use funds standing to the credit of a DCA Ledger in respect of an ICL Loan to Prepay any Loan other than such ICL Loan, the Sub-Class of Notes which corresponds to such ICL Loan.

(d) *Note Trustee not responsible for monitoring compliance*

The Note Trustee shall not be responsible for monitoring compliance by the Issuer with any of its obligations under the Issuer Transaction Documents except by means of receipt of a certificate from the Issuer which will state, among other things, that no Issuer Event of Default is outstanding. The Note Trustee shall be entitled to rely on such certificates absolutely. The Note Trustee is not responsible for monitoring compliance by any of the parties with their respective obligations under the Issuer Transaction Documents. The Note Trustee may call for and is at liberty to accept as sufficient evidence a certificate signed by any two Authorised Signatories of the Issuer, the Obligors (or any of them) or any other party to any Issuer Transaction Document to the effect that any particular dealing, transaction, step or thing is in the opinion of the persons so certifying suitable or expedient or as to any other fact or matter upon which the Note Trustee may require to be satisfied. The Note Trustee is in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such certificate although the same may contain some error or is not authentic. The Note Trustee is entitled to rely upon any certificate believed by it to be genuine and will not be liable for so acting.

4. **Security and Relationship with Issuer Secured Creditors**

(a) *Security*

As far as permitted by and subject to compliance with any applicable law and as continuing security for the payment and discharge of the Issuer's obligations in respect of the Notes, Coupons and Receipts and in respect of the other Issuer Secured Creditors under the Issuer Transaction Documents (including the remuneration, fees, expenses and other claims of the Note Trustee under the Trust Deed, and of the Note Trustee and any Receiver appointed under the Issuer Deed of Charge, to any Replacement Cash Manager and the Account Bank under the Account Bank and Cash Management Agreement and to the Agents under the Agency Agreement) (the "**Issuer Secured Liabilities**") the Issuer created the following security (the "**Issuer Security**") in favour of the Note Trustee for itself and on behalf of the other Issuer Secured Creditors (including, without limitation, the Note Trustee on behalf of the Noteholders) by execution of the Issuer Deed of Charge on the Exchange Date:

(i) a first fixed charge over the Issuer Accounts;

(ii) an assignment and assignation by way of security of the interest of the Issuer under each Issuer Transaction Document (other than the Trust Deed and the Issuer Deed of Charge);

(iii) an assignment by way of security of the beneficial interest of the Issuer under the Obligor Transaction Documents; and

(iv) a first floating charge over the whole of the Issuer's undertaking, assets, property and rights whatsoever and wheresoever, present and future, including its uncalled capital,

all as more particularly set out in the Issuer Deed of Charge.

All Notes issued by the Issuer under the Programme share in the Issuer Security as more particularly set out in the Issuer Deed of Charge.

(b) *Relationship among Noteholders and with other Issuer Secured Creditors*

Except where expressly provided otherwise in the Trust Deed and/or these Conditions, including Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*), 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, 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 then outstanding if, in the Note Trustee's opinion, there is a conflict between the interests of the holders of such Class and any other Class of Notes then outstanding.

So long as any of the Notes remain outstanding, in the exercise of its rights, authorities and discretions under the Trust Deed, the Note Trustee is only required to have regard to the interests of the Noteholders or, as the case may be, the holders of the Most Senior Class of Notes then outstanding and not to the interests of the other Issuer Secured Creditors.

The Trust Deed and these Conditions contain provisions limiting the powers of the holders of any Class of Notes other than the Most Senior Class of Notes, *inter alia*, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution which may affect the interests of the holders of each of the other Classes of Notes ranking equally with or senior to such Class. Except in certain circumstances set out in the Trust Deed and these Conditions (including Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*)), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class of Notes, the exercise of which will be binding on all such holders, irrespective of the effect thereof on their interests.

In exercising its rights, powers, trusts, authorities, duties and discretions in accordance with this Condition, the Note Trustee shall disregard any Step-Up Amounts for the purposes of determining whether there are any Notes of a particular Class outstanding.

In these Conditions, "**Most Senior Class of Notes**" means (i) any outstanding Class A Notes and Class R1 Notes, or (ii) if no Class A Notes or Class R1 Notes are then outstanding, any outstanding Class B Notes and Class R2 Notes, or (iii) if no Class A Notes, Class R1 Notes, Class B Notes or Class R2 Notes are then outstanding, the most senior outstanding Class of the Subordinated Notes, in each case, if instructing, directing or requesting the Note Trustee on any matter, acting together whether by means of an Extraordinary Resolution or a written instruction, direction or request of the holders of at least one quarter of the principal amount of the relevant Class of Notes then outstanding.

(c) *Relationship with Obligor Secured Creditors*

The Security Trust and Intercreditor Deed will include provisions relating to the holding of meetings between the providers of secured finance to the Obligors and Noteholders and voting on certain issues concerning the Obligors.

(i) *Debtholders' Meetings*: On issues relating to the enforcement of the security interests granted by the Obligors, the acceleration of secured obligations owed by the Obligors, the removal of the Obligor Security Trustee and the appointment of any successor thereof, and the modification or waiver of the Financial Covenant (as defined in the Common Terms Agreement), the Obligor Security Trustee shall, in accordance with the Security Trust and Intercreditor Deed, hold a Debtholders' Meeting, at which certain Class(es) or Sub-Class(es) of Noteholders who are Qualifying Debtholders for the purpose of such Debtholders' Meeting ("**Qualifying Noteholders**") are eligible to vote (the composition of the Qualifying Debtholders (and hence Qualifying Noteholders) in respect of a Debtholders' Meeting being prescribed in the Security Trust and Intercreditor Deed). At any Debtholders' Meeting, the Note Trustee shall act as the Representative (as defined in the Security Trust and Intercreditor Deed) of such Qualifying Noteholders. The Note Trustee will vote on behalf of such Qualifying Noteholders in accordance with Condition 15(b) (*Debtholders' Meetings*) below, and any decision reached at a Debtholders' Meeting shall bind all Classes of Noteholders.

(ii) *Extraordinary Resolutions*: On issues relating to the modification of, the consents under, or the waivers in respect of breaches or potential breaches of, the Obligor Transaction Documents (including any Basic Terms Modification, the creation or modification of Primary Debt Ranks or Secondary Debt Ranks, consent for the Obligors to incur Subordinated Debt (as defined in the Common Terms Agreement) which rank prior to, or *pari passu* with, any Subordinated Notes), the Obligor Security Trustee may, in accordance with the Security Trust and Intercreditor Deed, seek confirmation from the Note Trustee that the holders of the Most Senior Class of Notes then outstanding (or, in the case of a Basic Terms Modification, the holders of each Sub-Class of Notes, or in the case of the modification of Primary Ranks or the creation or modification of Secondary Debt Ranks, the holders of Notes comprised in any Affected Class) have passed an Extraordinary Resolution approving such modification, consent or waiver, in accordance with Condition 15(a) (*Meetings of Noteholders*). Any such Extraordinary Resolution shall bind all Noteholders.

(d) *Application Prior to Enforcement*

Prior to enforcement of the Issuer Security by the Note Trustee, the Cash Manager, on behalf of the Issuer, is required to apply funds available to the Issuer in accordance with the Issuer Pre-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(e) *Enforceable Security*

In the event of the Issuer Security becoming enforceable as provided in Condition 11(b) (*Default Events*) below, the Note Trustee may, at its discretion and without further notice, institute such proceedings as it thinks fit to enforce its rights with respect to the Issuer Security, but it shall not be bound to do so unless instructed by the holders of the Most Senior Class of Notes then outstanding, and without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any particular Noteholder, provided that the Note Trustee shall not be obliged to take any action unless it is indemnified and/or secured to its satisfaction.

Although the Issuer holds certain floating charges granted by the Obligors under the Obligor Floating Charge Agreement (and the Note Trustee is an assignee by way of security of such floating charges pursuant to the Issuer Deed of Charge), the Issuer and the Note Trustee have agreed with the Obligor Security Trustee in the Obligor Floating

Charge Agreement that any proceeds from the enforcement of the security contained in the Obligor Floating Charge Agreement shall be shared between the Issuer and the other Obligor Secured Creditors, by applying such proceeds towards the applicable priority of payments as set out in the Security Trust and Intercreditor Deed.

The Obligor Floating Charge Agreement also provides that the Note Trustee (as the assignee by way of security of the floating charges contained therein) is required to appoint an administrative receiver in respect of any Obligor if the Note Trustee has actual notice of an application for the appointment of an administrator or of the giving of notice of intention to appoint an administrator in respect of such Obligor, such appointment to take effect upon the final day by which the appointment must be made in order to prevent an administration from proceeding or (where an Obligor or the directors of an Obligor have initiated its administration) not later than that final day (and the Obligor Floating Charge Agreement provides that the Note Trustee shall agree that it is adequately indemnified and secured in respect of its making such appointment by virtue of its indemnification rights against the Issuer under the Issuer Deed of Charge and against the Obligors under the Obligor Floating Charge Agreement, and the security it has in respect of those rights).

(f) *Application After Enforcement*

After enforcement of the Issuer Security in accordance with Condition 4(e) (*Enforceable Security*), the Note Trustee shall (to the extent that such funds are available) use all monies received or recovered by it under the Issuer Deed of Charge (except proceeds in respect of the floating charge contained in the Obligor Floating Charge Agreement) to make payments in accordance with the Issuer Post-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(g) *Note Trustee not liable for security*

The Note Trustee will not be liable for any failure to make the usual investigations or any investigations which might be made by a security holder in relation to the property which is the subject of the Issuer Security, and shall not be bound to enquire into or be liable for any defect or failure in the right or title of the Issuer to the Issuer Security, whether such defect or failure was known to the Note Trustee or might have been discovered upon examination or enquiry or whether capable of remedy or not, nor will it have any liability for the enforceability of the Issuer Security whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting such Issuer Security. The Note Trustee has no responsibility for the value of any Issuer Security.

5. **Issuer Covenants**

So long as any of the Notes remain outstanding, the Issuer has agreed to comply with the covenants set out in the Issuer Deed of Charge.

The Note Trustee shall be entitled to rely absolutely on a certificate signed by two directors of the Issuer in relation to any matter relating to such covenants and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter stated in such certificate.

6. **Interest and other Calculations**

(a) *Interest Rate and Accrual*

Each Note other than (i) Zero Coupon Notes and (ii) any Class R Note for so long as it is held by the Issuer bears interest on its Principal Amount Outstanding (as defined below) or as otherwise specified in the relevant Final Terms from the Interest Commencement Date (as defined below) at the Interest Rate (as defined below), such interest being payable in arrear (unless otherwise specified in the relevant Final Terms) on each Note Payment Date (as defined below).

Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after judgment) at the Interest Rate in the manner provided in this Condition 6 to the Relevant Date (as defined below).

In the case of accrued interest on any Class of Notes other than the Most Senior Class of Notes (as defined in Condition 4(b) above) (or any accrued Note Step-Up Amount relating to the Most Senior Class of Notes), if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a), there are insufficient funds available to the Issuer to pay such accrued interest or such accrued Note Step-Up Amount, the Issuer's liability to pay such accrued interest or accrued Note Step-Up Amount will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred interest on a Sub-Class of Notes shall be payable *pari passu* and *pro rata* with deferred interest on all other Sub-Classes of Notes in that Class. Interest will accrue on such deferred interest at the rate otherwise payable on unpaid principal of such Notes.

In this Condition, "Note Step-Up Amount" means, in relation to any Sub-Class of Notes, the amount of the interest payable in respect thereof which represents an increase in Margin equal to the Note Step-Up Rate (in the case of Floating Rate Notes or, where Condition 6(f) (Floating Rate Step-Up) applies, Fixed Rate Notes, Indexed Notes or Zero Coupon Notes), from a specific date, as specified in the relevant Final Terms; and "Note Step-Up Rate" means the rate specified in the relevant Final Terms as such.

(b) *Business Day Convention*

If any date referred to in these Conditions or the relevant Final Terms is specified to be subject to adjustment in accordance with a Business Day Convention and would otherwise fall on a day that is not a Business Day (as defined below), then if the Business Day Convention specified in the relevant Final Terms is:

(i) the "**Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day;

(ii) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(iii) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day.

(c) *Floating Rate Notes*

Subject to Condition 6(f) (*Floating Rate Step-Up*) this Condition 6(c) is applicable only if the relevant Final Terms specifies the Notes as *Floating Rate Notes*.

If "**Screen Rate Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Notes for each Note Interest Period will be determined by the Agent Bank (or the Calculation Agent, if applicable) on the following basis:

(i) if the Page (as defined below) displays a rate which is a composite quotation or customarily supplied by one entity, the Agent Bank (or the Calculation Agent, if applicable) will determine the Relevant Rate (as defined in Condition 6(j) (*Definitions*) below);

(ii) in any other case, the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the Relevant Rates (as defined in Condition 6(j) (*Definitions*) below) which appear on the Page as of the Relevant Time (as defined in Condition 6(j) (*Definitions*) below) on the relevant Interest Determination Date;

(iii) if, in the case of (i) above, such rate does not appear on that Page or, in the case of (ii) above, fewer than two such rates appear on that Page or if, in either case, the Page is unavailable, the Agent Bank (or the Calculation Agent, if applicable) will:

(a) request the principal Relevant Financial Centre office of each of the Reference Banks (as defined in Condition 6(j) (*Definitions*) below) to provide a quotation of the Relevant Rate at approximately the Relevant Time on the relevant Interest Determination Date to prime banks in the Relevant Financial Centre (as defined in Condition 6(j) (*Definitions*) below) interbank market (or, if appropriate, money market) in an amount that is representative for a single transaction in that market at that time; and

(b) determine the arithmetic mean of such quotations; and

(iv) if fewer than two such quotations are provided as requested in Condition 6(c)(iii), the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the rates (being the rates nearest to the Relevant Rate as determined by the Agent Bank (or the Calculation Agent, if applicable)) quoted by the Reference Banks at approximately 11.00 a.m. (local time in the Relevant Financial Centre of the Relevant Currency) on the first day of the relevant Note Interest Period (as defined in Condition 6(j) (*Definitions*) below) for loans in the Relevant Currency to leading European banks for a period equal to the relevant Note Interest Period and in the Representative Amount (as defined in Condition 6(j) (*Definitions*) below),

and the Interest Rate for such Note Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined. However, if the Agent Bank (or the Calculation Agent, if applicable) is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Note Interest Period, the Interest Rate applicable to the Notes during such Note Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Note Interest Period.

If "**ISDA Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate(s) applicable to the Notes for each Note Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Note Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions (as defined in Condition 6(j) (*Definitions*) below)) that would be determined by the Agent Bank (or the Calculation Agent, if applicable) under an interest rate swap transaction if the Agent Bank (or the Calculation Agent, if applicable) were acting as calculation agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

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

(ii) the Designated Maturity (as defined in the ISDA Definitions) is the Specified Duration (as defined in Condition 6(j) (Definitions) below);

(iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (1) if the relevant Floating Rate Option is based on LIBOR for a currency, the first day of that Note Interest Period, (2) if the relevant Floating Rate Option is based on

EURIBOR, the first day of that Note Interest Period or (3) in any other case, as specified in the relevant Final Terms; and

(iv) all other terms are as specified in the relevant Final Terms.

No interest shall be payable on any Class R Notes while held by the Issuer.

(d) *Fixed Rate Notes*

Subject to Condition 6(f) (*Floating Rate Step-Up*), this Condition 6(d) is applicable only if the relevant Final Terms specifies the Notes as Fixed Rate Notes.

The Interest Rate applicable to the Notes for each Note Interest Period will be the fixed rate specified in the relevant Final Terms.

(e) *Indexed Notes*

Subject to Condition 6(f) (*Floating Rate Step-Up*), this Condition 6(e) is applicable only if the relevant Final Terms specifies the Notes as Indexed Notes.

Payments of principal on, and the interest payable in respect of, the Notes will be subject to adjustment for indexation as set out in Condition 7(b) (*Application of the Index Ratio*). The Interest Rate applicable to the Notes for each Note Interest Period will be at the rate specified in the relevant Final Terms.

(f) *Floating Rate Step-Up*

This Condition 6(f) is applicable only if the relevant Final Terms specifies the Floating Rate Step-Up as applicable.

From and including the Note Step-Up Date specified in the relevant Final Terms, the Interest Rate in respect of any Sub-Class of Notes that are specified in the Final Terms as *Floating Rate Notes*, Fixed Rate Notes, Indexed Notes or Zero Coupon Notes will be determined in accordance with the terms of Condition 6(c) (*Floating Rate Notes*), save that the Margin shall be increased by the Note Step-Up Rate specified in the Final Terms.

(g) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in the Final Terms):

(i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);

(ii) all figures will be rounded according to market convention; and

(iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes, "unit" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(h) *Calculations*

The amount of interest payable in respect of any Note for each Note Interest Period shall be calculated by multiplying the product of the Interest Rate and the Principal Amount Outstanding of such Note during that Note Interest Period by the Day Count Fraction (as defined below) and, in the case of Indexed Notes only, adjusted according to the indexation set out in Condition 7(b) (*Application of the Index Ratio*), unless an Interest Amount is specified in respect of such period in the relevant Final Terms, in which case the amount of interest payable in respect of such Note for such Note Interest Period will equal such Interest Amount.

(i) *Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts and Instalment Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Cash Manager or the Agent Bank (or the Calculation Agent, if applicable), as applicable, may be required to calculate any Redemption Amount or the amount of an instalment of scheduled principal (an "**Instalment Amount**"), in the case of the Cash Manager, or obtain any quote or make any determination or calculation, in the case of the Agent Bank (or the Calculation Agent, if applicable), the Agent Bank (or the Calculation Agent, if applicable) will determine the Interest Rate and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Specified Denomination of Notes for the relevant Note Interest Period (including, for the avoidance of doubt, any applicable Index Ratio to be calculated in accordance with Condition 7(b) (*Application of the Index Ratio*)) and obtain such quote or make such determination or calculation, as the case may be, and the Cash Manager shall calculate the Redemption Amount or Instalment Amount.

The Agent Bank will cause the Interest Rate and the Interest Amounts for each Note Interest Period and the relevant Note Payment Date and, if required to be calculated, the Redemption Amount, Principal Amount Outstanding or any Instalment Amount to be notified to, in the case of Bearer Notes, the Paying Agents or, in the case of Registered Notes, the Registrar and, in each case, the Note Trustee, the Issuer, the Noteholders and the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system by which the relevant Notes have then been admitted to listing, trading and/or quotation as soon as possible after its determination but in no event later than (i) (in case of notification to the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system on which the relevant Notes have then been admitted to listing, trading and/or quotation) the commencement of the relevant Note Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination.

The Interest Amounts and the Note Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Note Interest Period. Any such amendment will be promptly notified to the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system on which the relevant Sub-Class or Class of Notes are for the time being listed, traded and/or quoted or by which they have been admitted to listing, trading and/or quotation and to the Noteholders in accordance with Condition 16 (*Notices*). If the Notes become due and payable under Condition 11 (*Issuer Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously provided in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made unless otherwise required by the Note Trustee. The determination of each Interest Rate, Interest Amount, Redemption Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Agent Bank (or the Calculation Agent, if applicable), the Cash Manager or, as the case may be, the Note Trustee pursuant to this Condition 6 or Condition 7 (*Indexation*), shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Definitions*

In these Conditions and in the relevant Final Terms, unless the context otherwise requires, the following defined terms shall have the meanings set out below.

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in London and each (if any) additional city or cities specified in the relevant Final Terms; and

(ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London and each (if any) additional city or cities specified in the relevant Final Terms.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting a Note Interest Period, the "**Calculation Period**"):

(i) if "Actual/Actual (ISMA)" is specified:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Period**" means the period from and including a Determination Date in any year but excluding the next Determination Date; and

"**Determination Date**" means the date specified as such in the Final Terms or, if none is so specified, the Note Payment Date;

(ii) if "**Actual/365**" or "**Actual/Actual**" is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366, and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is specified, the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/360**" is specified, the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (1) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (2) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and

(vi) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the last day of such period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

"**euro**" means the lawful currency of the Participating Member States;

"**Interest Commencement Date**" means, in respect of any Sub-Class of Notes, the Issue Date or such other date as may be specified in the relevant Final Terms;

"**Interest Determination Date**" means, with respect to an Interest Rate and a Note Interest Period in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms or, if none is so specified, the day falling two Business Days in London prior to the first day of such Note Interest Period (or if the specified currency is sterling the first day of such Note Interest Period) (as adjusted in accordance with any Business Day Convention (as defined above) specified in the relevant Final Terms);

"**Interest Rate**" means, in respect of any Sub-Class of Notes, the rate of interest payable from time to time in respect of such Notes and which is either specified as such in, or calculated in accordance with the provisions of, these Conditions and/or the relevant Final Terms;

"**ISDA Definitions**" means the 2000 ISDA Definitions (as amended and updated as at the date of issue of the first Series of Notes of the relevant Sub-Class as published by the International Swaps and Derivatives Association, Inc.);

"**Issue Date**" means, in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms;

"**Margin**" means, in respect of any Sub-Class of *Floating Rate Notes*, the rate per annum (or otherwise as specified in the relevant Final Terms) (expressed as a percentage) specified as such in item 18(vii) of the relevant Final Terms and, in relation to Fixed Rate Notes, Indexed Notes and Zero Coupon Notes, for the purposes of Condition 6(f), means the rate specified as such in item 19 of the relevant Final Terms;

"**Maturity Date**" means, in respect of any Sub-Class of Notes, the date specified in the relevant Final Terms as the final date on which the full principal amount of the Note is due and payable;

"**Note Interest Period**" means, in respect of any Sub-Class of Notes, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Note Payment Date and each successive period beginning on (and including) a Note Payment Date and ending on (but excluding) the next succeeding Note Payment Date;

"**Note Payment Dates**" means, in respect of any Sub-Class of Notes, the dates specified as such in the relevant Final Terms;

"**Page**" means such page, section, caption, column or other part of a particular information service (including the Reuters Money 3000 Service ("**Reuters**") and the Telerate Monitor Screen ("**Telerate**")) as may be specified in the relevant Final Terms, or such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

"**Participating Member State**" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty establishing the European Communities (as amended), and "Participating Member States" means all of them;

"**Principal Amount Outstanding**" means, at any date (a) in relation to a Note, the principal amount of that Note upon issue less any repayment of principal made to the Holder(s) thereof and plus (in the case of a Partly Paid Note) principal amounts received by the Issuer from the relevant Noteholder after the relevant Issue Date in respect thereof and (b) in relation to any Sub-Class or Class, the aggregate principal amount of all Notes in such Sub-Class or Class less any repayment of principal made to the Holder(s) thereof and plus (in the case of a Sub-Class or Class of Partly Paid Notes) principal amounts received by the Issuer from the relevant Noteholder after the relevant Issue Date in respect thereof, provided that, in the case of (b) for the purposes of Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*) only, it shall exclude those Notes (if any) which are for the time being held by (1) the Issuer, any Obligor or any Non-Restricted Group Entity, (2) any person for the benefit of the Issuer or any of its subsidiaries or holding companies or any subsidiaries of any of its holding companies or (3) any person who has failed to surrender for repurchase any Class R Note on any Note Payment Date (other than where the Issuer was not obliged to repurchase the same);

"**Redemption Amount**" means, in respect of any Sub-Class of Notes, the amount provided under Condition 8 (*Redemption, Purchase and Cancellation*), unless otherwise specified in the relevant Final Terms;

"**Reference Banks**" means the institutions specified as such or, if none, four major banks selected by the Agent Bank (or the Calculation Agent, if applicable) in the interbank market (or, if appropriate, money market) which is most closely connected with the Relevant Rate as determined by the Agent Bank (or the Calculation Agent, if applicable), on behalf of the Issuer, in its sole and absolute discretion;

"**Relevant Currency**" means the currency specified as such or, if none is specified, the currency in which such Notes are denominated;

"**Relevant Date**" means, in respect of any Sub-Class of Notes, the earlier of (a) the date on which all amounts in respect of such Notes have been paid, and (b) five days after the date on which all of the Principal Amount Outstanding (adjusted in the case of Indexed Notes in accordance with Condition 7(b) (*Application of Index Ratio*)) has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*);

"**Relevant Financial Centre**" means, with respect to any Sub-Class of Notes, the financial centre specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the Relevant Rate is most closely connected as determined by the Agent Bank (or the Calculation Agent, if applicable);

"**Relevant Rate**" means the offered rate for a Representative Amount of the Relevant Currency for a period (if applicable) equal to the Specified Duration (or such other rate as shall be specified in the relevant Final Terms);

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Representative Amount**" means, with respect to any rate to be determined on an Interest Determination Date, the amount specified in the relevant Final Terms as such or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

"**Specified Duration**" means, with respect to any Floating Rate (as defined in the ISDA Definitions) to be determined on an Interest Determination Date, the period or duration specified as such in the relevant Final Terms or, if none is specified, a period of time equal to the relative Note Interest Period;

"**TARGET Settlement Day**" means any day on which the TARGET system is open; and

"**TARGET system**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer system.

(k) *Agent Bank, Calculation Agent and Reference Banks*

The Issuer will procure that there shall at all times be an Agent Bank (and a Calculation Agent, if applicable) and four Reference Banks selected by the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) with offices in the Relevant Financial Centre if provision is made for them in these Conditions applicable to this Note and for so long as it is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) will select another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Agent Bank (or the Calculation Agent, if applicable) is unable or unwilling to act as such or if the Agent Bank (or the Calculation Agent, if applicable) fails duly to establish the Interest Rate for any Note Interest Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint (with the prior written consent of the Note Trustee) a successor to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

(l) *Determination or Calculation by Note Trustee*

If the Agent Bank (or the Calculation Agent, if applicable) or the Cash Manager, as applicable, does not at any time for any reason determine any Interest Rate, Interest Amount, Redemption Amount, Instalment Amount or any other amount to be determined or calculated by it, the Note Trustee shall (without liability for so doing) determine such Interest Rate, Interest Amount, Redemption Amount, Instalment Amount or other amount as aforesaid at such rate or in such amount as in its absolute discretion (having regard as it shall think fit to the procedures described above, but subject to the terms of the Trust Deed) it shall deem fair and reasonable in all the circumstances or, subject as aforesaid, apply the foregoing provisions of this Condition, with any consequential amendments, to the extent that, in its sole opinion, it can do so and in all other respects it shall do so in such manner as it shall, in its absolute discretion, deem fair and reasonable in the circumstances, and each such determination or calculation shall be deemed to have been made by the Agent Bank (or the Calculation Agent, if applicable) or the Cash Manager, as applicable.

(m) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of Condition 6 (Interest and Other Calculations), whether by the Principal Paying Agent, the Agent Bank (or the Calculation Agent, the Note Trustee or the Cash Manager, if applicable), shall (in the absence of wilful default, negligence, bad faith or manifest error) be binding on the Issuer, the Agent Bank, the Note Trustee, the Cash Manager, the Principal Paying Agent, the other Agents and all Noteholders, Receiptholders, Couponholders and other Issuer Secured Creditors and (in the absence as aforesaid) no liability to the Issuer, the Note Trustee, the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent, the Cash Manager, the Agent Bank or, if applicable, any Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(n) *Interest on Dual Currency Notes*

The rate or amount of interest payable in respect of Dual Currency Notes shall be determined in the manner specified in the applicable Final Terms.

(o) *Interest on Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

7. **Indexation**

This Condition 7 is applicable only if the relevant Final Terms specifies the Notes as Indexed Notes.

(a) *Definitions*

"**affiliate**" means, in relation to any person, any entity controlled, directly or indirectly, by that person, any entity that controls, directly or indirectly, that person or any entity, directly or indirectly, under common control with that person and, for this purpose, "**control**" means control as defined in the Companies Act 1985;

"**Base Index Figure**" means (subject to Condition 7(c)(i) (*Change in base*)) the base index figure as specified in the relevant Final Terms;

"**Index**" or "**Index Figure**" means, subject as provided in Condition 7(c)(i) (*Change in base*), unless otherwise specified in the relevant Final Terms, the UK Retail Price Index (RPI) (for all items) published by the Office for National Statistics (January 1987 — 100) or any comparable index which may replace the UK Retail Price Index for the purpose of calculating the amount payable on repayment of the Reference Gilt. Any reference to the Index Figure applicable to a particular month shall, subject as provided in Condition 7(c) (*Changes in Circumstances Affecting the Index*) and 7(e) (*Cessation of or Fundamental Changes to the Index*), be construed as a reference to the Index Figure published in the seventh month prior to that particular month and relating to the month before that of publication. If the Index is replaced, the Issuer will describe the replacement Index in a supplementary Base Prospectus;

"**Index Ratio**" applicable to any month means the Index Figure applicable to such month divided by the Base Index Figure;

"**Limited Index Ratio**" means (a) in respect of any month prior to the relevant Issue Date (as defined in Condition 6(j) (*Definitions*)), the Index Ratio for that month; (b) in respect of any Limited Indexation Month after the relevant Issue Date, the product of the Limited Indexation Factor for that month and the Limited Index Ratio as previously calculated in respect of the month twelve months prior thereto; and (c) in respect of any other month, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month;

"**Limited Indexation Factor**" means, in respect of a Limited Indexation Month, the ratio of the Index Figure applicable to that month divided by the Index Figure applicable to the month twelve months prior thereto, **provided that** (a) if such ratio is greater than the Maximum Indexation Factor specified in the relevant Final Terms, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor specified in the relevant Final Terms, it shall be deemed to be equal to such Minimum Indexation Factor;

"**Limited Indexation Month**" means any month specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

"**Limited Indexed Notes**" means Indexed Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the relevant Final Terms) applies; and

"**Reference Gilt**" means the index-linked Treasury Stock specified as such in the relevant Final Terms for so long as such stock is in issue, and thereafter such issue of index-linked Treasury Stock determined to be appropriate by a gilt-edged market maker

or other adviser selected by the Issuer and approved by the Note Trustee (an "**Indexation Adviser**").

(b) *Application of the Index Ratio*

Each payment of interest and principal in respect of the Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month in which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(c) *Changes in Circumstances Affecting the Index*

(i) *Change in base*: If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the calendar month from and including that in which such substitution takes effect (1) the definition of "**Index**" and "**Index Figure**" in Condition 7(a) (Definitions) shall (unless otherwise specified in the relevant Final Terms) be deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date or month as may have been substituted therefor), and (2) the new Base Index Figure shall be the product of the existing Base Index Figure (specified in the relevant Final Terms) and the Index Figure immediately following such substitution, divided by the Index Figure immediately prior to such substitution.

(ii) *Delay in publication of Index*: If the Index Figure which is normally published in the seventh month and which relates to the eighth month (the "**relevant month**") before the month in which a payment is due to be made is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable to the month in which the date for payment falls shall be (1) (unless otherwise specified in the relevant Final Terms) such substitute index figure (if any) as the Note Trustee considers to have been published by the Bank of England for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser (and approved by the Note Trustee) or (2) if no such determination is made by such Indexation Adviser within 7 days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(c)(i) (Change in base)) before the date for payment.

(d) Application of Changes

Where the provisions of Condition 7(c)(ii) (*Delay in publication of Index*) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls shall be conclusive and binding. If, where an Index Figure has been applied pursuant to Condition 7(c)(ii)(2), the Index Figure relating to the relevant month is subsequently published while a Note is still outstanding, then:

(i) in relation to a payment of principal or interest in respect of such Note other than upon final redemption of such Note, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced by an amount equal to (respectively) the shortfall or excess of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 7(c)(ii)(2), below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and

(ii) in relation to a payment of principal or interest upon final redemption, no subsequent adjustment to amounts paid will be made.

(e) Cessation of or Fundamental Changes to the Index

(i) If (1) the Note Trustee has been notified by the Agent Bank (or the Calculation Agent, if applicable) that the Index has ceased to be published or (2) any change is made to the coverage or the basic calculation of the Index which constitutes a fundamental change which would, in the opinion of the Note Trustee acting solely on the advice of an Indexation Adviser, be materially prejudicial to the interests of the relevant Noteholders, the Note Trustee will give written notice of such occurrence to the Issuer, and the Issuer and the Note Trustee together shall seek to agree for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made.

(ii) If the Issuer and the Note Trustee fail to reach agreement as mentioned above within 20 business days following the giving of notice as mentioned in paragraph (i), a bank or other person in London shall be appointed by the Issuer and the Note Trustee or, failing agreement on the making of such appointment within 20 business days following the expiry of the 20 business day period referred to above, by the Note Trustee (in each case, such bank or other person so appointed being referred to as the "Expert"), to determine for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as an expert and not as an arbitrator and all fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Note Trustee in connection with such appointment shall be borne by the Issuer.

(iii) The Index shall be adjusted or replaced by a substitute index as agreed by the Issuer and the Note Trustee or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, and references in these Conditions to the Index and to any Index Figure shall be deemed amended in such manner as the Note Trustee and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the other Issuer Secured Creditors, the Note Trustee and the Noteholders, and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (Notices) of such amendments as promptly as practicable following such notification.

8. Redemption, Purchase and Cancellation

(a) Scheduled Partial and Final Redemption

Unless previously redeemed, or purchased and cancelled as provided below, each Note will be redeemed at its Principal Amount Outstanding (in the case of Indexed Notes as adjusted in accordance with Condition 7(b) (*Application of the Index Ratio*)) on the date or dates (or, in the case of *Floating Rate Notes*, on the Note Payment Date(s)) specified in the relevant Final Terms plus accrued but unpaid interest (other than in the case of Zero Coupon Notes) and, in the case of Indexed Notes, as adjusted in accordance with Condition 7(b) (*Application of the Index Ratio*).

(b) Optional Redemption

Subject as provided below, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and all of the Noteholders in accordance with Condition 16 (*Notices*), the Issuer may (prior to the Maturity Date) redeem any Sub-Class of the Notes in whole or in part (but on a *pro rata* and *pari passu* basis only) on any day at their Redemption Amount (provided that *Floating Rate Notes* may not be redeemed before the date (if any) specified in the relevant Final Terms) as follows:

(i) in respect of Fixed Rate Notes, the Redemption Amount will, unless otherwise specified in the relevant Final Terms, be an amount equal to the higher of (i) the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser nominated by the Issuer and approved by the Note Trustee) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the Notes on the Relevant Date (as defined below) is equal to the Redemption Rate (as defined below), plus, in either case, accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption, provided that, in any case where Condition 6(f) (Floating Rate Step-Up) applies, from and including the date which is two years prior to the Maturity Date specified in the relevant Final Terms, the Redemption Amount shall be equal to the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed plus accrued but unpaid interest on such amount to (but excluding) the date of redemption.

For the purposes of this Condition 8(b)(i): "**Redemption Rate**" means the Relevant Swap Mid Curve Rate or, if the Relevant Swap Mid Curve Rate is not able to be determined, such rate as may be approved by the Note Trustee; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute and Faculty of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Note Trustee may approve; "**Relevant Date**" means the date which is two Business Days prior to the publication or dispatch of the notice of redemption under this Condition 8(b); "**Relevant Swap Mid Curve Rate**" means the mid-point of the bid-side and offer-side rates for the fixed leg of a hypothetical interest rate swap with a notional profile equal to the semi-annual interest that would be payable on the relevant Sub-Class of Notes to be redeemed, with the same payment dates as the relevant Notes, against a floating leg of Six Month Sterling LIBOR with no spread, where such hypothetical interest rate swap is between two highly-rated (AA- or equivalent or higher) and fully collateralised market counterparties (the Relevant Swap Mid Curve Rate shall be determined by a financial adviser (nominated by the Issuer and approved by the Note Trustee) using its standard valuation methodology as at the date of calculation) as at or about 11.00 a.m. (London time) on such Relevant Date; and "**Six Month Sterling LIBOR**" means the rate of interest for six month sterling deposits as determined as at or about 11.00 a.m. (London time) on the Relevant Date by reference to the display designated as the British Bankers Association LIBOR Rates as quoted on the Telerate Monitor as Telerate Screen No. 3750 or such other page as may replace Telerate Screen No. 3750 on that service for the purposes of displaying such information; or if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Note Trustee) as may replace the Telerate Monitor);

(ii) in respect of Floating Rate Notes, the Redemption Amount will, unless otherwise specified in the relevant Final Terms, be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Final Terms) plus any accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption;

(iii) in respect of Indexed Notes, the Redemption Amount will be that specified in the relevant Final Terms; and

(iv) in respect of Zero Coupon Notes, the Redemption Amount will (unless otherwise specified in the relevant Final Terms) be an amount equal to the sum of:

(A) the Reference Price; and

(B) the product of the Accrual Yield (compounded annually) and the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption,

and where such calculation is to be made for a period which is less than a full year, such calculation shall be made on the basis of the Day Count Fraction specified in the Final Terms for the purposes of this Condition 8(b)(iv) or, if none is so specified, a Day Count Fraction of 30/360, plus accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption.

In this Condition 8(b)(iv), "**Accrual Yield**" and "**Reference Price**" have the meanings given to them in the relevant Final Terms.

In any such case:

(1) prior to giving any notice of redemption under this Condition 8(b), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer that it will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date; and

(2) where Condition 6(f) (*Floating Rate Step-Up*) applies, any date of redemption falling on or after the Note Step-Up Date shall be required to be a Note Payment Date.

(c) Optional Redemption as Result of REITs Event

Following the satisfaction of all conditions precedent in respect of a REITs Event, the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and all of the Noteholders in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Notes in whole on any day at a Redemption Amount to be determined in accordance with Condition 8(b)(i), (ii), (iii) or (iv), as applicable, plus accrued but unpaid interest (if applicable) on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption, except that, where the Notes are Fixed Rate Notes, for the purposes of the calculation of the Redemption Amount, the Redemption Rate shall be equal to the sum of Relevant Swap Mid Curve Rate and the Relevant REIT Redemption Spread.

Before giving any notice of redemption under this Condition 8(c), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(c) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(c), the "**Relevant REIT Redemption Spread**" means (i) in respect of any Sub-Class of Notes with an unexpired maturity greater than 12 years, 0.20 per cent. per annum, (ii) in respect of any Sub-Class of Notes with an unexpired maturity greater than 5 years but less than 12 years, 0.125 per cent. per annum and (iii) in respect of any Sub-Class of Notes with an unexpired maturity less than 5 years, 0.00 per cent. per annum provided that, where any Sub-Class of Notes is a Sub-Class in respect of which there is a Note Step-Up Date, the maturity date for such Sub-Class of Notes shall be deemed, for the purposes of this Condition 8(c), to be that Note Step-Up Date.

(d) *Optional Redemption as Result of Ratings Event*

Following the satisfaction of all conditions precedent in respect of a Ratings Event, the Issuer may seek to exercise its option to redeem the Notes by notifying the holders of each Sub-Class of Notes in accordance with Condition 16 of the occurrence of such Ratings Event and its intention to redeem the Notes if a Noteholders' Affirmation (as defined below) is passed. The Issuer shall also convene a meeting of each such Sub-Class to take place at least 21 days following such notification. If at such meeting 75% or more by Principal Amount Outstanding of the Noteholders of the relevant Sub-Class of Notes vote in favour of such redemption on a specified date (a "**Noteholders' Affirmation**"), then the Issuer shall redeem such Sub-Class of Notes in whole (but not in part) on that date (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Final Terms). If at such meeting, less than 75% of the Noteholders of the relevant Sub-Class vote in favour of such redemption, then the Issuer shall not redeem any of the Notes of such Sub-Class.

Any redemption under this Condition 8(d) will be made (I) if the Notes are not Fixed Rate Notes, at the Redemption Amount determined in accordance with Condition 8(b)(ii), (iii) or (iv) or (II) if the Notes are Fixed Rate Notes, at a Redemption Amount equal to the higher of (i) their Principal Amount Outstanding and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser selected by the Issuer and approved by the Note Trustee) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield (as defined below) on such Notes on the Reference Date (as defined below) is equal to the sum of (a) Gross Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt (as defined below) and (b) the Issue Spread for the relevant Notes (as per the relevant Final Terms), in each case plus accrued but unpaid interest on the Principal Amount Outstanding to (but excluding) the date of redemption.

Before giving any notification under this Condition 8(d), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(d): the "**Issue Spread**" shall be the spread on the relevant Class of Notes as specified in the relevant Final Terms; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Note Trustee may approve; "**Reference Date**" means the date which is two Business Days prior to the dispatch of the notice of redemption under this Condition 8(d); and "**Reference Gilt**" means the Treasury Stock specified in the relevant Final Terms while that stock is in issue, and thereafter such UK government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market (selected by the Issuer and approved by the Note Trustee), determine to be appropriate.

(e) *Optional Redemption for Index Event or Taxation Reasons*

(i) Optional Redemption for Index Events: Upon the occurrence of any Index Event (as defined below), the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (Notices), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on any day at the Redemption Amount specified in relation to such Notes in the relevant Final Terms, together with accrued but unpaid interest on the Principal Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs. Before

giving any notice of redemption under this Condition 8(e)(i), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(e)(i) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(e), "**Index Event**" means (i) if the Index Figure for three consecutive months is to be determined on the basis of an Index Figure previously published as provided in Condition 7(c)(ii) (*Delay in publication of Index*) and the Issuer has been notified by the Principal Paying Agent that publication of the Index has ceased or (ii) notice is published by Her Majesty's Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt (as defined in Condition 7(a) (*Definitions*) above), and (in either case) no amendment or substitution of the Index has been advised by the Indexation Adviser to the Issuer and such circumstances are continuing.

(ii) *Optional Redemption for Taxation Reasons*: If at any time the Issuer satisfies the Note Trustee that (a) the Issuer would, on the next Note Payment Date, be obliged to deduct or withhold from any payment of interest or principal in respect of the Notes (other than in respect of default interest), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) or (b) FinCo would, on or about the next interest payment date under the Intercompany Loan Agreement, be obliged to increase any sum payable by it to the Issuer under the Intercompany Loan Agreement as a result of FinCo being required to deduct or withhold any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) from that payment, then the Issuer may, upon giving not more than 60 days nor less than 30 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Notes on any date at their Principal Amount Outstanding plus accrued but unpaid interest thereon to (but excluding) the date of redemption (adjusted, in the case of Indexed Notes, in accordance with Condition 7(b) (*Application of the Index Ratio*)) without premium or penalty. Before giving any notice of redemption under this Condition 8(e)(ii), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(e)(ii) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(f) *Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*

If the Issuer receives (or is to receive) any monies (a) pursuant to the Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments or the Security Group Post-Enforcement (Post-Acceleration) Priority of Payments, (b) pursuant to the exercise of the P1 ICL Call Option (as defined in the Security Trust and Intercreditor Deed) or (c) other than in accordance with Condition 8(b) (*Optional Redemption*), 8(c) (*Optional*

Redemption as Result of REITs Event), 8(d) (*Optional Redemption as Result of Ratings Event*) or 8(e) (*Optional Redemption for Index Event or Taxation Reasons*) above, in Prepayment of all or any ICL Loan under the Intercompany Loan Agreement, the Issuer shall, upon giving not more than 30 nor less than 10 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all of the Notes of the relevant Sub-Class of Notes on their next respective Note Payment Dates at their Principal Amount Outstanding plus accrued but unpaid interest to (but excluding) the date of redemption or (where part only of such ICL Loan has been Prepaid) the proportion of the relevant Sub-Class of Notes which the prepayment amount bears to the amount of the relevant ICL Loan. Before giving any notice of redemption under this Condition 8(f), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer stating that the Issuer is required to effect such redemption under this Condition 8(f) and setting forth a statement of facts showing that the conditions precedent to the obligation of the Issuer so to redeem have been satisfied.

(g) *Purchase of Notes (other than Class R Notes) by the Issuer*

The Issuer may not at any time purchase any of the Notes (other than Class R Notes in accordance with Condition 8(i) (*Issue, repurchases and resales of Class R Notes by Issuer*)).

(h) Purchase of Notes by FinCo and other Obligors

FinCo and any of the other Obligors (provided that such Obligor is ordinarily resident in the United Kingdom for United Kingdom tax purposes) may at any time purchase Notes of any Class in accordance with applicable law and the provisions of the Common Terms Agreement. Any Notes purchased by FinCo may, at the option of FinCo, be surrendered to the Issuer. Upon surrender of any such Note (other than a Class R Note), the Note will be cancelled.

If not all the Registered Notes are to be purchased, upon surrender of the existing Individual Note Certificate, the Registrar shall forthwith upon the written request of the Noteholder concerned issue a new Individual Note Certificate in respect of the Notes which are not to be purchased and despatch such Individual Note Certificate to the Noteholder (at the risk of the Noteholder and to such address as the Noteholder may specify in such request).

(i) Issue, repurchases and resales of Class R Notes by Issuer

(i) The Issuer may enter into a Class R Underwriting Agreement (as defined below) and issue Class R1 Notes and Class R2 Notes, in which case it may use the proceeds from the issue of the Class R Notes immediately to repurchase (but not cancel) such Class R Notes. The Issuer may only issue Class R Notes if it enters into a Class R Underwriting Agreement and if the aggregate nominal amount of Class R1 Notes issued is equal to the aggregate nominal amount of Class R2 Notes issued.

(ii) The Issuer will (save to the extent that Condition 8(i)(iii) applies and save where an Issuer Event of Default or a Potential Issuer Event of Default is outstanding) on any Note Payment Date falling on or prior to the Note Payment Date falling on or before the last day of the period agreed as being the period throughout which the underwriters will be bound to repurchase from the Issuer any Class R Notes (the "Underwriting Period") repurchase all Class R Notes outstanding on each Note Payment Date at a price which is equal to their Principal Amount Outstanding, plus accrued but unpaid interest to (but excluding) the date of repurchase. The Issuer may at its option cancel, hold or resell all or any of the Class R Notes so purchased (or purchased by FinCo and surrendered to the Issuer pursuant to Condition 8(h) (Purchase of Notes by FinCo and other Obligors) above) provided that it shall not on any Note Payment Date resell, or procure the resale of, more than 50 per cent. of the aggregate Principal Amount Outstanding of the Class R Notes or cancel Class R Notes such that the aggregate nominal amount of Class R1 Notes then outstanding and the aggregate nominal amount of Class R2 Notes then outstanding is unequal.

(iii) Notwithstanding the provisions of Condition 8(i)(ii), the Issuer shall not, during the Underwriting Period, be obliged to repurchase from holders any Class R Notes in respect of which it holds insufficient funds to effect such repurchase in accordance with Condition 8(i)(ii), if such insufficiency arises as a result of the Class R Underwriters not being obliged to repurchase Class R Notes from the Issuer to finance such repurchase from holders by the Issuer, or as a result of any Class R Underwriter failing to honour its commitment under the Class R Underwriting Agreement to purchase Class R Notes from the Issuer. The Class R Notes to be repurchased on a Note Payment Date, in respect of which there are insufficient funds to effect such repurchase in full, shall be repurchased pro rata from the holders of the Class R Notes using such funds as are available for such purpose pursuant to the Issuer Pre-Enforcement Priority of Payments.

(iv) If, by virtue of the operation of Condition 8(i)(iii), the Issuer is not obliged to repurchase all the Class R Notes on any Note Payment Date, the Issuer shall, as soon as reasonably practicable after becoming aware that it will not be repurchasing such Class R Notes by virtue of the operation of Condition 8(i)(iii) (and, in any event, by no later than 11.00 a.m. on the Note Payment Date upon which it would otherwise have repurchased such Class R Notes), give notice to the Class R Noteholders, the Note Trustee, the Rating Agencies and the Principal Paying Agent, in accordance with the provisions of Condition 16 (Notices), specifying the amount of Class R Notes which will not be repurchased on such Note Payment Date.

(v) Any Class R Notes held by or on behalf of the Issuer at the close of business on the Note Payment Date falling at the end of the Underwriting Period shall be cancelled and any Class R Notes purchased by the Issuer on or after such Note Payment Date shall be cancelled immediately upon such repurchase.

(vi) *Definition of "Class R Underwriting Agreement"*

A Class R Underwriting Agreement shall mean an underwriting agreement entered into with underwriters whose short-term and long-term ratings are at least equal to the Minimum Short Term Ratings and the Minimum Long Term Ratings (each as defined in or for the purposes of the Common Terms Agreement) from each of the Rating Agencies rating the Class R Notes pursuant to which:

(1) such underwriters agree during the Underwriting Period to purchase and repurchase from the Issuer on request all or any Class R Notes then in issue on (subject to (2) below in the case of certain repurchases) such terms as are agreed between them;

(2) the only condition that may apply to the repurchase of Class R Notes by the underwriters up to a maximum aggregate nominal amount not exceeding that of all Class R Notes then in circulation shall be that no Issuer Event of Default or Potential Issuer Event of Default shall have occurred and be continuing; and

(3) if (but for any Obligor Event of Default or Potential Obligor Event of Default, as defined in the Common Terms Agreement) FinCo would be obliged under the Common Terms Agreement to refinance, in whole or in part, any ICL Loan (as defined in or for the purposes of the Common Terms Agreement) corresponding to any Class R1 Notes under the Intercompany Loan Agreement (which corresponds to any Class R1 Notes) with another ICL Loan from the Issuer (which is to be financed by the repurchase price payable by the underwriters for Class R2 Notes), the underwriters are obliged (subject only to (2) above, and notwithstanding any Obligor Event of Default or Potential Obligor Event of Default) to repurchase Class R2 Notes from the Issuer in an amount sufficient to finance the making of such ICL Loan.

(vii) *Maturity of Class R Notes*

Subject to satisfying the Ratings Test, the Class R Notes may mature on a date falling after the end of the Underwriting Period, as specified in the relevant Final Terms.

(j) Redemption of Instalment Notes

Unless previously redeemed, purchased and cancelled as provided in this Condition 8 (*Redemption, Purchase and Cancellation*), each Note specified as an Instalment Note will be partially redeemed on each specified Instalment Date and at the specified Instalment Amount. In the case of early redemption, the Redemption Amount of such Instalment Note will be determined pursuant to Conditions 8(b) (*Optional Redemption*), 8(c) (*Optional Redemption as Result of REITs Event*), 8(d) (*Optional Redemption as Result of Ratings Event*), 8(e) (*Optional Redemption for Index Event or Taxation Reasons*) and 8(f) (*Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*) above, as applicable.

(k) Redemption of Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of Conditions 8(b) (*Optional Redemption*), 8(c) (*Optional Redemption as Result of REITs Event*), 8(d) (*Optional Redemption as Result of Ratings Event*), 8(e) (*Optional Redemption for Index Event or Taxation Reasons*) and 8(f) (*Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*) and the applicable Final Terms.

(l) Cancellation

In respect of all Notes redeemed by the Issuer, the Bearer Notes or the Registered Notes shall be surrendered to or to the order of the Principal Paying Agent or the Registrar, as the case may be, for cancellation and, if so surrendered, will be cancelled forthwith (together with, in the case of Bearer Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(m) Subordination of principal

In the case of principal on any Class of Notes other than the Most Senior Class of Notes, if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a), there are insufficient funds available to the Issuer in accordance with the Issuer Payment Priorities to pay such principal due, the Issuer's liability to pay such principal will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred principal on a Sub-Class of Notes shall be payable *pro rata* and *pari passu* with deferred principal on all other Sub-Classes of Notes in such Class. Interest will accrue on such deferred principal at the rate otherwise payable on unpaid principal of such Notes.

9. Payments

(a) *Bearer Notes*

Payments to the Noteholders of principal (or, as the case may be, Redemption Amounts or other amounts payable on redemption) and interest (or, as the case may be, Interest Amounts) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payment of Instalment Amounts other than on the due date for final redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case

of all other payments of principal and, in the case of interest, as specified in Condition 9(f) (*Unmatured Coupons and Receipts and Unexchanged Talons*)) or Coupons (in the case of interest, save as specified in Condition 9(f) (*Unmatured Coupons and Receipts and Unexchanged Talons*)), as the case may be, at the specified office of any Paying Agent outside the United States of America by transfer to an account denominated in the currency in which such payment is due which is maintained by the payee with, or (in the case of Notes in definitive form only) a cheque payable in that currency drawn on, a bank in the Relevant Financial Centre.

(b) *Registered Notes*

Payments of principal (or, as the case may be Redemption Amounts or other amounts payable on redemption) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the fifteenth day before the due date for any such payment (the "**Record Date**"), by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with, a bank in the Relevant Financial Centre upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

Payments of interest (or, as the case may be Interest Amounts) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the relevant Record Date, by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with, a bank in the Relevant Financial Centre and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

(c) *Payments in the United States of America*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

(i) the Issuer shall have appointed Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due;

(ii) payment in full of such amounts at all such offices outside the United States of America is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and

(iii) such payment is then permitted by the law of the United States of America, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of this Condition 9. No commission or expenses shall be charged to the Noteholders, Couponholders or Receiptholders (if any) in respect of such payments.

(e) *Appointment of the Agents*

The Paying Agents, the Agent Bank, the Transfer Agents and the Registrar appointed by the Issuer (and their respective specified offices) are listed in the Agency Agreement. Any Calculation Agent will be listed in the relevant Final Terms and will be appointed

pursuant to a Calculation Agency Agreement. The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right, with the prior written consent of the Note Trustee at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, provided that the Issuer will at all times maintain (i) a Principal Paying Agent (in the case of Bearer Notes), (ii) a Registrar (in the case of Registered Notes), (iii) an Agent Bank or Calculation Agent (as specified in the relevant Final Terms) (in the case of Floating Rate Notes or Indexed Notes), (iv) a Paying Agent with a specified office in an EU member state that will not be obliged to withhold or deduct any amount for or on account of any Tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive (if such an EU member state exists); and (v) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent, Transfer Agent or Registrar in any particular place, a Paying Agent, Transfer Agent and/or Registrar, as applicable, having its specified office in the place required by such listing authority, stock exchange and/or quotation system, which, while any Notes are admitted to trading on the Irish Stock Exchange, shall be in Ireland. Notice of any such variation, termination or appointment will be given in accordance with Condition 16 (*Notices*).

(f) *Unmatured Coupons and Receipts and Unexchanged Talons*

(i) Subject to the provisions of the relevant Final Terms, upon the due date for redemption of any Note which is a Bearer Note (other than a Fixed Rate Note, unless it has all unmatured Coupons attached), unmatured Coupons and Receipts relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the date for redemption of any Note, any unmatured Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iii) Upon the due date for redemption of any Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(iv) Where any Note, which is a Bearer Note and is a Fixed Rate Note, is presented for redemption without all unmatured Coupons and any unexchanged Talons relating to it, a sum equal to the aggregate amount of the missing unmatured Coupons will be deducted from the amount of principal due for payment and redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption of any Note is not a Note Payment Date, interest accrued from the preceding Note Payment Date or the Interest Commencement Date, as the case may be, or the Interest Amount payable on such date for redemption shall only be payable against presentation (and surrender if appropriate) of the relevant Note and Coupon.

(g) *Non-Business Days*

Subject as provided in the relevant Final Terms, if any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which banks are open for presentation and payment of debt securities and for dealings in foreign currency in London and in the relevant place of presentation and in the cities referred to in the definition of Business Days and (in the case of a payment in a currency other than euro), where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which

dealings may be carried on in the relevant currency in the principal financial centre of the country of such currency and, in relation to any sum payable in euro, a TARGET Settlement Day.

(h) *Talons*

On or after the Note Payment Date for the final Coupon or Receipt forming part of a coupon or receipt sheet issued in respect of any Note, the Talon forming part of such coupon or receipt sheet may be surrendered at the specified office of any Paying Agent in exchange for a further coupon or receipt sheet (and if necessary another Talon for a further coupon or receipt sheet but excluding any Coupons or Receipts which may have become void pursuant to Condition 13 (*Prescription*)).

10. Taxation

All payments in respect of the Notes, Receipts and Coupons will be made (whether by the Issuer, any Paying Agent, the Registrar or the Note Trustee) without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, any Paying Agent or the Registrar or, where applicable, the Note Trustee is required by applicable law to make such a withholding or deduction. In that event, the Issuer, such Paying Agent, the Registrar or the Note Trustee, 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. None of the Issuer, any Paying Agent, the Registrar or the Note Trustee will be obliged to make any additional payments to the Noteholders, Receiptholders or the Couponholders in respect of such withholding or deduction.

11. Issuer Events of Default

(a) *Default Events*

If an Issuer Event of Default (as defined below) occurs and is continuing, then the Note Trustee may, at its discretion, at any time (in accordance with the provisions of the Trust Deed), having certified (in the case of Condition 11(a)(ii)) in writing that in its opinion the happening of such event is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and shall, upon the Note Trustee being (i) so requested in writing by holders of at least one quarter in principal amount of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*)) of the holders of the Most Senior Class of Notes then outstanding and (ii) indemnified and/or secured to its satisfaction, give notice (a "**Note Enforcement Notice**") to the Issuer and the Noteholders declaring the Notes to be immediately due and repayable.

Each of the following will constitute an "**Issuer Event of Default**" under the Notes:

(i) if default is made for a period of six days in the payment of any sum due in respect of the Most Senior Class of Notes then outstanding (or any Sub-Class of them) (other than the payment of any Note Step-Up Amount); or

(ii) if the Issuer fails to perform or observe any of its obligations (other than payment obligations referred to in (i) above) under the Notes (including these Conditions) or the Issuer Transaction Documents and, if the Note Trustee considers that such default can be remedied, such failure continues for a period of 30 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or

(iii) if any order is made by any competent court or any resolution passed for the winding up or dissolution of the Issuer (or any analogous proceedings) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Note Trustee or sanctioned by

an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding; or

(iv) if (other than as referred to in (v) below) (1) any other proceedings are initiated against the Issuer under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws and such proceedings are not being disputed in good faith, (2) an administrative receiver or other receiver, administrator or other similar official is appointed in relation to the Issuer or in relation to, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer, (3) an encumbrancer (other than the Note Trustee) takes possession of, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer or (4) a distress or execution or other process is levied or enforced upon or sued out against, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases (other than in relation to the circumstances described in (2) where no grace period shall apply) such order, appointment, possession or process (as the case may be) is not discharged or stayed or does not cease to apply within 14 days; or

(v) if the Issuer or its directors (or any of them) initiates or consents to judicial proceedings relating to itself (except for the purposes of any amalgamation, merger, consolidation, reorganisation or other similar arrangement referred to in paragraph (iii) above) (including, without limitation, the giving of notice of intention to appoint an administrator or the filing of an application for administration by the Issuer or any of the directors of the Issuer) under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally; or

(vi) if the Issuer becomes unable to pay its debts as they fall due or is adjudicated or found bankrupt.

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

Upon delivery of a Note Enforcement Notice in accordance with Condition 11(a) (Default Events) above, all Classes of the Notes then outstanding 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 Deed of Charge.

(c) *Confirmation of no Issuer Event of Default*

The Issuer shall provide written confirmation to the Note Trustee, on an annual basis, that no Issuer Event of Default has occurred.

12. Enforcement Against Issuer

No Noteholder is entitled to take any action against the Issuer or any assets of the Issuer to enforce its rights in respect of the Notes or to enforce any of the Issuer Security. The Note Trustee will act (subject to Condition 4(e) (*Enforcement of Security*)) on the instructions of the holders of the Most Senior Class of Notes then outstanding and the Note Trustee shall not be bound to take any such action unless it is indemnified and/or secured to its satisfaction against all fees, costs, expenses, liabilities, claims and demands to which it may thereby become liable or which it may incur by so doing.

Neither the Note Trustee nor the Noteholders may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Issuer Deed of Charge and subject to the Trust Deed) or other proceeding under any similar law for so long as any Notes

are outstanding or for two years and a day after the latest Maturity Date on which any Note of any Series is due to mature.

13. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts or Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 6(j) (*Definitions*)) in respect thereof.

14. Replacement of Notes, Coupons, Receipts and Talons

If any Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and requirements of the Irish Stock Exchange or any other relevant exchange on which Notes are listed (in the case of listed Notes) (and each other listing authority, stock exchange and or quotation system upon which the relevant Notes have then been admitted to listing, trading and/or quotation), at the specified office of the Principal Paying Agent or, as the case may be, the Registrar 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 require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15. Meetings of Noteholders, Modification, Waiver and Substitution

(a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of the Noteholders (in addition to a meeting of Noteholders held pursuant to Condition 8(d) (*Optional Redemption as Result of Ratings Event*)) to consider any matter affecting their interests, including the modification of the Notes, the Receipts, the Coupons or any of the provisions of the Trust Deed and any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement, save insofar as they relate to the Issuer) to which the Note Trustee is a party or over which it has security. Any modification may (subject to the other terms of this Condition 15(a)) be made if sanctioned by a resolution passed at a meeting or meetings of the relevant Noteholders duly convened and held in accordance with the Trust Deed and these Conditions by a majority of not less than $66^{2}/_{3}$ per cent. of the votes cast (an "**Extraordinary Resolution**") at such meeting or meetings. Such a meeting may be convened by the Note Trustee or the Issuer, and shall be convened by the Issuer upon the request in writing of the relevant Noteholders holding not less than one-tenth in nominal amount of the relevant Notes for the time being outstanding.

The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. (or 75 per cent. in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification (as defined in the Security Trust and Intercreditor Deed) (save as regards any meeting convened by the Issuer pursuant to Condition 8(d) (*Optional Redemption as Result of Ratings Event*)) in respect of the Notes and the other Transaction Documents) in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting, one or more persons being or representing Noteholders, whatever the principal amount of the relevant Notes held or represented (or one or more persons holding or representing not less than 25 per cent. in principal amount of the relevant Notes for the time being outstanding, in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification). Any Extraordinary Resolution duly passed at any such meeting shall be binding on all of the Noteholders, Receiptholders and Couponholders whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in

writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Note Trustee shall, if requested in writing by Noteholders holding Notes having in aggregate a Principal Amount Outstanding of at least 50% of the aggregate Principal Amount Outstanding of all the Notes, notify the Issuer of the Noteholders' desire for a meeting between the Issuer and the Noteholders to discuss the asset backing for the Notes and any issues directly relevant thereto. The Issuer shall, following receipt of such a notice from the Note Trustee, give to the Noteholders notice in accordance with Condition 16 of a meeting to be held in London for such purpose falling not earlier than 30 days and not later than 60 days after receipt by it of the notice from the Note Trustee. All Noteholders shall be entitled to attend any such meeting and to raise with the Issuer's representatives present at such meeting (who shall include at least one director) any questions which relate directly to the asset backing for the Notes.

In the absence of any Obligor Event of Default or Issuer Event of Default, the Note Trustee (and the Noteholders) shall not be entitled to require the Issuer to convene more than one such meeting in any period of twelve months.

A Rating Agency may, on request, attend meetings of Noteholders at which an Extraordinary Resolution is to be considered unless the Noteholders at such meeting vote to exclude them in accordance with the Trust Deed. Any Rating Agency present at such a meeting must leave the meeting when the Noteholders cast their votes on the relevant Extraordinary Resolution. A Rating Agency may not attend any other type of Noteholder meeting.

(b) *Debtholders' Meetings*

Pursuant to the Issuer Deed of Charge, the Issuer has assigned by way of security its interest in respect of the advances to FinCo under the Intercompany Loan Agreement and the security therefor to the Note Trustee for the benefit of, *inter alios*, the Noteholders. Accordingly the Security Trust and Intercreditor Deed provides that the relevant Qualifying Noteholders shall be entitled to instruct the Note Trustee to vote in *Debtholders' Meetings* instead of the Issuer on certain proposals relating to the Obligors and the Obligor Secured Creditors. Such proposal, if duly approved in such Debtholders' Meeting shall be a "**Secured Creditor Instruction**".

Any Noteholder who is a Qualifying Noteholder will vote at a Debtholders' Meeting solely by instructing the Note Trustee to vote on its behalf as its Representative (as defined in the Security Trust and Intercreditor Deed) in such Debtholders' Meeting. In any Debtholders' Meeting, voting shall be determined on a pound-for-pound basis by reference to the Principal Amount Outstanding owed to each of the relevant Qualifying Debtholders, so that all votes in favour of the proposal and against the proposal from the Qualifying Noteholders and the other Qualifying Debtholders (who are not Noteholders) are considered on an aggregated basis, irrespective of whether a majority of such Qualifying Noteholders are in favour of or against the proposal.

If any Noteholder is a Qualifying Noteholder, then for the purpose of voting in such Debtholders' Meeting, the Note Trustee shall convene a meeting of the Qualifying Noteholders of any relevant Class or Sub-Class in accordance with the Trust Deed to consider the proposed Secured Creditor Instruction and to instruct the Note Trustee how to vote on each Qualifying Noteholder's behalf on such proposal. After obtaining the instruction of the Qualifying Noteholders who are present at such meeting, the Note Trustee shall vote in the Debtholders' Meeting in accordance with such instructions.

The Obligor Security Trustee shall, pursuant to the Security Trust and Intercreditor Deed, request the Note Trustee to confirm that the quorum requirement for any meeting of Qualifying Noteholders had been satisfied, that is, one or more persons holding or representing at least 25 per cent. in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting of Qualifying Noteholders, one or more persons being or representing Qualifying Noteholders, whatever the principal amount of the relevant Notes held or represented.

Irrespective of the result of voting at a meeting of Noteholders in relation to a proposed Secured Creditor Instruction, any Secured Creditor Instruction duly approved at a Debtholders' Meeting shall be binding on all of the Noteholders, Receiptholders and Couponholders.

(c) *Modification, consent and waiver*

As more fully set out in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may, without the consent of the Noteholders of any Sub-Class, concur with the Issuer and any other relevant parties in making (i) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement save insofar as they relate to the Issuer) which is of a formal, minor or technical nature or is made to correct a manifest error or an error in respect of which an English Court could reasonably be expected to make a rectification order; (ii) any other modification and granting any consent under or waiver or authorisation of any breach or proposed breach of these Conditions, the Trust Deed or any other Issuer Transaction Document or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) which is, in the opinion of the Note Trustee, not materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding; and (iii) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Documents or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) if such modification is made for an Accepted Restructuring Purpose or pursuant to Proposed Non-UK Structural Changes (as defined in or for the purposes of the Common Terms Agreement) and no Ratings Event occurs in respect of the proposed modification. Any such modification, consent, waiver or authorisation shall be binding on all Noteholders and the holders of all relevant Receipts and Coupons and, in each case, if the Note Trustee so requires, notice thereof shall be given by the Issuer to the Noteholders as soon as practicable thereafter.

No Extraordinary Resolution in respect of a Basic Terms Modification or a change in respect of the Financial Covenant shall be binding on the Note Trustee or the Noteholders (or any of them) unless the Obligor Security Trustee has confirmed to the Note Trustee that such modification has also been approved by each of the other providers of finance to the Obligors in accordance with the relevant credit facility agreements between FinCo (or any other Obligor) and the other providers of such finance.

The Note Trustee, in exercising its discretion to concur in making any modification, granting any consent under or waiver for authorisation of any breach or proposed breach of these Conditions, the Trust Deed or any other Issuer Transaction Document (other than a Basic Terms Modification or a change in respect of the Financial Covenant), shall be entitled to have regard to the Ratings Test (as defined in the Common Terms Agreement) and it may consider the Ratings Test to be an appropriate test or the only appropriate test to apply in that circumstance in exercising its discretion.

(d) *Substitution of the Issuer*

As more fully set forth in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may also agree with the Issuer, without reference to the Noteholders, to the substitution of another corporation in place of the Issuer as principal debtor in respect of the Trust Deed and the Notes of all Series.

16. Notices

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the date of posting. Other notices to Noteholders will be valid if published in a leading daily newspaper having general circulation in Ireland (which is expected to be the Irish Times). The Issuer shall also ensure that all notices are duly published in a manner that complies with the rules and regulations of the Irish Stock Exchange and any other listing authority, stock exchange and/or quotation system on which the Notes are for the time being listed. Any

such notice (other than to holders of Registered Notes as specified above) 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. Couponholders and Receiptholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16 (*Notices*).

The Note Trustee will also provide a Rating Agency, at its request from time to time, with all notices, written information and reports that the Note Trustee sends or makes available to all Noteholders of any Class or Sub-Class except to the extent that such notices, information or reports contain information confidential to third parties.

17. Miscellaneous

(a) *Governing Law*

The Trust Deed, the Issuer Deed of Charge (except in respect of certain terms that may relate to the creation, subsistence or enforcement of security in assets governed by law other than English law), the Notes, the Coupons, the Receipts, the Talons (if any) and the other Issuer Transaction Documents are, and all matters arising from or in connection with such documents shall be governed by, and shall be construed in accordance with, English law.

(b) *Third Party Rights*

No person shall have any right to enforce any term or condition of the Notes or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

3. Sub-Class A13 Notes: 2014 Terms and Conditions (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

CHAPTER 12

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which (subject to the provisions of the relevant Final Terms and, save for the italicised paragraphs) will be incorporated by reference into each Note in definitive form (if any) issued in exchange for the Global Note(s) representing Notes in bearer, or, as the case may be, registered, form and each Individual Note Certificate representing Notes in registered form (only if such incorporation by reference is permitted by the relevant stock exchange and agreed by the Issuer). If such incorporation by reference is not so permitted and agreed, each Note in definitive form and each Individual Note Certificate representing Notes in registered form will have endorsed thereon or attached thereto such text. For a summary of the provisions of the Notes whilst in global form, see Chapter 15 "Summary of Provisions Relating to the Notes while in Global Form", page 289, below. Further information with respect to each Sub-Class of Notes will be given in the relevant Final Terms which will provide for those aspects of these Conditions which are applicable to such Sub-Class of Notes.

These terms and conditions as amended by Chapter 15 "*Summary of Provisions Relating to the Notes While in Global Form",* page 289 below (if applicable) and the relevant Final Terms set out the rights of Noteholders.

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1. *Form, Denomination, Title*
2. *Exchanges of Notes and Transfers of Registered Notes*
3. *Status of Notes*
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12. *Enforcement Against Issuer*
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14. *Replacement of Notes, Coupons and Talons*
15. *Meetings of Noteholders, Modification, Waiver and Substitution*
16. *Notices*
17. *Miscellaneous*

Land Securities Capital Markets PLC (the "**Issuer**") has established a multicurrency programme (the "**Programme**") for the issuance of up to £6,000,000,000 Notes (the "**Notes**"). Notes issued under the Programme on a particular Issue Date comprise a Series (a "**Series**"), and each Series comprises

one or more Classes of Notes (each a "**Class**"). Each Class may comprise one or more sub-classes (each a "**Sub-Class**").

A Class designation denotes priority ranking in point of security. First ranking Notes will be designated as "**Class A Notes**" or (if issued pursuant to a Class R Underwriting Agreement) as Class R1 Notes ("**Class R1 Notes**" and, together with the Class A Notes, the "**Priority 1 Notes**"), second ranking Notes will be designated as "**Class B Notes**" or (if issued pursuant to a Class R Underwriting Agreement) as Class R2 Notes ("**Class R2 Notes**" and, together with the Class R1 Notes, the "**Class R Notes**", and the Class B Notes together with the Class R2 Notes, the "**Priority 2 Notes**") and any Notes issued in any Class or Classes of Notes designated as ranking below the Priority 2 Notes will be designated as the "**Subordinated Notes**".

A Sub-Class of Notes may have economic terms that differ from the other Sub-Class(es) of Notes in the same Class and each Sub-Class may therefore be denominated in a different currency or have different interest rates and/or interest payment dates, maturity dates or other terms. Notes of any Sub-Class may be zero coupon Notes ("**Zero Coupon Notes**"), fixed rate Notes ("**Fixed Rate Notes**"), floating rate Notes ("**Floating Rate Notes**"), index-linked Notes ("**Indexed Notes**"), or any other type of Note issued by the Issuer from time to time and may be denominated in sterling, euro, U.S. dollars or in other currencies subject to compliance with applicable law.

The terms and conditions applicable to any particular Sub-Class of Notes are these terms and conditions ("**Conditions**") as completed by a final terms relating to such Sub-Class substantially in the form of the *pro forma* final terms set out in the base prospectus as revised, supplemented or amended from time to time ("**Base Prospectus**") for the Notes ("**Final Terms**") or, in the case of Notes issued before 1 July 2005, a pricing supplement in which case, where the context requires or permits, a reference in these Conditions to Final Terms shall be a reference to such pricing supplement. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

The Final Terms for this Note complete these Conditions. Reference to "**Final Terms**" is to the Final Terms annexed to this Note.

The Notes are subject to and have the benefit of a trust deed dated 3 November 2004 (the "**Exchange Date**") (the "**Principal Trust Deed**"), such Principal Trust Deed and any subsequent supplemental trust deeds, last having been amended and restated on 25 July 2014 (the "**Fifth Supplemental Trust Deed**") and, together with the Principal Trust Deed and any subsequent supplemental trust deeds, the "**Trust Deed**", as amended, supplemented, restated and/or novated from time to time) between the Issuer and Deutsche Trustee Company Limited as trustee for the Noteholders (the "**Note Trustee**", which expression includes the trustee or trustees of the Trust Deed from time to time).

The Notes have the benefit (to the extent applicable) of an amended and restated agency agreement (as amended, supplemented and/or restated from time to time, the "**Agency Agreement**") dated 6 June 2013 between the Issuer, the Note Trustee, the Principal Paying Agent, the other Paying Agents, the Transfer Agents and the Registrar. As used herein, each of "**Principal Paying Agent**", "**Paying Agents**", "**Agent Bank**", "**Transfer Agents**" and/or "**Registrar**" means, in relation to the Notes, the persons specified in the Agency Agreement as the Principal Paying Agent, Paying Agents, Agent Bank, Transfer Agents and/or Registrar respectively and, in each case, any successor to such person in such capacity. The Notes may also have the benefit (to the extent applicable) of a calculation agency agreement (in the form or substantially in the form of Schedule 1 to the Agency Agreement, the "**Calculation Agency Agreement**") between, *inter alios*, the Issuer and any calculation agent appointed by the Issuer as calculation agent (the "**Calculation Agent**"). In these Conditions, "**Agents**" means the Principal Paying Agent, the Paying Agents, the Agent Bank, the Transfer Agents, the Registrar and any Calculation Agent and "**Agent**" means any of them.

On the Exchange Date, the Issuer entered into a loan agreement (the "**Intercompany Loan Agreement**") with LS Property Finance Company Limited ("**FinCo**") pursuant to which the Issuer will make loan advances to FinCo with the proceeds of any issue of Notes under the Programme. The obligation of FinCo to pay interest and/or repay principal under the Intercompany Loan Agreement will exclusively support the Issuer's obligations in respect of the Notes and will be secured pursuant to the Obligor Security Documents.

On the Exchange Date, the Issuer entered into an account bank and cash management agreement (the "**Account Bank and Cash Management Agreement**") with Lloyds Bank plc (the "**Account Bank**", which term shall include the successors or assignees thereof), Land Securities (Finance) Limited (the "**Cash Manager**"), FinCo, the Obligors, the Obligor Security Trustee (each as defined below) and the Note Trustee.

On the Exchange Date, the Issuer entered into a deed of charge (the "**Issuer Deed of Charge**") with, among others, the Note Trustee in its capacity as trustee for the Issuer Secured Creditors (as defined below), pursuant to which the Issuer grants fixed and floating charge security over all its assets and undertakings (the "**Issuer Security**") to the Note Trustee for itself and on behalf of the Noteholders, any receiver appointed under the Issuer Deed of Charge, each Agent, the Account Bank and any Replacement Cash Manager and any other creditors who accede to the Issuer Deed of Charge from time to time in accordance with the terms thereof (together, the "**Issuer Secured Creditors**").

On the Exchange Date, the Issuer entered into a security trust and intercreditor deed (the "**Security Trust and Intercreditor Deed**") with the Note Trustee, Deutsche Trustee Company Limited as security trustee for the Issuer and the other Obligor Secured Creditors (as defined in the Security Trust and Intercreditor Deed) (the "**Obligor Security Trustee**"), the Obligors (as defined in the Security Trust and Intercreditor Deed) and the other Obligor Secured Creditors, pursuant to which the Obligor Security Trustee holds the Obligor Security on trust for the Obligor Secured Creditors (including, save as regards the floating charges contained in the Security Trust and Intercreditor Deed, the Issuer) and the Obligor Secured Creditors (including the Issuer) agree to certain intercreditor arrangements.

On the Exchange Date, the Issuer entered into a floating charge agreement (the "**Obligor Floating Charge Agreement**") with the Note Trustee, the Obligor Security Trustee and the Obligors, pursuant to which the Issuer has the benefit of a first ranking floating charge over the whole of each Obligor's undertaking, assets, property and rights whatsoever and wheresoever, present and future.

On the Exchange Date, the Issuer entered into a common terms agreement (the "**Common Terms Agreement**") with the Note Trustee, the Obligor Security Trustee, the Obligors and the other Obligor Secured Creditors pursuant to which the Issuer has the benefit of certain representations, warranties and covenants made by the Obligors.

On the Exchange Date, certain Obligors granted standard securities (the "**Standard Securities**") over their real estate properties in Scotland, the benefit of which are held on trust in accordance with the Security Trust and Intercreditor Deed.

The Security Trust and Intercreditor Deed, the Obligor Floating Charge Agreement and the Standard Securities secure (*inter alia*) the obligations of FinCo under the Intercompany Loan Agreement, which (by virtue of the Issuer Deed of Charge) means that the Notes are indirectly secured by all the assets over which such security is created. The Issuer Deed of Charge enables the Note Trustee to exercise all of the Issuer's rights in respect of the Intercompany Loan Agreement and the security documents referred to above.

The Obligors (who have granted such security) will be affiliates of the Issuer, including in particular FinCo and Land Securities PLC.

On 6 June 2013 the Issuer entered into an amended and restated dealership agreement (as amended, supplemented and/or restated from time to time, the "**Dealership Agreement**") with the Obligors and the dealers named therein (the "**Dealers**") in respect of the Programme, pursuant to which any of the Dealers may enter into subscription agreements in relation to Classes or Sub-Classes of Notes (other than any Class R Notes) issued by the Issuer, and pursuant to which the Dealers agree to subscribe for the relevant Classes or Sub-Classes of Notes.

The Issuer may enter into an underwriting agreement (a "**Class R Underwriting Agreement**") with the underwriters named therein (the "**Class R Underwriters**"), pursuant to which the Class R Underwriters will agree to underwrite the issue and sale of Class R Notes.

On the Exchange Date, the Issuer entered into a deed of covenant (the "**Tax Deed of Covenant**") with the Note Trustee, the Obligor Security Trustee, the Obligors and Land Securities Group PLC.

The Trust Deed, the Notes (including the relevant Final Terms), the Agency Agreement, the Issuer Deed of Charge, the Security Trust and Intercreditor Deed, the Intercompany Loan Agreement, the Obligor Floating Charge Agreement, the Common Terms Agreement, the Account Bank and Cash Management Agreement and the Tax Deed of Covenant are together referred to as the "**Issuer Transaction Documents**".

Terms not defined in these Conditions have the meaning set out in the Trust Deed.

Certain statements in these Conditions are summaries of, and are subject to, the detailed provisions appearing in the Trust Deed, the Issuer Deed of Charge, the Agency Agreement, any Class R Underwriting Agreement, the Dealership Agreement or the other Issuer Transaction Documents. Copies of, *inter alia*, the Issuer Transaction Documents are available for inspection during normal business hours at the specified offices of the Paying Agents (in the case of Bearer Notes) or the specified offices of the Transfer Agents and the Registrar (in the case of Registered Notes) (each as defined below), save that, if this Note is an unlisted Note of any Sub-Class, the relevant Final Terms will only be obtainable by a Noteholder holding one or more unlisted Notes of that Sub-Class and such Noteholder must provide evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity.

The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the relevant Final Terms and the provisions of the Agency Agreement applicable to them. In addition, the Noteholders are entitled to the benefit of, are bound by, and will be deemed to have notice of the provisions of the Issuer Deed of Charge, the Intercompany Loan Agreement, the Common Terms Agreement and the other Issuer Transaction Documents applicable to them.

Any reference in these Conditions to a matter being "**specified**" means as the same may be specified in the relevant Final Terms.

1. **Form, Denomination, Title**

(a) Form and Denomination

The Notes will be issued either (i) in bearer form ("**Bearer Notes**"), serially numbered in a Specified Denomination (as specified in the Final Terms) or (ii) in registered form ("**Registered Notes**") serially numbered in the Specified Denomination or an integral multiple thereof. References in these Conditions to "**Notes**" include Bearer Notes and Registered Notes and all Sub-Classes, Classes and Series of Notes.

Interest bearing Bearer Notes (other than Class R Notes) are issued with Coupons (as defined below) and, where appropriate, a Talon (as defined below) attached. After all the Coupons attached to, or issued in respect of, any Bearer Note which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and (if necessary) one further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent.

(b) *Title*

Title to Bearer Notes, Coupons and Talons (if any) passes by delivery. Title to Registered Notes passes by registration in the register (the "**Register**"), which the Issuer shall procure will be kept by the Registrar.

In these Conditions, subject as provided below, each "**Noteholder**", "**holder**" and "**Holder**" (in relation to a Note) means (i) in relation to a Bearer Note, the bearer of any Bearer Note and (ii) in relation to a Registered Note, the person in whose name a Registered Note is registered. The expressions "**Noteholder**", "**holder**" and "**Holder**" also include the holders of the Coupons (which, in relation to Class A Notes, will be "**Class A Coupons**", in relation to Class B Notes, "**Class B Coupons**", in relation to the Subordinated Notes, "**Subordinated Coupons**" and, together, the "**Coupons**") (if any) appertaining to interest bearing Bearer Notes (the "**Couponholders**") and the expression Couponholders includes the bearers of Talons in relation to Coupons (which, in relation to Class A Notes, will be "**Class A Talons**",

in relation to Class B Notes, "**Class B Talons**", in relation to the Subordinated Notes, "**Subordinated Talons**" and together, the "**Talons**") (if any) for further Coupons attached to such Notes (the "**Talonholders**").

The bearer of any Bearer Note, Coupon or Talon and the registered holder of any Registered Note will (except as otherwise required by law) be deemed and treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the relevant Note, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Registered Note, a duly executed transfer of such Note in the form endorsed on the Note Certificate in respect thereof) and no person will be liable for so treating the holder.

(c) *Fungible Issues of Notes comprising a Sub-Class*

A Sub-Class of Notes may comprise a number of issues of Notes of such Sub-Classes in addition to the initial issue of such Sub-Class, each of which will be issued on identical terms and conditions save for the first Note Payment Date, the Issue Date and the Issue Price. Such further issues of the same Sub-Class will be consolidated with and form a single series with the prior issues of Notes of that Sub-Class.

2. **Exchanges of Notes and Transfers of Registered Notes**

(a) *Exchange of Notes*

Registered Notes may not be exchanged for Bearer Notes and vice versa.

(b) *Transfer of Registered Notes*

A Registered Note may upon the terms and subject to the conditions of the Agency Agreement be transferred upon the surrender of the relevant Individual Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of any Transfer Agent or the Registrar. However, a Registered Note may not be transferred unless (i) the principal amount of Registered Notes to be transferred and (ii) the remaining principal amount of the Registered Notes (if any) to be retained by the relevant transferor are, in each case, Specified Denominations. In the case of a transfer of part only of a holding of Registered Notes represented by an Individual Note Certificate, a new Individual Note Certificate in respect of the balance not transferred will be issued to the transferor within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer.

(c) *Delivery of New Individual Note Certificates*

Each new Individual Note Certificate to be issued upon transfer of Registered Notes will, within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer, be available for delivery at the specified office of the Transfer Agent or the Registrar stipulated in the form of transfer, or be mailed at the risk of the Noteholder entitled to the Individual Note Certificate to such address as may be specified in such form of transfer. For these purposes, a form of transfer received by the Registrar after the Record Date (as defined in Condition 9(b) below) in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar until the business day (as defined in Condition 9(g) below) following the due date for such payment.

(d) *No Charge*

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(e) *Closed Periods*

No transfer of a Registered Note may be registered during the period of 15 days ending on the due date for any payment of principal, interest, Interest Amount or Redemption Amount on that Note.

3. **Status of Notes**

(a) *Status of Class A Notes and Class R1 Notes*

This Condition 3(a) is applicable only in relation to Notes that are specified as being a Sub-Class of Class A Notes or Class R1 Notes in the relevant Final Terms.

The Class A Notes, Class A Coupons, Class A Talons and the Class R1 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and rank *pari passu* and *pro rata* without any preference among themselves.

(b) *Status of Class B Notes and Class R2 Notes*

This Condition 3(b) is applicable only in relation to Notes that are specified as being a Sub-Class of Class B Notes or Class R2 Notes in the relevant Final Terms.

Any Class B Notes, Class B Coupons, Class B Talons and the Class R2 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class A Notes, Class A Coupons, Class A Talons and the Class R1 Notes and rank *pari passu* and *pro rata* without any preference among themselves.

(c) *Status of Subordinated Notes*

This Condition 3(c) is applicable only in relation to Notes that are specified as being a Sub-Class of Subordinated Notes in the relevant Final Terms.

Any Subordinated Notes, Subordinated Coupons and Subordinated Talons will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class B Notes, Class B Coupons, Class B Talons and the Class R2 Notes and rank *pari passu* and *pro rata* without any preference among themselves. The precise ranking of the Subordinated Notes *vis-à-vis* any other Class of Subordinated Notes issued by the Issuer is as specified in the Final Terms.

The Issuer may after the Issue Date issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to, *pari passu* and *pro rata* with, or subordinate to, the Subordinated Notes existing at the time of such issue provided that the Issuer may only issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to Subordinated Notes existing at the time of such issue if such issue has been approved by the Note Trustee (acting on an Extraordinary Resolution of the Noteholders of any Affected Class).

In these Conditions "**Affected Class**" means:

(i) in relation to the proposed introduction or change of any Secondary Debt Rank or Primary Debt Rank, each Sub-Class of Notes which corresponds to an ICL Loan which, as a result of such introduction or change, will become subordinated in point of security to any other Subordinated ICL Loan or Subordinated ACF Loan to which it is not then subordinated;

(ii) in relation to the proposed incurrence of any Subordinated Debt after a Subordinated Debt Split, each Sub-Class of Notes which corresponds to a Subordinated ICL Loan that will be subordinate in point of security to the Subordinated Debt proposed to be drawn;

(iii) in relation to the proposed change of the Primary Debt Rank of any ICL Loan, the Sub-Class of Notes which corresponds to such Loan; and

(iv) in relation to any proposal to use funds standing to the credit of a DCA Ledger in respect of an ICL Loan to Prepay any Loan other than such ICL Loan, the Sub-Class of Notes which corresponds to such ICL Loan.

(d) *Note Trustee not responsible for monitoring compliance*

The Note Trustee shall not be responsible for monitoring compliance by the Issuer with any of its obligations under the Issuer Transaction Documents except by means of receipt of a certificate from the Issuer which will state, among other things, that no Issuer Event of Default is outstanding. The Note Trustee shall be entitled to rely on such certificates absolutely. The Note Trustee is not responsible for monitoring compliance by any of the parties with their respective obligations under the Issuer Transaction Documents. The Note Trustee may call for and is at liberty to accept as sufficient evidence a certificate signed by any two Authorised Signatories of the Issuer, the Obligors (or any of them) or any other party to any Issuer Transaction Document to the effect that any particular dealing, transaction, step or thing is in the opinion of the persons so certifying suitable or expedient or as to any other fact or matter upon which the Note Trustee may require to be satisfied. The Note Trustee is in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such certificate although the same may contain some error or is not authentic. The Note Trustee is entitled to rely upon any certificate believed by it to be genuine and will not be liable for so acting.

4. **Security and Relationship with Issuer Secured Creditors**

(a) *Security*

As far as permitted by and subject to compliance with any applicable law and as continuing security for the payment and discharge of the Issuer's obligations in respect of the Notes and Coupons and in respect of the other Issuer Secured Creditors under the Issuer Transaction Documents (including the remuneration, fees, expenses and other claims of the Note Trustee under the Trust Deed, and of the Note Trustee and any Receiver appointed under the Issuer Deed of Charge, to any Replacement Cash Manager and the Account Bank under the Account Bank and Cash Management Agreement and to the Agents under the Agency Agreement) (the "**Issuer Secured Liabilities**") the Issuer created the following security (the "**Issuer Security**") in favour of the Note Trustee for itself and on behalf of the other Issuer Secured Creditors (including, without limitation, the Note Trustee on behalf of the Noteholders) by execution of the Issuer Deed of Charge on the Exchange Date:

(i) a first fixed charge over the Issuer Accounts;

(ii) an assignment and assignation by way of security of the interest of the Issuer under each Issuer Transaction Document (other than the Trust Deed and the Issuer Deed of Charge);

(iii) an assignment by way of security of the beneficial interest of the Issuer under the Obligor Transaction Documents; and

(iv) a first floating charge over the whole of the Issuer's undertaking, assets, property and rights whatsoever and wheresoever, present and future, including its uncalled capital,

all as more particularly set out in the Issuer Deed of Charge.

All Notes issued by the Issuer under the Programme share in the Issuer Security as more particularly set out in the Issuer Deed of Charge.

(b) *Relationship among Noteholders and with other Issuer Secured Creditors*

Except where expressly provided otherwise in the Trust Deed and/or these Conditions, including Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*), 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, 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 then outstanding if, in the Note Trustee's opinion, there is a conflict between the interests of the holders of such Class and any other Class of Notes then outstanding.

So long as any of the Notes remain outstanding, in the exercise of its rights, authorities and discretions under the Trust Deed, the Note Trustee is only required to have regard to the interests of the Noteholders or, as the case may be, the holders of the Most Senior Class of Notes then outstanding and not to the interests of the other Issuer Secured Creditors.

The Trust Deed and these Conditions contain provisions limiting the powers of the holders of any Class of Notes other than the Most Senior Class of Notes, *inter alia*, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution which may affect the interests of the holders of each of the other Classes of Notes ranking equally with or senior to such Class. Except in certain circumstances set out in the Trust Deed and these Conditions (including Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*)), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class of Notes, the exercise of which will be binding on all such holders, irrespective of the effect thereof on their interests.

In exercising its rights, powers, trusts, authorities, duties and discretions in accordance with this Condition 4, the Note Trustee shall disregard any Step-Up Amounts for the purposes of determining whether there are any Notes of a particular Class outstanding.

In these Conditions, "**Most Senior Class of Notes**" means (i) any outstanding Class A Notes and Class R1 Notes, or (ii) if no Class A Notes or Class R1 Notes are then outstanding, any outstanding Class B Notes and Class R2 Notes, or (iii) if no Class A Notes, Class R1 Notes, Class B Notes or Class R2 Notes are then outstanding, the most senior outstanding Class of the Subordinated Notes, in each case, if instructing, directing or requesting the Note Trustee on any matter, acting together whether by means of an Extraordinary Resolution or a written instruction, direction or request of the holders of at least one quarter of the principal amount of the relevant Class of Notes then outstanding.

(c) *Relationship with Obligor Secured Creditors*

The Security Trust and Intercreditor Deed will include provisions relating to the holding of meetings between the providers of secured finance to the Obligors and Noteholders and voting on certain issues concerning the Obligors.

(i) *Debtholders' Meetings*: On issues relating to the enforcement of the security interests granted by the Obligors, the acceleration of secured obligations owed by the Obligors, the removal of the Obligor Security Trustee and the appointment of any successor thereof, and the modification or waiver of the Financial Covenant (as defined in the Common Terms Agreement), the Obligor Security Trustee shall, in accordance with the Security Trust and Intercreditor Deed, hold a Debtholders' Meeting, at which certain Class(es) or Sub-Class(es) of Noteholders who are Qualifying Debtholders for the purpose of such Debtholders' Meeting ("**Qualifying Noteholders**") are eligible to vote (the composition of the Qualifying Debtholders (and hence Qualifying Noteholders) in respect of a Debtholders' Meeting being prescribed in the Security Trust and Intercreditor Deed). At any Debtholders' Meeting, the Note Trustee shall act as the Representative (as defined in the Security Trust and Intercreditor Deed) of such Qualifying Noteholders. The Note Trustee will vote on behalf of such Qualifying Noteholders in accordance with Condition 15(b) (*Debtholders' Meetings*) below, and any decision reached at a Debtholders' Meeting shall bind all Classes of Noteholders.

(ii) *Extraordinary Resolutions*: On issues relating to the modification of, the consents under, or the waivers in respect of breaches or potential breaches of, the Obligor Transaction Documents (including any Basic Terms Modification, the creation or modification of Primary Debt Ranks or Secondary Debt Ranks, consent for the Obligors to incur Subordinated Debt (as defined in the Common Terms Agreement) which rank prior to, or *pari passu* with, any Subordinated Notes), the Obligor Security

Trustee may, in accordance with the Security Trust and Intercreditor Deed, seek confirmation from the Note Trustee that the holders of the Most Senior Class of Notes then outstanding (or, in the case of a Basic Terms Modification, the holders of each Sub-Class of Notes, or in the case of the modification of Primary Ranks or the creation or modification of Secondary Debt Ranks, the holders of Notes comprised in any Affected Class) have passed an Extraordinary Resolution approving such modification, consent or waiver, in accordance with Condition 15(a) (*Meetings of Noteholders*). Any such Extraordinary Resolution shall bind all Noteholders.

(d) *Application Prior to Enforcement*

Prior to enforcement of the Issuer Security by the Note Trustee, the Cash Manager, on behalf of the Issuer, is required to apply funds available to the Issuer in accordance with the Issuer Pre-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(e) *Enforceable Security*

In the event of the Issuer Security becoming enforceable as provided in Condition 11(b) (*Consequences of Notes becoming Due and Payable and Delivery of Note Enforcement Notice*) below, the Note Trustee may, at its discretion and without further notice, institute such proceedings as it thinks fit to enforce its rights with respect to the Issuer Security, but it shall not be bound to do so unless instructed by the holders of the Most Senior Class of Notes then outstanding, and without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any particular Noteholder, provided that the Note Trustee shall not be obliged to take any action unless it is indemnified and/or secured to its satisfaction.

Although the Issuer holds certain floating charges granted by the Obligors under the Obligor Floating Charge Agreement (and the Note Trustee is an assignee by way of security of such floating charges pursuant to the Issuer Deed of Charge), the Issuer and the Note Trustee have agreed with the Obligor Security Trustee in the Obligor Floating Charge Agreement that any proceeds from the enforcement of the security contained in the Obligor Floating Charge Agreement shall be shared between the Issuer and the other Obligor Secured Creditors, by applying such proceeds towards the applicable priority of payments as set out in the Security Trust and Intercreditor Deed.

The Obligor Floating Charge Agreement also provides that the Note Trustee (as the assignee by way of security of the floating charges contained therein) is required to appoint an administrative receiver in respect of any Obligor if the Note Trustee has actual notice of an application for the appointment of an administrator or of the giving of notice of intention to appoint an administrator in respect of such Obligor, such appointment to take effect upon the final day by which the appointment must be made in order to prevent an administration from proceeding or (where an Obligor or the directors of an Obligor have initiated its administration) not later than that final day (and the Obligor Floating Charge Agreement provides that the Note Trustee shall agree that it is adequately indemnified and secured in respect of its making such appointment by virtue of its indemnification rights against the Issuer under the Issuer Deed of Charge and against the Obligors under the Obligor Floating Charge Agreement, and the security it has in respect of those rights).

(f) *Application After Enforcement*

After enforcement of the Issuer Security in accordance with Condition 4(e) (*Enforceable Security*), the Note Trustee shall (to the extent that such funds are available) use all monies received or recovered by it under the Issuer Deed of Charge (except proceeds in respect of the floating charge contained in the Obligor Floating Charge Agreement) to make payments in accordance with the Issuer Post-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(g) *Note Trustee not liable for security*

The Note Trustee will not be liable for any failure to make the usual investigations or any investigations which might be made by a security holder in relation to the property which is the subject of the Issuer Security, and shall not be bound to enquire into or be liable for any defect or failure in the right or title of the Issuer to the Issuer Security, whether such defect or failure was known to the Note Trustee or might have been discovered upon examination or enquiry or whether capable of remedy or not, nor will it have any liability for the enforceability of the Issuer Security whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting such Issuer Security. The Note Trustee has no responsibility for the value of any Issuer Security.

5. **Issuer Covenants**

So long as any of the Notes remain outstanding, the Issuer has agreed to comply with the covenants set out in the Issuer Deed of Charge.

The Note Trustee shall be entitled to rely absolutely on a certificate signed by two directors of the Issuer in relation to any matter relating to such covenants and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter stated in such certificate.

6. **Interest and other Calculations**

(a) *Interest Rate and Accrual*

Each Note other than (i) Zero Coupon Notes and (ii) any Class R Note for so long as it is held by the Issuer bears interest on its Principal Amount Outstanding (as defined below) from the Interest Commencement Date (as defined below) at the Interest Rate (as defined below), such interest being payable in arrear on each Note Payment Date (as defined below).

Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after judgment) at the Interest Rate in the manner provided in this Condition 6 to the Relevant Date (as defined below).

In the case of accrued interest on any Class of Notes other than the Most Senior Class of Notes (as defined in Condition 4(b) (*Relationship among Noteholders and with other Issuer Secured Creditors*) above) (or any accrued Note Step-Up Amount relating to the Most Senior Class of Notes), if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a) (*Default Events*), there are insufficient funds available to the Issuer to pay such accrued interest or such accrued Note Step-Up Amount, the Issuer's liability to pay such accrued interest or accrued Note Step-Up Amount will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred interest on a Sub-Class of Notes shall be payable *pari passu* and *pro rata* with deferred interest on all other Sub-Classes of Notes in that Class. Interest will accrue on such deferred interest at the rate otherwise payable on unpaid principal of such Notes.

In this Condition 6, "**Note Step-Up Amount**" means, in relation to any Sub-Class of Notes, the amount of the interest payable in respect thereof which represents an increase in Margin equal to the Note Step-Up Rate (in the case of Floating Rate Notes or, where Condition 6(f) (*Floating Rate Step-Up*) applies, Fixed Rate Notes, Indexed Notes or Zero Coupon Notes), from a specific date, as specified in the relevant Final Terms; and "**Note Step-Up Rate**" means the rate specified in the relevant Final Terms as such.

(b) *Business Day Convention*

If any date referred to in these Conditions or the relevant Final Terms is specified to be subject to adjustment in accordance with a Business Day Convention and would otherwise fall on a day that is not a Business Day (as defined below), then if the Business Day Convention specified in the relevant Final Terms is:

(i) the "**Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day;

(ii) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(iii) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day.

(c) *Floating Rate Notes*

Subject to Condition 6(f) (*Floating Rate Step-Up*) this Condition 6(c) is applicable only if the relevant Final Terms specifies the Notes as Floating Rate Notes.

If "**Screen Rate Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Notes for each Note Interest Period will be determined by the Agent Bank (or the Calculation Agent, if applicable) on the following basis:

(i) if the Page (as defined below) displays a rate which is a composite quotation or customarily supplied by one entity, the Agent Bank (or the Calculation Agent, if applicable) will determine the Relevant Rate (as defined in Condition 6(j) (*Definitions*) below);

(ii) in any other case, the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the Relevant Rates (as defined in Condition 6(j) (*Definitions*) below) which appear on the Page as of the Relevant Time (as defined in Condition 6(j) (*Definitions*) below) on the relevant Interest Determination Date;

(iii) if, in the case of (i) above, such rate does not appear on that Page or, in the case of (ii) above, fewer than two such rates appear on that Page or if, in either case, the Page is unavailable, the Agent Bank (or the Calculation Agent, if applicable) will:

(1) request the principal Relevant Financial Centre office of each of the Reference Banks (as defined in Condition 6(j) (*Definitions*) below) to provide a quotation of the Relevant Rate at approximately the Relevant Time on the relevant Interest Determination Date to prime banks in the Relevant Financial Centre (as defined in Condition 6(j) (*Definitions*) below) interbank market (or, if appropriate, money market) in an amount that is representative for a single transaction in that market at that time; and

(2) determine the arithmetic mean of such quotations; and

(iv) if fewer than two such quotations are provided as requested in Condition 6(c)(iii), the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the rates (being the rates nearest to the Relevant Rate as determined by the Agent Bank (or the Calculation Agent, if applicable)) quoted by the Reference Banks at approximately 11.00 a.m. (local time in the Relevant Financial Centre of the Relevant Currency) on the first day of the relevant Note Interest Period (as defined in Condition 6(j) (*Definitions*) below) for loans in the Relevant Currency to leading European banks for a period equal to the relevant Note Interest Period and in the Representative Amount (as defined in Condition 6(j) (*Definitions*) below),

and the Interest Rate for such Note Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined. However, if the Agent Bank

(or the Calculation Agent, if applicable) is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Note Interest Period, the Interest Rate applicable to the Notes during such Note Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Note Interest Period.

If "**ISDA Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate(s) applicable to the Notes for each Note Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Note Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions (as defined in Condition 6(j) (*Definitions*) below)) that would be determined by the Agent Bank (or the Calculation Agent, if applicable) under an interest rate swap transaction if the Agent Bank (or the Calculation Agent, if applicable) were acting as calculation agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

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

(ii) the Designated Maturity (as defined in the ISDA Definitions) is the Specified Duration (as defined in Condition 6(j) (*Definitions*) below); and

(iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (1) if the relevant Floating Rate Option is based on LIBOR for a currency, the first day of that Note Interest Period, (2) if the relevant Floating Rate Option is based on EURIBOR, the first day of that Note Interest Period or (3) in any other case, as specified in the relevant Final Terms.

No interest shall be payable on any Class R Notes while held by the Issuer.

(d) *Fixed Rate Notes*

Subject to Condition 6(f) (*Floating Rate Step-Up*), this Condition 6(d) is applicable only if the relevant Final Terms specifies the Notes as Fixed Rate Notes.

The Interest Rate applicable to the Notes for each Note Interest Period will be the fixed rate specified in the relevant Final Terms.

(e) *Indexed Notes*

Subject to Condition 6(f) (*Floating Rate Step-Up*), this Condition 6(e) is applicable only if the relevant Final Terms specifies the Notes as Indexed Notes.

Payments of principal on, and the interest payable in respect of, the Notes will be subject to adjustment for indexation as set out in Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii)(*Application of the Index Ratio*), as applicable. The Interest Rate applicable to the Notes for each Note Interest Period will be at the rate specified in the relevant Final Terms.

(f) *Floating Rate Step-Up*

This Condition 6(f) is applicable only if the relevant Final Terms specifies the Floating Rate Step-Up as applicable.

From and including the Note Step-Up Date specified in the relevant Final Terms, the Interest Rate in respect of any Sub-Class of Notes that are specified in the Final Terms as Fixed Rate Notes, Indexed Notes or Zero Coupon Notes will be determined in accordance with the terms of Condition 6(c) (*Floating Rate Notes*), save that the Margin shall be increased by the Note Step-Up Rate specified in the Final Terms.

(g) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in the Final Terms):

(i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);

(ii) all figures will be rounded according to market convention; and

(iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes, "**unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(h) *Calculations*

The amount of interest payable in respect of any Note for each Note Interest Period shall be calculated by multiplying the product of the Interest Rate and the Principal Amount Outstanding of such Note during that Note Interest Period by the Day Count Fraction (as defined below) and, in the case of Indexed Notes only, adjusted according to the indexation set out in Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii)(*Application of the Index Ratio*), as applicable), unless an Interest Amount is specified in respect of such period in the relevant Final Terms, in which case the amount of interest payable in respect of such Note for such Note Interest Period will equal such Interest Amount.

(i) *Determination and Publication of Interest Rates, Interest Amounts and Redemption Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Cash Manager or the Agent Bank (or the Calculation Agent, if applicable), as applicable, may be required to calculate any Redemption Amount, in the case of the Cash Manager, or obtain any quote or make any determination or calculation, in the case of the Agent Bank (or the Calculation Agent, if applicable), the Agent Bank (or the Calculation Agent, if applicable) will determine the Interest Rate and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Specified Denomination of Notes for the relevant Note Interest Period (including, for the avoidance of doubt, any applicable Index Ratio to be calculated in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii)(*Application of the Index Ratio*), as applicable) and obtain such quote or make such determination or calculation, as the case may be, and the Cash Manager shall calculate the Redemption Amount.

The Agent Bank will cause the Interest Rate and the Interest Amounts for each Note Interest Period and the relevant Note Payment Date and, if required to be calculated, the Redemption Amount, or any Principal Amount Outstanding to be notified to, in the case of Bearer Notes, the Paying Agents or, in the case of Registered Notes, the Registrar and, in each case, the Note Trustee, the Issuer, the Noteholders and the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system by which the relevant Notes have then been admitted to listing, trading and/or quotation as soon as possible after its determination but in no event later than (i) (in case of notification to the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system on which the relevant Notes have then been admitted to listing, trading and/or quotation) the commencement of the relevant Note Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination.

The Interest Amounts and the Note Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Note Interest Period. Any such amendment will be promptly notified to the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system on which the relevant Sub-Class or Class of Notes are for the time being listed, traded and/or quoted or by which they have been admitted to listing, trading and/or quotation and to the Noteholders in accordance with Condition 16 (*Notices*). If

the Notes become due and payable under Condition 11 (*Issuer Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously provided in accordance with this Condition 6 but no publication of the Interest Rate or the Interest Amount so calculated need be made unless otherwise required by the Note Trustee. The determination of each Interest Rate, Interest Amount and Redemption Amount, the obtaining of each quote and the making of each determination or calculation by the Agent Bank (or the Calculation Agent, if applicable), the Cash Manager or, as the case may be, the Note Trustee pursuant to this Condition 6 or Condition 7 (*Indexation*), shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Definitions*

In these Conditions and in the relevant Final Terms, unless the context otherwise requires, the following defined terms shall have the meanings set out below.

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) city or cities specified in the relevant Final Terms; and

(ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) city or cities specified in the relevant Final Terms and a day on which commercial banks and foreign exchange markets settle payments are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Relevant Currency (which if the Relevant Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively);

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting a Note Interest Period, the "**Calculation Period**"):

(i) if "**Actual/Actual (ICMA)**" is specified:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods that would occur in one calendar year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods that would occur in one calendar year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods that would occur in one calendar year,

where:

"**Determination Period**" means the period from and including a Determination Date in any year but excluding the next Determination Date; and

"**Determination Date**" means the date specified as such in the Final Terms or, if none is so specified, the Note Payment Date;

(ii) if "**Actual/365**" or "**Actual/Actual**" is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366, and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "Actual/365 (Fixed)" is specified, the actual number of days in the Calculation Period divided by 365;

(iv) if "Actual/360" is specified, the actual number of days in the Calculation Period divided by 360;

(v) if "30/360", "360/360" or "Bond Basis" is specified, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(vi) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(vii) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30;

"**euro**" means the lawful currency of the Participating Member States;

"**Interest Commencement Date**" means, in respect of any Sub-Class of Notes, the Issue Date or such other date as may be specified in the relevant Final Terms;

"**Interest Determination Date**" means, with respect to an Interest Rate and a Note Interest Period in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms or, if none is so specified, the day falling two Business Days in London prior to the first day of such Note Interest Period (or if the specified currency is sterling the first day of such Note Interest Period) (as adjusted in accordance with any Business Day Convention (as defined above) specified in the relevant Final Terms);

"**Interest Rate**" means, in respect of any Sub-Class of Notes, the rate of interest payable from time to time in respect of such Notes and which is either specified as such in, or calculated in accordance with the provisions of, these Conditions and/or the relevant Final Terms;

"**ISDA Definitions**" means the 2000 ISDA Definitions (as amended and updated as at the date of issue of the first Series of Notes of the relevant Sub-Class as published by the International Swaps and Derivatives Association, Inc.);

"**Issue Date**" means, in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms;

"**Margin**" means, in respect of any Sub-Class of Floating Rate Notes, the rate per annum (or otherwise as specified in the relevant Final Terms) (expressed as a percentage) specified as such in item 15(viii) of the relevant Final Terms and, in relation to Fixed Rate Notes, Indexed Notes and Zero Coupon Notes, for the purposes of Condition 6(f) (*Floating Rate Step-Up*), means the rate specified as such in item 16 of the relevant Final Terms;

"**Maturity Date**" means, in respect of any Sub-Class of Notes, the date specified in the relevant Final Terms as the final date on which the full principal amount of the Note is due and payable;

"**Note Interest Period**" means, in respect of any Sub-Class of Notes, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Note Payment Date and each successive period beginning on (and including) a Note Payment Date and ending on (but excluding) the next succeeding Note Payment Date;

"**Note Payment Dates**" means, in respect of any Sub-Class of Notes, the dates specified as such in the relevant Final Terms;

"**Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms, or such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

"**Participating Member State**" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty establishing the European Communities (as amended), and "**Participating Member States**" means all of them;

"**Principal Amount Outstanding**" means, at any date (a) in relation to a Note, the principal amount of that Note upon issue less any repayment of principal made to the Holder(s) thereof and (b) in relation to any Sub-Class or Class, the aggregate principal amount of all Notes in such Sub-Class or Class less any repayment of principal made to the Holder(s) thereof, provided that, in the case of (b) for the purposes of Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*) only, it shall exclude those Notes (if any) which are for the time being held by (1) the Issuer, any Obligor or any Non-Restricted Group Entity, (2) any person for the benefit of the Issuer or any of its subsidiaries or holding companies or any subsidiaries of any of its holding companies or (3) any person who has failed to surrender for repurchase any Class R Note on any Note Payment Date (other than where the Issuer was not obliged to repurchase the same);

"**Redemption Amount**" means, in respect of any Sub-Class of Notes, the amount provided under Condition 8 (*Redemption, Purchase and Cancellation*);

"**Reference Banks**" means the institutions specified as such or, if none, four major banks selected by the Agent Bank (or the Calculation Agent, if applicable) in the interbank market (or, if appropriate, money market) which is most closely connected with the Relevant Rate as determined by the Agent Bank (or the Calculation Agent, if applicable), on behalf of the Issuer, in its sole and absolute discretion;

"**Relevant Currency**" means the currency specified as such or, if none is specified, the currency in which such Notes are denominated;

"**Relevant Date**" means, in respect of any Sub-Class of Notes, the earlier of (a) the date on which all amounts in respect of such Notes have been paid, and (b) five days after the date on which all of the Principal Amount Outstanding (adjusted in the case of Indexed Notes in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii)(*Application of the Index Ratio*), as applicable) has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*);

"**Relevant Financial Centre**" means, with respect to any Sub-Class of Notes, the financial centre specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the Relevant Rate is most closely connected as determined by the Agent Bank (or the Calculation Agent, if applicable);

"**Relevant Rate**" means (i) LIBOR or (ii) EURIBOR, in each case for a Representative Amount of the Relevant Currency for a period (if applicable) equal to the Specified Duration, as specified in the relevant Final Terms;

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Representative Amount**" means, with respect to any rate to be determined on an Interest Determination Date, the amount specified in the relevant Final Terms as such or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

"**Specified Duration**" means, with respect to any Floating Rate (as defined in the ISDA Definitions) to be determined on an Interest Determination Date, the period or duration specified as such in the relevant Final Terms or, if none is specified, a period of time equal to the relative Note Interest Period;

"**TARGET Settlement Day**" means any day on which the TARGET 2 System is open; and

"**TARGET 2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer system.

(k) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Relevant Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

Designated Maturity means, in relation to Screen Rate Determination, the period of time designated in the Relevant Rate.

(l) *Agent Bank, Calculation Agent and Reference Banks*

The Issuer will procure that there shall at all times be an Agent Bank (and a Calculation Agent, if applicable) and four Reference Banks selected by the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) with offices in the Relevant Financial Centre if provision is made for them in these Conditions applicable to this Note and for so long as it is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) will select another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Agent Bank (or the Calculation Agent, if applicable) is unable or unwilling to act as such or if the Agent Bank (or the Calculation Agent, if applicable) fails duly to establish the Interest Rate for any Note Interest Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint (with the prior written consent of the Note Trustee) a successor to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

(m) *Determination or Calculation by Note Trustee*

If the Agent Bank (or the Calculation Agent, if applicable) or the Cash Manager, as applicable, does not at any time for any reason determine any Interest Rate, Interest Amount, Redemption Amount or any other amount to be determined or calculated by it, the Note

Trustee shall (without liability for so doing) determine such Interest Rate, Interest Amount, Redemption Amount or other amount as aforesaid at such rate or in such amount as in its absolute discretion (having regard as it shall think fit to the procedures described above, but subject to the terms of the Trust Deed) it shall deem fair and reasonable in all the circumstances or, subject as aforesaid, apply the foregoing provisions of this Condition 6, with any consequential amendments, to the extent that, in its sole opinion, it can do so and in all other respects it shall do so in such manner as it shall, in its absolute discretion, deem fair and reasonable in the circumstances, and each such determination or calculation shall be deemed to have been made by the Agent Bank (or the Calculation Agent, if applicable) or the Cash Manager, as applicable.

(n) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6, whether by the Principal Paying Agent, the Agent Bank (or the Calculation Agent, the Note Trustee or the Cash Manager, if applicable), shall (in the absence of wilful default, negligence, bad faith or manifest error) be binding on the Issuer, the Agent Bank, the Note Trustee, the Cash Manager, the Principal Paying Agent, the other Agents and all Noteholders, Couponholders and other Issuer Secured Creditors and (in the absence as aforesaid) no liability to the Issuer, the Note Trustee, the Noteholders or the Couponholders shall attach to the Principal Paying Agent, the Cash Manager, the Agent Bank or, if applicable, any Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

7. **Indexation**

(a) *Indexation of RPI Indexed Notes*

This Condition 7(a) is applicable only if the relevant Final Terms specifies (i) that the Notes are Indexed Notes and (ii) that the applicable Index is RPI (such Notes, the "**RPI Indexed Notes**").

(i) *Definitions*

"**Base Index Figure**" means (subject to Condition 7(a)(iii)(A) (*Change in base*)) the base index figure as specified in the relevant Final Terms;

"**Index**" or "**Index Figure**" means, subject as provided in Condition 7(a)(iii)(A) (*Change in base*), the UK Retail Prices Index (**RPI**) (for all items) published by the Office for National Statistics (January 1987 — 100) or any comparable index which may replace the UK Retail Prices Index for the purpose of calculating the amount payable on repayment of the Reference Gilt. Any reference in these Conditions and/or the relevant Final Terms to the "**Index Figure applicable**" to a month or date shall, subject in each case as provided in Condition 7(a)(iii) (*Changes in Circumstances Affecting the Index*) and 7(a)(v) (*Cessation of or Fundamental Changes to the Index*):

(A) if the relevant Final Terms specify the Index Figure applicable to a particular month, be construed as a reference to the Index Figure published in the seventh month prior to that particular month and relating to the month before that of publication; or

(B) if the relevant Final Terms specify the Index Figure applicable to the first calendar day of any month, be construed as a reference to the Index Figure published in the second month prior to that particular month and relating to the month before that of publication; or

(C) if the relevant Final Terms specify the Index Figure applicable to any other day in any month, be calculated by linear interpolation between (x) the Index Figure applicable to the first calendar day of the month in which the specified

day falls, calculated as described in sub-paragraph (B) above, and (y) the Index Figure applicable to the first calendar day of the month following the month in which the specified day falls, calculated as described in sub-paragraph (B) above;

"**Index Ratio**" applicable to any month or date, as the case may be, means the Index Figure applicable to such month or date, as the case may be, divided by the Base Index Figure and rounded to the nearest fifth decimal place (0.000005 being rounded upwards);

"**Limited Index Ratio**" means (a) in respect of any month or date, as the case may be, prior to the relevant Issue Date (as defined in Condition 6(j) (*Definitions*)), the Index Ratio for that month or date, as the case may be; (b) in respect of any Limited Indexation Month or Limited Indexation Date after the relevant Issue Date, the product of the Limited Indexation Factor for that month or date, as the case may be, and the Limited Index Ratio as previously calculated in respect of the month or date, as the case may be, 12 months prior thereto; and (c) in respect of any other month, or date, as the case may be, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month or Limited Indexation Date;

"**Limited Indexation Date**" means any date falling during the period specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

"**Limited Indexation Factor**" means, in respect of a Limited Indexation Month or Limited Indexation Date, as the case may be, the ratio of the Index Figure applicable to that month or date, as the case may be, divided by the Index Figure applicable to the month or date, as the case may be, 12 months prior thereto, **provided that** (a) if such ratio is greater than the Maximum Indexation Factor (if any) specified in the relevant Final Terms, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor (if any) specified in the relevant Final Terms, it shall be deemed to be equal to such Minimum Indexation Factor;

"**Limited Indexation Month**" means any month specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

"**Limited Indexed Notes**" means RPI Indexed Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the relevant Final Terms) applies; and

"**Reference Gilt**" means the index-linked Treasury Stock specified as such in the relevant Final Terms for so long as such stock is in issue, and thereafter such issue of index-linked Treasury Stock determined to be appropriate by a gilt-edged market maker or other adviser selected by the Issuer and approved by the Note Trustee (an "**Indexation Adviser**").

(ii) *Application of the Index Ratio*

Each payment of interest and principal in respect of the RPI Indexed Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month or date, as the case may be, in or on which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(iii) *Changes in Circumstances Affecting the Index*

(A) *Change in base*: If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be,(I) the definition of "**Index**" and "**Index Figure**" in Condition 7(a)(i)

(*Definitions*) shall be deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date or month as may have been substituted therefor), and (II) the new Base Index Figure shall be the product of the existing Base Index Figure (specified in the relevant Final Terms) and the Index Figure immediately following such substitution, divided by the Index Figure immediately prior to such substitution.

(B) *Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*: If the Index Figure which is normally published in the seventh month and which relates to the eighth month (the "**relevant month**") before the month in which a payment is due to be made is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable to the month in which the date for payment falls shall be (I) such substitute index figure (if any) as the Note Trustee considers (acting solely on the advice of the Indexation Adviser) to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser (and approved by the Note Trustee (acting solely on the advice of the Indexation Adviser)) or (II) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(a)(iii)(A) (*Change in base*)) before the date for payment.

(C) *Delay in publication of Index if sub-paragraph (B) and/or (C) of the definition of Index Figure is applicable*: If the Index Figure relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Figure for any date is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable for the relevant calculation month shall be (I) such substitute index figure (if any) as the Note Trustee considers (acting solely on the advice of the Indexation Adviser) to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser (and approved by the Note Trustee (acting solely on the advice of the Indexation Adviser)) or (II) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(a)(iii)(A) (*Change in base*)) before the date for payment;

(iv) *Application of Changes*

Where the provisions of Condition 7(a)(iii)(B) (*Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*) or Condition 7(a)(iii)(C) (*Delay in publication of Index if sub-paragraph (B) and/or (C) of the definition of Index Figure is applicable*) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall be conclusive and binding. If, where an Index Figure has been applied pursuant to Condition 7(a)(iii)(B)(II) or Condition 7(a)(iii)(C)(II), as applicable, the Index Figure relating to the relevant month or relevant calculation month, as the case may be, is subsequently published while a Note is still outstanding, then:

(A) in relation to a payment of principal or interest in respect of such Note other than upon final redemption of such Note, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced by an amount equal to (respectively) the shortfall or excess of the amount of the relevant payment made on the basis of the Index

Figure applicable by virtue of Condition 7(a)(iii)(B)(II) or Condition 7(a)(iii)(C)(II), below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and

(B) in relation to a payment of principal or interest upon final redemption, no subsequent adjustment to amounts paid will be made.

(v) *Cessation of or Fundamental Changes to the Index*

(A) If (I) the Note Trustee has been notified by the Agent Bank (or the Calculation Agent, if applicable) that the Index has ceased to be published or (II) any change is made to the coverage or the basic calculation of the Index which constitutes a fundamental change which would, in the opinion of the Note Trustee acting solely on the advice of the Indexation Adviser, be materially prejudicial to the interests of the relevant Noteholders, the Note Trustee will give written notice of such occurrence to the Issuer, and the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) together shall seek to agree for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made.

(B) If the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) fail to reach agreement as mentioned above within 20 business days following the giving of notice as mentioned in paragraph (A), a bank or other person in London shall be appointed by the Issuer and the Note Trustee or, failing agreement on the making of such appointment within 20 business days following the expiry of the 20-business-day period referred to above, by the Note Trustee (acting solely on the advice of the Indexation Adviser) (in each case, such bank or other person so appointed being referred to as the "**Expert**"), to determine for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as an expert and not as an arbitrator and all fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Note Trustee in connection with such appointment shall be borne by the Issuer.

(C) The Index shall be adjusted or replaced by a substitute index as agreed by the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, and references in these Conditions to the Index and to any Index Figure shall be deemed amended in such manner as the Note Trustee and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the other Issuer Secured Creditors, the Note Trustee and the Noteholders, and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (*Notices*) of such amendments as promptly as practicable following such notification.

(b) *Indexation of HICP Indexed Notes*

This Condition 7(b) is applicable only if the relevant Final Terms specifies (i) that the Notes are Indexed Notes and (ii) that the applicable Index is HICP (such Notes, the "**HICP Indexed Notes**" and, together with the RPI Indexed Notes, "**Indexed Notes**").

(i) *Definitions*

"**Base Index Figure**" means the Base Index Figure specified in the relevant Final Terms;

"**Index**" or "**Index Level**" means, subject as provided in Condition 7(b)(iii), the Non-revised Index of Consumer Prices excluding tobacco or relevant Successor Index (as defined in Condition 7(b)(iii)(C)), measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by Eurostat (the "**HICP**"). The first publication or announcement of a level of such index for a calculation month (as defined in Condition 7(b)(iii)(B)) shall be final and conclusive and later revisions to the level for such calculation month will not be used in any calculations. Any reference in these Conditions to the "**Index Level applicable**" to any day ("**d**") in any month ("**m**") shall, subject as provided in Condition 7(b)(iii), be calculated as follows:

$$I_d = HICP_{m-3} + \frac{nbd}{q_m} \times (HICP_{m-2} - HICP_{m-3})$$

where:

"**I_d**" is the Index Level for the day d;

"**$HICP_{m-2}$**" is the level of HICP for month m-2;

"**$HICP_{m-3}$**" is the level of HICP for month m-3;

"**nbd**" is the actual number of days from and excluding the first day of month m to but including day d; and

"**q_m**" is the actual number of days in month m;

"**Index Business Day**" means a day on which the TARGET2 System is open;

"**Index Determination Date**" means, in respect of any date for which the Index Level is required to be determined, the fifth Index Business Day prior to such date;

"**Index Ratio**" applicable to any date means the Index Level applicable to the relevant Index Determination Date divided by the Base Index Figure and rounded to the nearest fifth decimal place (0.000005 being rounded upwards); and

"**Related Instrument**" means an inflation-linked note selected by the Agent Bank (or the Calculation Agent, if applicable) that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union with a maturity date which falls on (A) the same day as the Maturity Date, (B) the next longest maturity date after the Maturity Date if there is no such note maturing on the Maturity Date, or (C) the next shortest maturity before the Maturity Date if no note defined in (A) or (B) is selected by the Agent Bank (or the Calculation Agent, if applicable). The Agent Bank (or the Calculation Agent, if applicable) will select the Related Instrument from such of those inflation linked notes issued on or before the relevant Issue Date and, if there is more than one such inflation-linked note maturing on the same date, the Related Instrument shall be selected by the Agent Bank (or the Calculation Agent, if applicable) from such of those inflation linked notes. If the Related Instrument is redeemed the Agent Bank (or the Calculation Agent, if applicable) will select a new Related Instrument on the same basis, but selected from all eligible notes in issue at the time the originally selected Related Instrument is redeemed (including any note for which the redeemed originally selected Related Instrument is exchanged).

(ii) *Application of the Index Ratio*

Each payment of interest and principal in respect of the HICP Indexed Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio applicable to the date on which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(iii) *Changes in Circumstances Affecting the Index*

(A) *Rebasing of the Index*: If the Agent Bank (or the Calculation Agent, if applicable) determines that the Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for the purposes of determining the Index Level applicable to any date falling on or after the date of such rebasing; provided, however, that the Agent Bank (or the Calculation Agent, if applicable) shall make such adjustments as are made by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made.

(B) *Delay in publication of Index*:

(I) If the Index Level relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Level applicable to any date (the "**Relevant Level**") has not been published or announced by the day that is five Business Days before the date on which the relevant payment is due (the "**Affected Payment Date**"), the Agent Bank (or the Calculation Agent, if applicable) shall determine a substitute Index Level (the "**Substitute Index Level**"), to be used in place of the Relevant Level for the relevant calculation month, by using the following methodology:

(1) if applicable, the Agent Bank (or the Calculation Agent, if applicable) will take the same action to determine the Substitute Index Level for the Affected Payment Date as that taken by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument;

(2) if (1) above does not result in a Substitute Index Level for the Affected Payment Date for any reason, then the Agent Bank (or the Calculation Agent, if applicable) shall determine the Substitute Index Level as follows:

Substitute Index Level = Base Level x (Latest Level / Reference Level)

where:

"**Base Level**" means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined;

"**Latest Level**" means the latest level of the Index (excluding any flash estimates) published or announced by Eurostat (or any

successor entity which publishes such index) prior to the month for which the Substitute Index Level is being determined; and

"**Reference Level**" means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month that is 12 calendar months prior to the month in respect of which the Latest Level was published or announced.

(II) If a Relevant Level is published or announced at any time on or after the day that is five Business Days prior to the Affected Payment Date, such Relevant Level will not be used in any calculations to be made pursuant to this Condition 5(b), and the Substitute Index Level determined pursuant to this Condition 5(b)(iii)(A) will be the definitive Index Level for the relevant calculation month.

(C) *Cessation of publication*:

(I) If the Index Level has not been published or announced for two consecutive months or Eurostat announces that it will no longer continue to publish or announce the Index then the Agent Bank (or the Calculation Agent, if applicable) shall determine a successor index (the "**Successor Index**") in lieu of any previously applicable Index by using the following methodology:

(1) if at any time (other than after an Early Termination Event (as defined below) has occurred pursuant to Condition 7(b)(iii)(C)(II) below) a successor index has been designated by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument, such successor index shall be the Successor Index for the purposes of all subsequent payments of interest and/or principal in respect of the Notes, notwithstanding that any other Successor Index may previously have been determined under paragraphs (2), (3) or (4) below; or

(2) if a Successor Index has not been determined under paragraph (1) above (and no Early Termination Event has occurred pursuant to Condition 7(b)(iii)(C)(II) below), and a notice has been given or an announcement has been made by Eurostat (or any successor entity which publishes the Index) specifying that the Index will be superseded by a replacement index specified by Eurostat (or any such successor), and the Agent Bank (or the Calculation Agent, if applicable) determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be the Successor Index from the date that such replacement index comes into effect; or

(3) if a Successor Index has not been determined under paragraphs (1) or (2) above (and no Early Termination Event has occurred pursuant to Condition 7(b)(iii)(C)(II) below), the Agent Bank (or the Calculation Agent, if applicable) shall ask five leading independent dealers to state what the replacement index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the Successor

Index. If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the Successor Index. If fewer than three responses are received, the Agent Bank (or the Calculation Agent, if applicable) will proceed to paragraph (4) below;

(4) if no Successor Index has been determined under paragraphs (1), (2) or (3) above on or before the fifth Index Business Day prior to the next Affected Payment Date the Agent Bank (or the Calculation Agent, if applicable) will determine an appropriate alternative index for such Affected Payment Date, and such index will be the Successor Index.

(II) If the Agent Bank (or the Calculation Agent, if applicable) determines that there is no appropriate alternative index as referred to in Condition 7(b)(iii)(C)(4), the Issuer and the Note Trustee shall, in conjunction with the Agent Bank (or the Calculation Agent, if applicable), determine an appropriate alternative index and, if the Issuer and the Note Trustee, in conjunction with the Agent Bank (or the Calculation Agent, if applicable), do not reach agreement on an appropriate alternative index within a period of ten Business Days, then an "**Early Termination Event**" will be deemed to have occurred and the Issuer will redeem the Notes in accordance with Condition 8(d).

(A) *Material Modification Prior to Note Payment Date*: If, on or prior to the day that is five Business Days before a Note Payment Date, Eurostat announces that it will make a material change to the Index then the Agent Bank (or the Calculation Agent, if applicable) shall make any such adjustments to the Index consistent with adjustments made to the Related Instrument.

(B) *Manifest Error in Publication*: If, within thirty days of publication, the Agent Bank (or the Calculation Agent, if applicable) determines that Eurostat (or any successor entity which publishes the Index) has corrected the level of the Index to remedy a manifest error in its original publication, the Agent Bank (or the Calculation Agent, if applicable) will notify the Issuer and the Note Trustee of (1) that correction, (2) the amount that is payable as a result of that correction and (3) take such other action as it may deem necessary to give effect to such correction.

Any amendments to the Index made pursuant to this Condition 7(b)(iii) shall be binding on the Issuer Secured Creditors, the Note Trustee, the Noteholders and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (*Notices*) of such amendments as promptly as practicable following their determination

8. **Redemption, Purchase and Cancellation**

(a) *Scheduled Partial and Final Redemption*

Unless previously redeemed, or purchased and cancelled as provided below, each Note will be redeemed at its Principal Amount Outstanding (in the case of Indexed Notes as adjusted in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii)(*Application of the Index Ratio*), as applicable) on the date or dates (or, in the case of *Floating Rate Notes*, on the Note Payment Date(s)) specified in the relevant Final Terms plus accrued but unpaid interest (other than in the case of Zero Coupon Notes) and, in the case of

Indexed Notes, as adjusted in accordance with Condition 7(a)(ii) (*Application of the Index Ratio* or Condition 7(b)(ii)(*Application of the Index Ratio*), as applicable).

(b) *Optional Redemption*

Subject as provided below and if an Issuer Call Option is specified in the relevant Final Terms, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and all of the Noteholders in accordance with Condition 16 (*Notices*), the Issuer may (prior to the Maturity Date) redeem any Sub-Class of the Notes in whole or in part (but on a *pro rata* and *pari passu* basis only) on any Optional Redemption Date at their Redemption Amount (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Final Terms) as follows:

(i) in respect of Fixed Rate Notes:

(A) if Swap Mid Curve Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will be an amount equal to the higher of (i) the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser nominated by the Issuer and approved by the Note Trustee) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the Notes on the Relevant Date (as defined below) is equal to the Redemption Rate (as defined below).

For the purposes of this Condition 8(b)(i)(A): "**Redemption Rate**" means the Relevant Swap Mid Curve Rate or, if the Relevant Swap Mid Curve Rate is not able to be determined, such rate as may be approved by the Note Trustee; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute and Faculty of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Note Trustee may approve; "**Relevant Date**" means the date which is two Business Days prior to the publication or dispatch of the notice of redemption under this Condition 8(b); "**Relevant Swap Mid Curve Rate**" means the mid-point of the bid-side and offer-side rates for the fixed leg of a hypothetical interest rate swap with a notional profile equal to the semi-annual interest that would be payable on the relevant Sub-Class of Notes to be redeemed, with the same payment dates as the relevant Notes, against a floating leg of Six Month Sterling LIBOR with no spread, where such hypothetical interest rate swap is between two highly-rated (AA- or equivalent or higher) and fully collateralised market counterparties (the Relevant Swap Mid Curve Rate shall be determined by a financial adviser (nominated by the Issuer and approved by the Note Trustee) using its standard valuation methodology as at the date of calculation) as at or about 11.00 a.m. (London time) on such Relevant Date; and "**Six Month Sterling LIBOR**" means the rate of interest for six month sterling deposits as determined as at or about 11.00 a.m. (London time) on the Relevant Date by reference to the display designated as the British Bankers Association LIBOR Rates as quoted on the Reuters Screen LIBOR01 page or such other page as may replace the Reuters Screen LIBOR01 page on that service for the purposes of displaying such information; or if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Note Trustee) as may replace the Reuters Screen LIBOR01);

(B) If Spens Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will be an amount equal to the higher of (i) the Principal Amount Outstanding of the relevant Notes or the relevant

portion thereof to be redeemed and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (as reported in writing to the Issuer and the Note Trustee by a financial adviser nominated by the Issuer and approved by the Note Trustee) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Spens Gross Redemption Yield on the Notes on the Reference Date is equal to the Spens Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time specified in the applicable Final Terms on the Reference Date of the Reference Bond, plus the Redemption Margin, all as determined by a financial adviser.

(C) If Make-Whole Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will be an amount calculated by the Agent equal to the higher of (i) the Principal Amount Outstanding of the Notes or the relevant portion thereof to be redeemed and (ii) the sum of the present values of the Principal Amount Outstanding of the relevant Notes to be redeemed and the Remaining Term Interest on such Note (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on an annual basis at the Reference Bond Rate, plus the Redemption Margin.

For the purposes of Condition 8(b)(i)(B) and Condition 8(b)(i)(C):

FA Selected Bond means a government security or securities selected by a financial adviser as having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

Redemption Margin shall be as set out in the relevant Final Terms;

Reference Bond shall be as set out in the relevant Final Terms or the FA Selected Bond;

Reference Bond Price means, with respect to any date of redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

Reference Bond Rate means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

Reference Date will be set out in the relevant notice of redemption;

Reference Government Bond Dealer means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

Reference Government Bond Dealer Quotations means, with respect to each Reference Government Bond Dealer and any date for redemption, the arithmetic average, as determined by the Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the relevant Final Terms

on the Reference Date quoted in writing to the Agent by such Reference Government Bond Dealer;

Remaining Term Interest means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term of such Note determined on the basis of the rate of interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer pursuant to this Condition 8(b); and

Spens Gross Redemption Yield means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by a financial adviser on the basis set out 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 amended or updated from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or on such other basis as the Note Trustee may approve.

(D) If Fixed Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Final Terms).

If a Swap Mid Curve Amount, Spens Amount, Make-Whole Amount or Fixed Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will also include accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption, provided that, in any case where Condition 6(f) (Floating Rate Step-Up) applies, from and including the date which is two years prior to the Maturity Date specified in the relevant Final Terms, the Redemption Amount shall be equal to the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed plus accrued but unpaid interest on such amount to (but excluding) the date of redemption.

(ii) in respect of Floating Rate Notes, the Redemption Amount will be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Final Terms) plus any accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption;

(iii) in respect of Indexed Notes, the Redemption Amount will be the amount determined in accordance with Condition 8(b)(i) or Condition 8(b)(ii), as the case may be, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month in which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*); and

(iv) in respect of Zero Coupon Notes, the Redemption Amount will be an amount equal to the sum of:

(A) the Reference Price; and

(B) the product of the Accrual Yield (compounded annually) and the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption,

and where such calculation is to be made for a period which is less than a full year, such calculation shall be made on the basis of the Day Count Fraction specified in the Final Terms for the purposes of this Condition 8(b)(iv) or, if none is so specified, a

Day Count Fraction of 30/360, plus accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption.

In this Condition 8(b)(iv), "**Accrual Yield**" and "**Reference Price**" have the meanings given to them in the relevant Final Terms.

In any such case:

(I) prior to giving any notice of redemption under this Condition 8(b), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer that it will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date; and

(II) where Condition 6(f) (*Floating Rate Step-Up*) applies, any date of redemption falling on or after the Note Step-Up Date shall be required to be a Note Payment Date.

(c) *Optional Redemption as Result of Ratings Event*

Following the satisfaction of all conditions precedent in respect of a Ratings Event, the Issuer may seek to exercise its option to redeem the Notes by notifying the holders of each Sub-Class of Notes in accordance with Condition 16 (*Notices*) of the occurrence of such Ratings Event and its intention to redeem the Notes if a Noteholders' Affirmation (as defined below) is passed. The Issuer shall also convene a meeting of each such Sub-Class to take place at least 21 days following such notification. If at such meeting 75% or more by Principal Amount Outstanding of the Noteholders of the relevant Sub-Class of Notes vote in favour of such redemption on a specified date (a "**Noteholders' Affirmation**"), then the Issuer shall redeem such Sub-Class of Notes in whole (but not in part) on the Optional Redemption Date (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Final Terms). If at such meeting, less than 75% of the Noteholders of the relevant Sub-Class vote in favour of such redemption, then the Issuer shall not redeem any of the Notes of such Sub-Class.

Any redemption under this Condition 8(c) will be made (I) if the Notes are not Fixed Rate Notes, at the Redemption Amount determined in accordance with Condition 8(b)(ii), (iii) or (iv) or (II) if the Notes are Fixed Rate Notes, at a Redemption Amount equal to the higher of (i) their Principal Amount Outstanding and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser selected by the Issuer and approved by the Note Trustee) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield (as defined below) on such Notes on the Reference Date (as defined below) is equal to the sum of (a) Gross Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt (as defined below) and (b) the Issue Spread for the relevant Notes (as per the relevant Final Terms), in each case plus accrued but unpaid interest on the Principal Amount Outstanding to (but excluding) the date of redemption.

Before giving any notification under this Condition 8(c), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(c) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(c): the "**Issue Spread**" shall be the spread on the relevant Class of Notes as specified in the relevant Final Terms; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Note Trustee may approve;

"**Reference Date**" means the date which is two Business Days prior to the dispatch of the notice of redemption under this Condition 8(c); and "**Reference Gilt**" means the Treasury Stock specified in the relevant Final Terms while that stock is in issue, and thereafter such UK government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market (selected by the Issuer and approved by the Note Trustee), determine to be appropriate.

(d) *Optional Redemption for Index Event or Taxation Reasons*

(i) *Optional Redemption for Index Events*:

(A) *RPI Indexed Notes:* In the case of RPI Indexed Notes, upon the occurrence of any Index Event (as defined below), the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on the Optional Redemption Date at the Redemption Amount, together with accrued but unpaid interest on the Principal Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs (such interest subject, in the case of Index Linked Interest Notes, to adjustment in accordance with Condition 7(a)(ii) or Condition 7(b)(ii), as applicable).

For the purposes of this Condition 8(d)(i)(A), "**Index Event**" means (i) if the Index Figure for three consecutive months is to be determined on the basis of an Index Figure previously published as provided in Condition 7(a)(iii)(B) (*Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*) or Condition 7(c)(iii), as applicable, and the Issuer has been notified by the Principal Paying Agent that publication of the Index has ceased or (ii) notice is published by Her Majesty's Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt (as defined in Condition 7(a)(i) (*Definitions*) above), and (in either case) no amendment or substitution of the Index has been advised by the Indexation Adviser to the Issuer and such circumstances are continuing.

(B) *HCIP Indexed Notes:* In the case of HICP Indexed Notes, upon the occurrence of an Early Termination Event pursuant to Condition 7(b)(iii)(C)(II), the Issuer will, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on any day at the Redemption Amount together with accrued but unpaid interest on the Principal Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs (such interest subject, in the case of Index Linked Interest Notes, to adjustment in accordance with Condition 7(a)(ii) or Condition 7(b)(ii), as applicable).

Before giving any notice of redemption under this Condition 8(d)(i), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d)(i) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(ii) *Optional Redemption for Taxation Reasons*: If at any time the Issuer satisfies the Note Trustee that (a) the Issuer would, on the next Note Payment Date, be obliged to deduct or withhold from any payment of interest or principal in respect of the Notes (other than in respect of default interest), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature

imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) or (b) FinCo would, on or about the next interest payment date under the Intercompany Loan Agreement, be obliged to increase any sum payable by it to the Issuer under the Intercompany Loan Agreement as a result of FinCo being required to deduct or withhold any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) from that payment, then the Issuer may, upon giving not more than 60 days nor less than 30 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Notes on the Optional Redemption Date at their Principal Amount Outstanding plus accrued but unpaid interest thereon to (but excluding) the date of redemption (adjusted, in the case of Indexed Notes, in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii)(*Application of the Index Ratio*), as applicable) without premium or penalty. Before giving any notice of redemption under this Condition 8(d)(ii), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d)(ii) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(e) *Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*

If the Issuer receives (or is to receive) any monies (a) pursuant to the Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments or the Security Group Post-Enforcement (Post-Acceleration) Priority of Payments, (b) pursuant to the exercise of the P1 ICL Call Option (as defined in the Security Trust and Intercreditor Deed) or (c) other than in accordance with Condition 8(b) (*Optional Redemption*), 8(c) (*Optional Redemption as Result of Ratings Event*) or 8(d) (*Optional Redemption for Index Event or Taxation Reasons*) above, in Prepayment of all or any ICL Loan under the Intercompany Loan Agreement, the Issuer shall, upon giving not more than 30 nor less than 10 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all of the Notes of the relevant Sub-Class of Notes on their next respective Note Payment Dates at their Principal Amount Outstanding plus accrued but unpaid interest to (but excluding) the date of redemption or (where part only of such ICL Loan has been Prepaid) the proportion of the relevant Sub-Class of Notes which the prepayment amount bears to the amount of the relevant ICL Loan. Before giving any notice of redemption under this Condition 8(e), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer stating that the Issuer is required to effect such redemption under this Condition 8(e) and setting forth a statement of facts showing that the conditions precedent to the obligation of the Issuer so to redeem have been satisfied.

(f) *Purchase of Notes (other than Class R Notes) by the Issuer*

The Issuer may not at any time purchase any of the Notes (other than Class R Notes in accordance with Condition 8(h) (*Issue, repurchases and resales of Class R Notes by Issuer*)).

(g) *Purchase of Notes by FinCo and other Obligors*

FinCo and any of the other Obligors (provided that such Obligor is ordinarily resident in the United Kingdom for United Kingdom tax purposes) may at any time purchase Notes of any Class in accordance with applicable law and the provisions of the Common Terms Agreement. Any Notes purchased by FinCo may, at the option of FinCo, be surrendered to

the Issuer. Upon surrender of any such Note (other than a Class R Note), the Note will be cancelled.

If not all the Registered Notes are to be purchased, upon surrender of the existing Individual Note Certificate, the Registrar shall forthwith upon the written request of the Noteholder concerned issue a new Individual Note Certificate in respect of the Notes which are not to be purchased and despatch such Individual Note Certificate to the Noteholder (at the risk of the Noteholder and to such address as the Noteholder may specify in such request).

(h) *Issue, repurchases and resales of Class R Notes by Issuer*

(i) The Issuer may enter into a Class R Underwriting Agreement (as defined below) and issue Class R1 Notes and Class R2 Notes, in which case it may use the proceeds from the issue of the Class R Notes immediately to repurchase (but not cancel) such Class R Notes. The Issuer may only issue Class R Notes if it enters into a Class R Underwriting Agreement and if the aggregate nominal amount of Class R1 Notes issued is equal to the aggregate nominal amount of Class R2 Notes issued.

(ii) The Issuer will (save to the extent that Condition 8(h)(iii) applies and save where an Issuer Event of Default or a Potential Issuer Event of Default is outstanding) on any Note Payment Date falling on or prior to the Note Payment Date falling on or before the last day of the period agreed as being the period throughout which the underwriters will be bound to repurchase from the Issuer any Class R Notes (the "**Underwriting Period**") repurchase all Class R Notes outstanding on each Note Payment Date at a price which is equal to their Principal Amount Outstanding, plus accrued but unpaid interest to (but excluding) the date of repurchase. The Issuer may at its option cancel, hold or resell all or any of the Class R Notes so purchased (or purchased by FinCo and surrendered to the Issuer pursuant to Condition 8(g) (*Purchase of Notes by FinCo and other Obligors*) above) provided that it shall not on any Note Payment Date resell, or procure the resale of, more than 50 per cent. of the aggregate Principal Amount Outstanding of the Class R Notes or cancel Class R Notes such that the aggregate nominal amount of Class R1 Notes then outstanding and the aggregate nominal amount of Class R2 Notes then outstanding is unequal.

(iii) Notwithstanding the provisions of Condition 8(h)(ii), the Issuer shall not, during the Underwriting Period, be obliged to repurchase from holders any Class R Notes in respect of which it holds insufficient funds to effect such repurchase in accordance with Condition 8(h)(ii), if such insufficiency arises as a result of the Class R Underwriters not being obliged to repurchase Class R Notes from the Issuer to finance such repurchase from holders by the Issuer, or as a result of any Class R Underwriter failing to honour its commitment under the Class R Underwriting Agreement to purchase Class R Notes from the Issuer. The Class R Notes to be repurchased on a Note Payment Date, in respect of which there are insufficient funds to effect such repurchase in full, shall be repurchased *pro rata* from the holders of the Class R Notes using such funds as are available for such purpose pursuant to the Issuer Pre-Enforcement Priority of Payments.

(iv) If, by virtue of the operation of Condition 8(h)(iii), the Issuer is not obliged to repurchase all the Class R Notes on any Note Payment Date, the Issuer shall, as soon as reasonably practicable after becoming aware that it will not be repurchasing such Class R Notes by virtue of the operation of Condition 8(h)(iii) (and, in any event, by no later than 11.00 a.m. on the Note Payment Date upon which it would otherwise have repurchased such Class R Notes), give notice to the Class R Noteholders, the Note Trustee, the Rating Agencies and the Principal Paying Agent, in accordance with the provisions of Condition 16 (*Notices*), specifying the amount of Class R Notes which will not be repurchased on such Note Payment Date.

(v) Any Class R Notes held by or on behalf of the Issuer at the close of business on the Note Payment Date falling at the end of the Underwriting Period shall be cancelled and any Class R Notes purchased by the Issuer on or after such Note Payment Date shall be cancelled immediately upon such repurchase.

(vi) *Definition of "Class R Underwriting Agreement"*

A Class R Underwriting Agreement shall mean an underwriting agreement entered into with underwriters whose short-term and long-term ratings are at least equal to the Minimum Short Term Ratings and the Minimum Long Term Ratings (each as defined in or for the purposes of the Common Terms Agreement) from each of the Rating Agencies rating the Class R Notes pursuant to which:

(I) such underwriters agree during the Underwriting Period to purchase and repurchase from the Issuer on request all or any Class R Notes then in issue on (subject to (II) below in the case of certain repurchases) such terms as are agreed between them;

(II) the only condition that may apply to the repurchase of Class R Notes by the underwriters up to a maximum aggregate nominal amount not exceeding that of all Class R Notes then in circulation shall be that no Issuer Event of Default or Potential Issuer Event of Default shall have occurred and be continuing; and

(III) if (but for any Obligor Event of Default or Potential Obligor Event of Default, as defined in the Common Terms Agreement) FinCo would be obliged under the Common Terms Agreement to refinance, in whole or in part, any ICL Loan (as defined in or for the purposes of the Common Terms Agreement) corresponding to any Class R1 Notes under the Intercompany Loan Agreement (which corresponds to any Class R1 Notes) with another ICL Loan from the Issuer (which is to be financed by the repurchase price payable by the underwriters for Class R2 Notes), the underwriters are obliged (subject only to (II) above, and notwithstanding any Obligor Event of Default or Potential Obligor Event of Default) to repurchase Class R2 Notes from the Issuer in an amount sufficient to finance the making of such ICL Loan.

(vii) *Maturity of Class R Notes*

Subject to satisfying the Ratings Test, the Class R Notes may mature on a date falling after the end of the Underwriting Period, as specified in the relevant Final Terms.

(i) *Cancellation*

In respect of all Notes redeemed by the Issuer, the Bearer Notes or the Registered Notes shall be surrendered to or to the order of the Principal Paying Agent or the Registrar, as the case may be, for cancellation and, if so surrendered, will be cancelled forthwith (together with, in the case of Bearer Notes, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) *Subordination of principal*

In the case of principal on any Class of Notes other than the Most Senior Class of Notes, if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a) (*Default Events*), there are insufficient funds available to the Issuer in accordance with the Issuer Payment Priorities to pay such principal due, the Issuer's liability to pay such principal will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred principal on a Sub-Class of Notes shall be payable *pro rata* and *pari passu* with

deferred principal on all other Sub-Classes of Notes in such Class. Interest will accrue on such deferred principal at the rate otherwise payable on unpaid principal of such Notes.

(k) *Limited right of redemption or repurchase by the Issuer*

If 80% or more in nominal amount of Notes of a Sub-Class of Notes then outstanding have been redeemed or repurchased pursuant to this Condition 8, the Issuer may, on not less than 30 or more than 60 days' notice to Noteholders (given within 30 days after the relevant redemption or repurchase date) redeem or repurchase (or procure the purchase of), at its option, the remaining Notes of such Sub-Class of Notes in whole but not in part at a price equal to the Redemption Amount thereof plus, if appropriate, interest accrued to but excluding the Note Payment Date on which such redemption, repurchase or purchase, as the case may be, occurs.

9. **Payments**

(a) *Bearer Notes*

Payments to the Noteholders of principal (or, as the case may be, Redemption Amounts or other amounts payable on redemption) and interest (or, as the case may be, Interest Amounts) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 9(f) (*Unmatured Coupons and Unexchanged Talons*)) or Coupons (in the case of interest, save as specified in Condition 9(f) (*Unmatured Coupons and Unexchanged Talons*)), as the case may be, at the specified office of any Paying Agent outside the United States of America by transfer to an account denominated in the currency in which such payment is due which is maintained by the payee with, or (in the case of Notes in definitive form only) a cheque payable in that currency drawn on, a bank in the Relevant Financial Centre.

(b) *Registered Notes*

Payments of principal (or, as the case may be Redemption Amounts or other amounts payable on redemption) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the fifteenth day before the due date for any such payment (the "**Record Date**"), by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with a bank in the Relevant Financial Centre upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

Payments of interest (or, as the case may be Interest Amounts) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the relevant Record Date, by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with, a bank in the Relevant Financial Centre and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

(c) *Payments in the United States of America*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

(i) the Issuer shall have appointed Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Paying Agents

would be able to make payment of the amounts on the Notes in the manner provided above when due;

(ii) payment in full of such amounts at all such offices outside the United States of America is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and

(iii) such payment is then permitted by the law of the United States of America, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of this Condition 9. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) *Appointment of the Agents*

The Paying Agents, the Agent Bank, the Transfer Agents and the Registrar appointed by the Issuer (and their respective specified offices) are listed in the Agency Agreement. The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right, with the prior written consent of the Note Trustee at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, provided that the Issuer will at all times maintain (i) a Principal Paying Agent (in the case of Bearer Notes), (ii) a Registrar (in the case of Registered Notes), (iii) an Agent Bank or Calculation Agent (as specified in the relevant Final Terms) (in the case of Floating Rate Notes or Indexed Notes), (iv) a Paying Agent with a specified office in an EU Member State that will not be obliged to withhold or deduct any amount for or on account of any Tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive (if such an EU Member State exists) and (v) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent, Transfer Agent or Registrar in any particular place, a Paying Agent, Transfer Agent and/or Registrar, as applicable, having its specified office in the place required by such listing authority, stock exchange and/or quotation system, which, while any Notes are admitted to trading on the Irish Stock Exchange, shall be in Ireland. Notice of any such variation, termination or appointment will be given in accordance with Condition 16 (*Notices*).

(f) *Unmatured Coupons and Unexchanged Talons*

(i) Subject to the provisions of the relevant Final Terms, upon the due date for redemption of any Note which is a Bearer Note (other than a Fixed Rate Note, unless it has all unmatured Coupons attached), unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the date for redemption of any Note, any unmatured Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iii) Where any Note, which is a Bearer Note and is a Fixed Rate Note, is presented for redemption without all unmatured Coupons and any unexchanged Talons relating to it, a sum equal to the aggregate amount of the missing unmatured Coupons will be deducted from the amount of principal due for payment and redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) If the due date for redemption of any Note is not a Note Payment Date, interest accrued from the preceding Note Payment Date or the Interest Commencement Date, as the case may be, or the Interest Amount payable on such date for redemption

shall only be payable against presentation (and surrender if appropriate) of the relevant Note and Coupon.

(g) *Non-Business Days*

Subject as provided in the relevant Final Terms, if any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which banks are open for presentation and payment of debt securities and for dealings in foreign currency in the relevant place of presentation and in the cities referred to in the definition of Business Days and (in the case of a payment in a currency other than euro), where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which dealings may be carried on in the relevant currency in the principal financial centre of the country of such currency and, in relation to any sum payable in euro, a TARGET Settlement Day.

(h) *Talons*

On or after the Note Payment Date for the final Coupon forming part of a coupon sheet issued in respect of any Note, the Talon forming part of such coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further coupon sheet (and if necessary another Talon for a further coupon sheet but excluding any Coupons which may have become void pursuant to Condition 13 (*Prescription*)).

10. **Taxation**

All payments in respect of the Notes and Coupons will be made (whether by the Issuer, any Paying Agent, the Registrar or the Note Trustee) without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, any Paying Agent or the Registrar or, where applicable, the Note Trustee is required by applicable law to make such a withholding or deduction. In that event, the Issuer, such Paying Agent, the Registrar or the Note Trustee, 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. None of the Issuer, any Paying Agent, the Registrar or the Note Trustee will be obliged to make any additional payments to the Noteholders or the Couponholders in respect of such withholding or deduction.

Notwithstanding any other provision in these Conditions, all payments in respect of the Notes and Coupons will be made (whether by the Issuer, any Paying Agent, the Registrar or the Note Trustee) subject to (i) any withholding or deduction required pursuant to Section 871(m) of the U.S. Internal Revenue Code of 1986 (the "**Code**"), and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

11. **Issuer Events of Default**

(a) *Default Events*

If an Issuer Event of Default (as defined below) occurs and is continuing, then the Note Trustee may, at its discretion, at any time (in accordance with the provisions of the Trust Deed), having certified (in the case of Condition 11(a)(ii)) in writing that in its opinion the happening of such event is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and shall, upon the Note Trustee being (i) so requested in writing by holders of at least one quarter in principal amount of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*)) of the holders of the Most Senior Class of Notes then outstanding and (ii) indemnified and/or secured to its satisfaction, give notice (a "**Note Enforcement Notice**") to the Issuer and the Noteholders declaring the Notes to be immediately due and repayable.

Each of the following will constitute an "**Issuer Event of Default**" under the Notes:

(i) if default is made for a period of six days in the payment of any sum due in respect of the Most Senior Class of Notes then outstanding (or any Sub-Class of them) (other than the payment of any Note Step-Up Amount); or

(ii) if the Issuer fails to perform or observe any of its obligations (other than payment obligations referred to in (i) above) under the Notes (including these Conditions) or the Issuer Transaction Documents and, if the Note Trustee considers that such default can be remedied, such failure continues for a period of 30 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or

(iii) if any order is made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer (or any analogous proceedings) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Note Trustee or sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding; or

(iv) if (other than as referred to in (v) below) (1) any other proceedings are initiated against the Issuer under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws and such proceedings are not being disputed in good faith, (2) an administrative receiver or other receiver, administrator or other similar official is appointed in relation to the Issuer or in relation to, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer, (3) an encumbrancer (other than the Note Trustee) takes possession of, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer or (4) a distress or execution or other process is levied or enforced upon or sued out against, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases (other than in relation to the circumstances described in (2) where no grace period shall apply) such order, appointment, possession or process (as the case may be) is not discharged or stayed or does not cease to apply within 14 days; or

(v) if the Issuer or its directors (or any of them) initiates or consents to judicial proceedings relating to itself (except for the purposes of any amalgamation, merger, consolidation, reorganisation or other similar arrangement referred to in (iii) above) (including, without limitation, the giving of notice of intention to appoint an administrator or the filing of an application for administration by the Issuer or any of the directors of the Issuer) under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally; or

(vi) if the Issuer becomes unable to pay its debts as they fall due or is adjudicated or found bankrupt.

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

Upon delivery of a Note Enforcement Notice in accordance with Condition 11(a) (*Default Events*) above, all Classes of the Notes then outstanding 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 Deed of Charge.

(c) *Confirmation of no Issuer Event of Default*

The Issuer shall provide written confirmation to the Note Trustee, on an annual basis, that no Issuer Event of Default has occurred.

12. **Enforcement Against Issuer**

No Noteholder is entitled to take any action against the Issuer or any assets of the Issuer to enforce its rights in respect of the Notes or to enforce any of the Issuer Security. The Note Trustee will act (subject to Condition 4(e) (*Enforceable Security*)) on the instructions of the holders of the Most Senior Class of Notes then outstanding and the Note Trustee shall not be bound to take any such action unless it is indemnified and/or secured to its satisfaction against all fees, costs, expenses, liabilities, claims and demands to which it may thereby become liable or which it may incur by so doing.

Neither the Note Trustee nor the Noteholders may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Issuer Deed of Charge and subject to the Trust Deed) or other proceeding under any similar law for so long as any Notes are outstanding or for two years and a day after the latest Maturity Date on which any Note of any Series is due to mature.

13. **Prescription**

Claims against the Issuer for payment in respect of the Notes or Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 6(j) (*Definitions*)) in respect thereof.

14. **Replacement of Notes, Coupons and Talons**

If any Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and requirements of the Irish Stock Exchange or any other relevant exchange on which Notes are listed (in the case of listed Notes) (and each other listing authority, stock exchange and or quotation system upon which the relevant Notes have then been admitted to listing, trading and/or quotation), at the specified office of the Principal Paying Agent or, as the case may be, the Registrar 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 require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

15. **Meetings of Noteholders, Modification, Waiver and Substitution**

(a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of the Noteholders (in addition to a meeting of Noteholders held pursuant to Condition 8(c) (*Optional Redemption as Result of Ratings Event*)) to consider any matter affecting their interests, including the modification of the Notes, the Coupons or any of the provisions of the Trust Deed and any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and

the Servicing Agreement, save insofar as they relate to the Issuer) to which the Note Trustee is a party or over which it has security. Any modification may (subject to the other terms of this Condition 15(a)) be made if sanctioned by a resolution passed at a meeting or meetings of the relevant Noteholders duly convened and held in accordance with the Trust Deed and these Conditions by a majority of not less than $66^2/_3$ per cent. of the votes cast (an "**Extraordinary Resolution**") at such meeting or meetings. Such a meeting may be convened by the Note Trustee or the Issuer, and shall be convened by the Issuer upon the request in writing of the relevant Noteholders holding not less than one-tenth in nominal amount of the relevant Notes for the time being outstanding.

The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. (or 75 per cent. in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification (as defined in the Security Trust and Intercreditor Deed) (save as regards any meeting convened by the Issuer pursuant to Condition 8(c) (*Optional Redemption as Result of Ratings Event*)) in respect of the Notes and the other Transaction Documents) in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting, one or more persons being or representing Noteholders, whatever the principal amount of the relevant Notes held or represented (or one or more persons holding or representing not less than 25 per cent. in principal amount of the relevant Notes for the time being outstanding, in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification). Any Extraordinary Resolution duly passed at any such meeting shall be binding on all of the Noteholders and Couponholders whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Note Trustee shall, if requested in writing by Noteholders holding Notes having in aggregate a Principal Amount Outstanding of at least 50% of the aggregate Principal Amount Outstanding of all the Notes, notify the Issuer of the Noteholders' desire for a meeting between the Issuer and the Noteholders to discuss the asset backing for the Notes and any issues directly relevant thereto. The Issuer shall, following receipt of such a notice from the Note Trustee, give to the Noteholders notice in accordance with Condition 16 (*Notices*) of a meeting to be held in London for such purpose falling not earlier than 30 days and not later than 60 days after receipt by it of the notice from the Note Trustee. All Noteholders shall be entitled to attend any such meeting and to raise with the Issuer's representatives present at such meeting (who shall include at least one director) any questions which relate directly to the asset backing for the Notes.

In the absence of any Obligor Event of Default or Issuer Event of Default, the Note Trustee (and the Noteholders) shall not be entitled to require the Issuer to convene more than one such meeting in any period of 12 months.

A Rating Agency may, on request, attend meetings of Noteholders at which an Extraordinary Resolution is to be considered unless the Noteholders at such meeting vote to exclude them in accordance with the Trust Deed. Any Rating Agency present at such a meeting must leave the meeting when the Noteholders cast their votes on the relevant Extraordinary Resolution. A Rating Agency may not attend any other type of Noteholder meeting.

(b) *Debtholders' Meetings*

Pursuant to the Issuer Deed of Charge, the Issuer has assigned by way of security its interest in respect of the advances to FinCo under the Intercompany Loan Agreement and the security therefor to the Note Trustee for the benefit of, *inter alios*, the Noteholders. Accordingly the Security Trust and Intercreditor Deed provides that the relevant Qualifying Noteholders shall be entitled to instruct the Note Trustee to vote in *Debtholders' Meetings* instead of the Issuer on certain proposals relating to the Obligors and the Obligor Secured

Creditors. Such proposal, if duly approved in such Debtholders' Meetings shall be a "**Secured Creditor Instruction**".

Any Noteholder who is a Qualifying Noteholder will vote at a Debtholders' Meeting solely by instructing the Note Trustee to vote on its behalf as its Representative (as defined in the Security Trust and Intercreditor Deed) in such Debtholders' Meeting. In any Debtholders' Meeting, voting shall be determined on a pound-for-pound basis by reference to the Principal Amount Outstanding owed to each of the relevant Qualifying Debtholders, so that all votes in favour of the proposal and against the proposal from the Qualifying Noteholders and the other Qualifying Debtholders (who are not Noteholders) are considered on an aggregated basis, irrespective of whether a majority of such Qualifying Noteholders are in favour of or against the proposal.

If any Noteholder is a Qualifying Noteholder, then for the purpose of voting in such Debtholders' Meeting, the Note Trustee shall convene a meeting of the Qualifying Noteholders of any relevant Class or Sub-Class in accordance with the Trust Deed to consider the proposed Secured Creditor Instruction and to instruct the Note Trustee how to vote on each Qualifying Noteholder's behalf on such proposal. After obtaining the instruction of the Qualifying Noteholders who are present at such meeting, the Note Trustee shall vote in the Debtholders' Meeting in accordance with such instructions.

The Obligor Security Trustee shall, pursuant to the Security Trust and Intercreditor Deed, request the Note Trustee to confirm that the quorum requirement for any meeting of Qualifying Noteholders had been satisfied, that is, one or more persons holding or representing at least 25 per cent. in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting of Qualifying Noteholders, one or more persons being or representing Qualifying Noteholders, whatever the principal amount of the relevant Notes held or represented.

Irrespective of the result of voting at a meeting of Noteholders in relation to a proposed Secured Creditor Instruction, any Secured Creditor Instruction duly approved at a Debtholders' Meeting shall be binding on all of the Noteholders and Couponholders.

(c) *Modification, consent and waiver*

As more fully set out in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may, without the consent of the Noteholders of any Sub-Class, concur with the Issuer and any other relevant parties in making (i) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement save insofar as they relate to the Issuer) which is of a formal, minor or technical nature or is made to correct a manifest error or an error in respect of which an English Court could reasonably be expected to make a rectification order; (ii) any other modification and granting any consent under or waiver or authorisation of any breach or proposed breach of these Conditions, the Trust Deed or any other Issuer Transaction Document or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) which is, in the opinion of the Note Trustee, not materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding; and (iii) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Documents or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) if such modification is made for an Accepted Restructuring Purpose or pursuant to Proposed Non-UK Structural Changes (as defined in or for the purposes of the Common Terms Agreement) and no Ratings Event occurs in respect of the proposed modification. Any such modification, consent, waiver or authorisation shall be binding on all Noteholders and the holders of all relevant Coupons and, in each case, if the Note Trustee so requires, notice thereof shall be given by the Issuer to the Noteholders as soon as practicable thereafter.

No Extraordinary Resolution in respect of a Basic Terms Modification or a change in respect of the Financial Covenant shall be binding on the Note Trustee or the Noteholders (or any of them) unless the Obligor Security Trustee has confirmed to the Note Trustee that such modification has also been approved by each of the other providers of finance to the Obligors

in accordance with the relevant credit facility agreements between FinCo (or any other Obligor) and the other providers of such finance.

The Note Trustee, in exercising its discretion to concur in making any modification, granting any consent under or waiver for authorisation of any breach or proposed breach of these Conditions, the Trust Deed or any other Issuer Transaction Document (other than a Basic Terms Modification or a change in respect of the Financial Covenant), shall be entitled to have regard to the Ratings Test (as defined in the Common Terms Agreement) and it may consider the Ratings Test to be an appropriate test or the only appropriate test to apply in that circumstance in exercising its discretion.

(d) *Substitution of the Issuer*

As more fully set forth in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may also agree with the Issuer, without reference to the Noteholders, to the substitution of another corporation in place of the Issuer as principal debtor in respect of the Trust Deed and the Notes of all Series.

16. **Notices**

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the date of posting. Other notices to Noteholders will be valid if published in a leading daily newspaper having general circulation in Ireland (which is expected to be the Irish Times). The Issuer shall also ensure that all notices are duly published in a manner that complies with the rules and regulations of the Irish Stock Exchange and any other listing authority, stock exchange and/or quotation system on which the Notes are for the time being listed. Any such notice (other than to holders of Registered Notes as specified above) 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. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

The Note Trustee will also provide a Rating Agency, at its request from time to time, with all notices, written information and reports that the Note Trustee sends or makes available to all Noteholders of any Class or Sub-Class except to the extent that such notices, information or reports contain information confidential to third parties.

17. **Miscellaneous**

(a) *Governing Law*

The Trust Deed, the Issuer Deed of Charge (except in respect of certain terms that may relate to the creation, subsistence or enforcement of security in assets governed by law other than English law), the Notes, the Coupons, the Talons (if any) and the other Issuer Transaction Documents are, and all non-contractual obligations arising out of or in connection with such documents shall be, governed by English law.

(b) *Third Party Rights*

No person shall have any right to enforce any term or condition of the Notes or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

4. Sub-Class A14 Notes, Sub-Class A15 Notes and Sub-Class A16 Notes: 2017 Terms and Conditions (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

CHAPTER 12

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which (subject to the provisions of the relevant Final Terms and, save for the italicised paragraphs) will be incorporated by reference into each Note in definitive form (if any) issued in exchange for the Global Note(s) representing Notes in bearer, or, as the case may be, registered, form and each Individual Note Certificate representing Notes in registered form (only if such incorporation by reference is permitted by the relevant stock exchange and agreed by the Issuer). If such incorporation by reference is not so permitted and agreed, each Note in definitive form and each Individual Note Certificate representing Notes in registered form will have endorsed thereon or attached thereto such text. For a summary of the provisions of the Notes whilst in global form, see Chapter 15 "Summary of Provisions Relating to the Notes While in Global Form", page 290, below. Further information with respect to each Sub-Class of Notes will be given in the relevant Final Terms which will provide for those aspects of these Conditions which are applicable to such Sub-Class of Notes.

These terms and conditions as amended by Chapter 15 "*Summary of Provisions Relating to the Notes While in Global Form",* page 290 below (if applicable) and the relevant Final Terms set out the rights of Noteholders.

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17. *Miscellaneous*

Land Securities Capital Markets PLC (the "**Issuer**") has established a multicurrency programme (the "**Programme**") for the issuance of up to £6,000,000,000 Notes (the "**Notes**"). Notes issued under the Programme on a particular Issue Date comprise a Series (a "**Series**"), and each Series comprises

one or more Classes of Notes (each a "**Class**"). Each Class may comprise one or more sub-classes (each a "**Sub-Class**").

A Class designation denotes priority ranking in point of security. First ranking Notes will be designated as "**Class A Notes**" or (if issued pursuant to a Class R Underwriting Agreement) as Class R1 Notes ("**Class R1 Notes**" and, together with the Class A Notes, the "**Priority 1 Notes**"), second ranking Notes will be designated as "**Class B Notes**" or (if issued pursuant to a Class R Underwriting Agreement) as Class R2 Notes ("**Class R2 Notes**" and, together with the Class R1 Notes, the "**Class R Notes**", and the Class B Notes together with the Class R2 Notes, the "**Priority 2 Notes**") and any Notes issued in any Class or Classes of Notes designated as ranking below the Priority 2 Notes will be designated as the "**Subordinated Notes**".

A Sub-Class of Notes may have economic terms that differ from the other Sub-Class(es) of Notes in the same Class and each Sub-Class may therefore be denominated in a different currency or have different interest rates and/or interest payment dates, maturity dates or other terms. Notes of any Sub-Class may be zero coupon Notes ("**Zero Coupon Notes**"), fixed rate Notes ("**Fixed Rate Notes**"), floating rate Notes ("**Floating Rate Notes**"), index-linked Notes ("**Indexed Notes**"), or any other type of Note issued by the Issuer from time to time and may be denominated in sterling, euro, U.S. dollars or in other currencies subject to compliance with applicable law.

The terms and conditions applicable to any particular Sub-Class of Notes are these terms and conditions ("**Conditions**") as completed by a final terms relating to such Sub-Class substantially in the form of the *pro forma* final terms set out in the base prospectus as revised, supplemented or amended from time to time ("**Base Prospectus**") for the Notes ("**Final Terms**") or, in the case of Notes issued before 1 July 2005, a pricing supplement in which case, where the context requires or permits, a reference in these Conditions to Final Terms shall be a reference to such pricing supplement. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

The Final Terms for this Note complete these Conditions. Reference to "**Final Terms**" is to the Final Terms annexed to this Note.

The Notes are subject to and have the benefit of a trust deed dated 3 November 2004 (the "**Exchange Date**") (the "**Principal Trust Deed**"), such Principal Trust Deed and any subsequent supplemental trust deeds, the last dated 2 August 2017 (the "**Sixth Supplemental Trust Deed**" and, together with the Principal Trust Deed and any subsequent supplemental trust deeds, the "**Trust Deed**", as amended, supplemented, restated and/or novated from time to time) between the Issuer and Deutsche Trustee Company Limited as trustee for the Noteholders (the "**Note Trustee**", which expression includes the trustee or trustees of the Trust Deed from time to time).

The Notes have the benefit (to the extent applicable) of an amended and restated agency agreement (as amended, supplemented and/or restated from time to time, the "**Agency Agreement**") dated 2 August 2017 between the Issuer, the Note Trustee, the Principal Paying Agent, the other Paying Agents, the Transfer Agents and the Registrar. As used herein, each of "**Principal Paying Agent**", "**Paying Agents**", "**Agent Bank**", "**Transfer Agents**" and/or "**Registrar**" means, in relation to the Notes, the persons specified in the Agency Agreement as the Principal Paying Agent, Paying Agents, Agent Bank, Transfer Agents and/or Registrar respectively and, in each case, any successor to such person in such capacity. The Notes may also have the benefit (to the extent applicable) of a calculation agency agreement (in the form or substantially in the form of Schedule 1 to the Agency Agreement, the "**Calculation Agency Agreement**") between, *inter alios*, the Issuer and any calculation agent appointed by the Issuer as calculation agent (the "**Calculation Agent**"). In these Conditions, "**Agents**" means the Principal Paying Agent, the Paying Agents, the Agent Bank, the Transfer Agents, the Registrar and any Calculation Agent and "**Agent**" means any of them.

On the Exchange Date, the Issuer entered into a loan agreement (the "**Intercompany Loan Agreement**") with LS Property Finance Company Limited ("**FinCo**") pursuant to which the Issuer will make loan advances to FinCo with the proceeds of any issue of Notes under the Programme. The obligation of FinCo to pay interest and/or repay principal under the Intercompany Loan Agreement will exclusively support the Issuer's obligations in respect of the Notes and will be secured pursuant to the Obligor Security Documents.

On the Exchange Date, the Issuer entered into an account bank and cash management agreement (the "**Account Bank and Cash Management Agreement**") with Lloyds Bank plc (the "**Account Bank**", which term shall include the successors or assignees thereof), Land Securities (Finance) Limited (the "**Cash Manager**"), FinCo, the Obligors, the Obligor Security Trustee (each as defined below) and the Note Trustee.

On the Exchange Date, the Issuer entered into a deed of charge (the "**Issuer Deed of Charge**") with, among others, the Note Trustee in its capacity as trustee for the Issuer Secured Creditors (as defined below), pursuant to which the Issuer grants fixed and floating charge security over all its assets and undertakings (the "**Issuer Security**") to the Note Trustee for itself and on behalf of the Noteholders, any receiver appointed under the Issuer Deed of Charge, each Agent, the Account Bank and any Replacement Cash Manager and any other creditors who accede to the Issuer Deed of Charge from time to time in accordance with the terms thereof (together, the "**Issuer Secured Creditors**").

On the Exchange Date, the Issuer entered into a security trust and intercreditor deed (the "**Security Trust and Intercreditor Deed**") with the Note Trustee, Deutsche Trustee Company Limited as security trustee for the Issuer and the other Obligor Secured Creditors (as defined in the Security Trust and Intercreditor Deed) (the "**Obligor Security Trustee**"), the Obligors (as defined in the Security Trust and Intercreditor Deed) and the other Obligor Secured Creditors, pursuant to which the Obligor Security Trustee holds the Obligor Security on trust for the Obligor Secured Creditors (including, save as regards the floating charges contained in the Security Trust and Intercreditor Deed, the Issuer) and the Obligor Secured Creditors (including the Issuer) agree to certain intercreditor arrangements.

On the Exchange Date, the Issuer entered into a floating charge agreement (the "**Obligor Floating Charge Agreement**") with the Note Trustee, the Obligor Security Trustee and the Obligors, pursuant to which the Issuer has the benefit of a first ranking floating charge over the whole of each Obligor's undertaking, assets, property and rights whatsoever and wheresoever, present and future.

On the Exchange Date, the Issuer entered into a common terms agreement (the "**Common Terms Agreement**") with the Note Trustee, the Obligor Security Trustee, the Obligors and the other Obligor Secured Creditors pursuant to which the Issuer has the benefit of certain representations, warranties and covenants made by the Obligors.

On the Exchange Date, certain Obligors granted standard securities (the "**Standard Securities**") over their real estate properties in Scotland, the benefit of which are held on trust in accordance with the Security Trust and Intercreditor Deed.

The Security Trust and Intercreditor Deed, the Obligor Floating Charge Agreement and the Standard Securities secure (*inter alia*) the obligations of FinCo under the Intercompany Loan Agreement, which (by virtue of the Issuer Deed of Charge) means that the Notes are indirectly secured by all the assets over which such security is created. The Issuer Deed of Charge enables the Note Trustee to exercise all of the Issuer's rights in respect of the Intercompany Loan Agreement and the security documents referred to above.

The Obligors (who have granted such security) will be affiliates of the Issuer, including in particular FinCo and Land Securities PLC.

On 2 August 2017 the Issuer entered into an amended and restated dealership agreement (as amended, supplemented and/or restated from time to time, the "**Dealership Agreement**") with the Obligors and the dealers named therein (the "**Dealers**") in respect of the Programme, pursuant to which any of the Dealers may enter into subscription agreements in relation to Classes or Sub-Classes of Notes (other than any Class R Notes) issued by the Issuer, and pursuant to which the Dealers agree to subscribe for the relevant Classes or Sub-Classes of Notes.

The Issuer may enter into an underwriting agreement (a "**Class R Underwriting Agreement**") with the underwriters named therein (the "**Class R Underwriters**"), pursuant to which the Class R Underwriters will agree to underwrite the issue and sale of Class R Notes.

On the Exchange Date, the Issuer entered into a deed of covenant (the "**Tax Deed of Covenant**") with the Note Trustee, the Obligor Security Trustee, the Obligors and Land Securities Group PLC.

The Trust Deed, the Notes (including the relevant Final Terms), the Agency Agreement, the Issuer Deed of Charge, the Security Trust and Intercreditor Deed, the Intercompany Loan Agreement, the Obligor Floating Charge Agreement, the Common Terms Agreement, the Account Bank and Cash Management Agreement and the Tax Deed of Covenant are together referred to as the "**Issuer Transaction Documents**".

Terms not defined in these Conditions have the meaning set out in the Trust Deed.

Certain statements in these Conditions are summaries of, and are subject to, the detailed provisions appearing in the Trust Deed, the Issuer Deed of Charge, the Agency Agreement, any Class R Underwriting Agreement, the Dealership Agreement or the other Issuer Transaction Documents. Copies of, *inter alia*, the Issuer Transaction Documents are available for inspection during normal business hours at the specified offices of the Paying Agents (in the case of Bearer Notes) or the specified offices of the Transfer Agents and the Registrar (in the case of Registered Notes) (each as defined below), save that, if this Note is an unlisted Note of any Sub-Class, the relevant Final Terms will only be obtainable by a Noteholder holding one or more unlisted Notes of that Sub-Class and such Noteholder must provide evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity.

The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the relevant Final Terms and the provisions of the Agency Agreement applicable to them. In addition, the Noteholders are entitled to the benefit of, are bound by, and will be deemed to have notice of the provisions of the Issuer Deed of Charge, the Intercompany Loan Agreement, the Common Terms Agreement and the other Issuer Transaction Documents applicable to them.

Any reference in these Conditions to a matter being "**specified**" means as the same may be specified in the relevant Final Terms.

1. **Form, Denomination, Title**

(a) *Form and Denomination*

The Notes will be issued either (i) in bearer form ("**Bearer Notes**"), serially numbered in a Specified Denomination (as specified in the Final Terms) or (ii) in registered form ("**Registered Notes**") serially numbered in the Specified Denomination or an integral multiple thereof. References in these Conditions to "**Notes**" include Bearer Notes and Registered Notes and all Sub-Classes, Classes and Series of Notes.

Interest bearing Bearer Notes (other than Class R Notes) are issued with Coupons (as defined below) and, where appropriate, a Talon (as defined below) attached. After all the Coupons attached to, or issued in respect of, any Bearer Note which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and (if necessary) one further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent.

(b) *Title*

Title to Bearer Notes, Coupons and Talons (if any) passes by delivery. Title to Registered Notes passes by registration in the register (the "**Register**"), which the Issuer shall procure will be kept by the Registrar.

In these Conditions, subject as provided below, each "**Noteholder**", "**holder**" and "**Holder**" (in relation to a Note) means (i) in relation to a Bearer Note, the bearer of any Bearer Note and (ii) in relation to a Registered Note, the person in whose name a Registered Note is registered. The expressions "**Noteholder**", "**holder**" and "**Holder**" also include the holders of the Coupons (which, in relation to Class A Notes, will be "**Class A Coupons**", in relation to Class B Notes, "**Class B Coupons**", in relation to the Subordinated Notes, "**Subordinated Coupons**" and, together, the "**Coupons**") (if any) appertaining to interest bearing Bearer Notes (the "**Couponholders**") and the expression Couponholders includes the bearers of Talons in relation to Coupons (which, in relation to Class A Notes, will be "**Class A Talons**", in relation to Class B Notes, "**Class B Talons**", in relation to the Subordinated Notes,

"**Subordinated Talons**" and together, the "**Talons**") (if any) for further Coupons attached to such Notes (the "**Talonholders**").

The bearer of any Bearer Note, Coupon or Talon and the registered holder of any Registered Note will (except as otherwise required by law) be deemed and treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the relevant Note, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Registered Note, a duly executed transfer of such Note in the form endorsed on the Note Certificate in respect thereof) and no person will be liable for so treating the holder.

(c) *Fungible Issues of Notes comprising a Sub-Class*

A Sub-Class of Notes may comprise a number of issues of Notes of such Sub-Classes in addition to the initial issue of such Sub-Class, each of which will be issued on identical terms and conditions save for the first Note Payment Date, the Issue Date and the Issue Price. Such further issues of the same Sub-Class will be consolidated with and form a single series with the prior issues of Notes of that Sub-Class.

2. **Exchanges of Notes and Transfers of Registered Notes**

(a) *Exchange of Notes*

Registered Notes may not be exchanged for Bearer Notes and vice versa.

(b) *Transfer of Registered Notes*

A Registered Note may upon the terms and subject to the conditions of the Agency Agreement be transferred upon the surrender of the relevant Individual Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of any Transfer Agent or the Registrar. However, a Registered Note may not be transferred unless (i) the principal amount of Registered Notes to be transferred and (ii) the remaining principal amount of the Registered Notes (if any) to be retained by the relevant transferor are, in each case, Specified Denominations. In the case of a transfer of part only of a holding of Registered Notes represented by an Individual Note Certificate, a new Individual Note Certificate in respect of the balance not transferred will be issued to the transferor within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer.

(c) *Delivery of New Individual Note Certificates*

Each new Individual Note Certificate to be issued upon transfer of Registered Notes will, within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer, be available for delivery at the specified office of the Transfer Agent or the Registrar stipulated in the form of transfer, or be mailed at the risk of the Noteholder entitled to the Individual Note Certificate to such address as may be specified in such form of transfer. For these purposes, a form of transfer received by the Registrar after the Record Date (as defined in Condition 9(b) below) in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar until the business day (as defined in Condition 9(g) below) following the due date for such payment.

(d) *No Charge*

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(e) *Closed Periods*

No transfer of a Registered Note may be registered during the period of 15 days ending on the due date for any payment of principal, interest, Interest Amount or Redemption Amount on that Note.

3. **Status of Notes**

(a) *Status of Class A Notes and Class R1 Notes*

This Condition 3(a) is applicable only in relation to Notes that are specified as being a Sub-Class of Class A Notes or Class R1 Notes in the relevant Final Terms.

The Class A Notes, Class A Coupons, Class A Talons and the Class R1 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and rank *pari passu* and *pro rata* without any preference among themselves.

(b) *Status of Class B Notes and Class R2 Notes*

This Condition 3(b) is applicable only in relation to Notes that are specified as being a Sub-Class of Class B Notes or Class R2 Notes in the relevant Final Terms.

Any Class B Notes, Class B Coupons, Class B Talons and the Class R2 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class A Notes, Class A Coupons, Class A Talons and the Class R1 Notes and rank *pari passu* and *pro rata* without any preference among themselves.

(c) *Status of Subordinated Notes*

This Condition 3(c) is applicable only in relation to Notes that are specified as being a Sub-Class of Subordinated Notes in the relevant Final Terms.

Any Subordinated Notes, Subordinated Coupons and Subordinated Talons will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class B Notes, Class B Coupons, Class B Talons and the Class R2 Notes and rank *pari passu* and *pro rata* without any preference among themselves. The precise ranking of the Subordinated Notes *vis-à-vis* any other Class of Subordinated Notes issued by the Issuer is as specified in the Final Terms.

The Issuer may after the Issue Date issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to, *pari passu* and *pro rata* with, or subordinate to, the Subordinated Notes existing at the time of such issue provided that the Issuer may only issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to Subordinated Notes existing at the time of such issue if such issue has been approved by an Extraordinary Resolution of the Noteholders of any Affected Class.

In these Conditions "**Affected Class**" means:

(i) in relation to the proposed introduction or change of any Secondary Debt Rank or Primary Debt Rank, each Sub-Class of Notes which corresponds to an ICL Loan which, as a result of such introduction or change, will become subordinated in point of security to any other Subordinated ICL Loan or Subordinated ACF Loan to which it is not then subordinated;

(ii) in relation to the proposed incurrence of any Subordinated Debt after a Subordinated Debt Split, each Sub-Class of Notes which corresponds to a Subordinated ICL Loan that will be subordinate in point of security to the Subordinated Debt proposed to be drawn;

(iii) in relation to the proposed change of the Primary Debt Rank of any ICL Loan, the Sub-Class of Notes which corresponds to such Loan; and

(iv) in relation to any proposal to use funds standing to the credit of a DCA Ledger in respect of an ICL Loan to Prepay any Loan other than such ICL Loan, the Sub-Class of Notes which corresponds to such ICL Loan.

(d) *Note Trustee not responsible for monitoring compliance*

The Note Trustee shall not be responsible for monitoring compliance by the Issuer with any of its obligations under the Issuer Transaction Documents except by means of receipt of a certificate from the Issuer which will state, among other things, that no Issuer Event of Default is outstanding. The Note Trustee shall be entitled to rely on such certificates absolutely. The Note Trustee is not responsible for monitoring compliance by any of the parties with their respective obligations under the Issuer Transaction Documents. The Note Trustee may call for and is at liberty to accept as sufficient evidence a certificate signed by any two Authorised Signatories of the Issuer, the Obligors (or any of them) or any other party to any Issuer Transaction Document to the effect that any particular dealing, transaction, step or thing is in the opinion of the persons so certifying suitable or expedient or as to any other fact or matter upon which the Note Trustee may require to be satisfied. The Note Trustee is in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such certificate although the same may contain some error or is not authentic. The Note Trustee is entitled to rely upon any certificate believed by it to be genuine and will not be liable for so acting.

4. **Security and Relationship with Issuer Secured Creditors**

(a) *Security*

As far as permitted by and subject to compliance with any applicable law and as continuing security for the payment and discharge of the Issuer's obligations in respect of the Notes and Coupons and in respect of the other Issuer Secured Creditors under the Issuer Transaction Documents (including the remuneration, fees, expenses and other claims of the Note Trustee under the Trust Deed, and of the Note Trustee and any Receiver appointed under the Issuer Deed of Charge, to any Replacement Cash Manager and the Account Bank under the Account Bank and Cash Management Agreement and to the Agents under the Agency Agreement) (the "**Issuer Secured Liabilities**") the Issuer created the following security (the "**Issuer Security**") in favour of the Note Trustee for itself and on behalf of the other Issuer Secured Creditors (including, without limitation, the Note Trustee on behalf of the Noteholders) by execution of the Issuer Deed of Charge on the Exchange Date:

(i) a first fixed charge over the Issuer Accounts;

(ii) an assignment and assignation by way of security of the interest of the Issuer under each Issuer Transaction Document (other than the Trust Deed and the Issuer Deed of Charge);

(iii) an assignment by way of security of the beneficial interest of the Issuer under the Obligor Transaction Documents; and

(iv) a first floating charge over the whole of the Issuer's undertaking, assets, property and rights whatsoever and wheresoever, present and future, including its uncalled capital,

all as more particularly set out in the Issuer Deed of Charge.

All Notes issued by the Issuer under the Programme share in the Issuer Security as more particularly set out in the Issuer Deed of Charge.

(b) *Relationship among Noteholders and with other Issuer Secured Creditors*

Except where expressly provided otherwise in the Trust Deed and/or these Conditions, including Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*), 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, 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 then outstanding if, in the Note Trustee's opinion, there is a conflict between the interests of the holders of such Class and any other Class of Notes then outstanding.

So long as any of the Notes remain outstanding, in the exercise of its rights, authorities and discretions under the Trust Deed, the Note Trustee is only required to have regard to the interests of the Noteholders or, as the case may be, the holders of the Most Senior Class of Notes then outstanding and not to the interests of the other Issuer Secured Creditors.

The Trust Deed and these Conditions contain provisions limiting the powers of the holders of any Class of Notes other than the Most Senior Class of Notes, *inter alia*, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution which may affect the interests of the holders of each of the other Classes of Notes ranking equally with or senior to such Class. Except in certain circumstances set out in the Trust Deed and these Conditions (including Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*)), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class of Notes, the exercise of which will be binding on all such holders, irrespective of the effect thereof on their interests.

In exercising its rights, powers, trusts, authorities, duties and discretions in accordance with this Condition 4, the Note Trustee shall disregard any Step-Up Amounts for the purposes of determining whether there are any Notes of a particular Class outstanding.

In these Conditions, "**Most Senior Class of Notes**" means (i) any outstanding Class A Notes and Class R1 Notes, or (ii) if no Class A Notes or Class R1 Notes are then outstanding, any outstanding Class B Notes and Class R2 Notes, or (iii) if no Class A Notes, Class R1 Notes, Class B Notes or Class R2 Notes are then outstanding, the most senior outstanding Class of the Subordinated Notes, in each case, if instructing, directing or requesting the Note Trustee on any matter, acting together whether by means of an Extraordinary Resolution or a written instruction, direction or request of the holders of at least one quarter of the principal amount of the relevant Class of Notes then outstanding.

(c) *Relationship with Obligor Secured Creditors*

The Security Trust and Intercreditor Deed will include provisions relating to the holding of meetings between the providers of secured finance to the Obligors and Noteholders and voting on certain issues concerning the Obligors.

(i) *Debtholders' Meetings*: On issues relating to the enforcement of the security interests granted by the Obligors, the acceleration of secured obligations owed by the Obligors, the removal of the Obligor Security Trustee and the appointment of any successor thereof, and the modification or waiver of the Financial Covenant (as defined in the Common Terms Agreement), the Obligor Security Trustee shall, in accordance with the Security Trust and Intercreditor Deed, hold a Debtholders' Meeting, at which certain Class(es) or Sub-Class(es) of Noteholders who are Qualifying Debtholders for the purpose of such Debtholders' Meeting ("**Qualifying Noteholders**") are eligible to vote (the composition of the Qualifying Debtholders (and hence Qualifying Noteholders) in respect of a Debtholders' Meeting being prescribed in the Security Trust and Intercreditor Deed). At any Debtholders' Meeting, the Note Trustee shall act as the Representative (as defined in the Security Trust and Intercreditor Deed) of such Qualifying Noteholders. The Note Trustee will vote on behalf of such Qualifying Noteholders in accordance with Condition 15(b) (*Debtholders' Meetings*) below, and any decision reached at a Debtholders' Meeting shall bind all Classes of Noteholders.

(ii) *Extraordinary Resolutions*: On issues relating to the modification of, the consents under, or the waivers in respect of breaches or potential breaches of, the Obligor Transaction Documents (including any Basic Terms Modification, the creation or

modification of Primary Debt Ranks or Secondary Debt Ranks, consent for the Obligors to incur Subordinated Debt (as defined in the Common Terms Agreement) which rank prior to, or *pari passu* with, any Subordinated Notes), the Obligor Security Trustee may, in accordance with the Security Trust and Intercreditor Deed, seek confirmation from the Note Trustee that the holders of the Most Senior Class of Notes then outstanding (or, in the case of a Basic Terms Modification, the holders of each Sub-Class of Notes, or in the case of the modification of Primary Ranks or the creation or modification of Secondary Debt Ranks, the holders of Notes comprised in any Affected Class) have passed an Extraordinary Resolution approving such modification, consent or waiver, in accordance with Condition 15(a) (*Meetings of Noteholders*). Any such Extraordinary Resolution shall bind all Noteholders.

(d) *Application Prior to Enforcement*

Prior to enforcement of the Issuer Security by the Note Trustee, the Cash Manager, on behalf of the Issuer, is required to apply funds available to the Issuer in accordance with the Issuer Pre-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(e) *Enforceable Security*

In the event of the Issuer Security becoming enforceable as provided in Condition 11(b) (*Consequences of Notes becoming Due and Payable and Delivery of Note Enforcement Notice*) below, the Note Trustee may, at its discretion and without further notice, institute such proceedings as it thinks fit to enforce its rights with respect to the Issuer Security, but it shall not be bound to do so unless instructed by the holders of the Most Senior Class of Notes then outstanding, and without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any particular Noteholder, provided that the Note Trustee shall not be obliged to take any action unless it is indemnified and/or secured to its satisfaction.

Although the Issuer holds certain floating charges granted by the Obligors under the Obligor Floating Charge Agreement (and the Note Trustee is an assignee by way of security of such floating charges pursuant to the Issuer Deed of Charge), the Issuer and the Note Trustee have agreed with the Obligor Security Trustee in the Obligor Floating Charge Agreement that any proceeds from the enforcement of the security contained in the Obligor Floating Charge Agreement shall be shared between the Issuer and the other Obligor Secured Creditors, by applying such proceeds towards the applicable priority of payments as set out in the Security Trust and Intercreditor Deed.

The Obligor Floating Charge Agreement also provides that the Note Trustee (as the assignee by way of security of the floating charges contained therein) is required to appoint an administrative receiver in respect of any Obligor if the Note Trustee has actual notice of an application for the appointment of an administrator or of the giving of notice of intention to appoint an administrator in respect of such Obligor, such appointment to take effect upon the final day by which the appointment must be made in order to prevent an administration from proceeding or (where an Obligor or the directors of an Obligor have initiated its administration) not later than that final day (and the Obligor Floating Charge Agreement provides that the Note Trustee shall agree that it is adequately indemnified and secured in respect of its making such appointment by virtue of its indemnification rights against the Issuer under the Issuer Deed of Charge and against the Obligors under the Obligor Floating Charge Agreement, and the security it has in respect of those rights).

(f) *Application After Enforcement*

After enforcement of the Issuer Security in accordance with Condition 4(e) (*Enforceable Security*), the Note Trustee shall (to the extent that such funds are available) use all monies received or recovered by it under the Issuer Deed of Charge (except proceeds in respect of the floating charge contained in the Obligor Floating Charge Agreement) to make payments in accordance with the Issuer Post-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(g) *Note Trustee not liable for security*

The Note Trustee will not be liable for any failure to make the usual investigations or any investigations which might be made by a security holder in relation to the property which is the subject of the Issuer Security, and shall not be bound to enquire into or be liable for any defect or failure in the right or title of the Issuer to the Issuer Security, whether such defect or failure was known to the Note Trustee or might have been discovered upon examination or enquiry or whether capable of remedy or not, nor will it have any liability for the enforceability of the Issuer Security whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting such Issuer Security. The Note Trustee has no responsibility for the value of any Issuer Security.

5. **Issuer Covenants**

So long as any of the Notes remain outstanding, the Issuer has agreed to comply with the covenants set out in the Issuer Deed of Charge.

The Note Trustee shall be entitled to rely absolutely on a certificate signed by two directors of the Issuer in relation to any matter relating to such covenants and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter stated in such certificate.

6. **Interest and other Calculations**

(a) *Interest Rate and Accrual*

Each Note other than (i) Zero Coupon Notes and (ii) any Class R Note for so long as it is held by the Issuer bears interest on its Principal Amount Outstanding (as defined below) from the Interest Commencement Date (as defined below) at the Interest Rate (as defined below), such interest being payable in arrear on each Note Payment Date (as defined below).

Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after judgment) at the Interest Rate in the manner provided in this Condition 6 to the Relevant Date (as defined below).

In the case of accrued interest on any Class of Notes other than the Most Senior Class of Notes (as defined in Condition 4(b) (*Relationship among Noteholders and with other Issuer Secured Creditors*) above) (or any accrued Note Step-Up Amount relating to the Most Senior Class of Notes), if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a) (*Default Events*), there are insufficient funds available to the Issuer to pay such accrued interest or such accrued Note Step-Up Amount, the Issuer's liability to pay such accrued interest or accrued Note Step-Up Amount will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred interest on a Sub-Class of Notes shall be payable *pari passu* and *pro rata* with deferred interest on all other Sub-Classes of Notes in that Class. Interest will accrue on such deferred interest at the rate otherwise payable on unpaid principal of such Notes.

In this Condition 6, "**Note Step-Up Amount**" means, in relation to any Sub-Class of Notes, the amount of the interest payable in respect thereof which represents either (i) an increase in Margin equal to the Note Step-Up Rate (where Condition 6(f)(i) (*Interest Rate Step-Up*) applies), or (ii) the Note Step Up Rate (where Condition 6(f)(ii) (*Interest Rate Step-Up*) applies), from a specific date, as specified in the relevant Final Terms; and "**Note Step-Up Rate**" means the rate specified in the relevant Final Terms as such.

(b) *Business Day Convention*

If any date referred to in these Conditions or the relevant Final Terms is specified to be subject to adjustment in accordance with a Business Day Convention and would otherwise fall on a day that is not a Business Day (as defined below), then if the Business Day Convention specified in the relevant Final Terms is:

(i) the "**Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day;

(ii) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(iii) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day.

(c) *Floating Rate Notes*

Subject to Condition 6(f) (*Interest Rate Step-Up*) this Condition 6(c) is applicable only if the relevant Final Terms specifies the Notes as Floating Rate Notes.

If "**Screen Rate Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Notes for each Note Interest Period will be determined by the Agent Bank (or the Calculation Agent, if applicable) on the following basis:

(i) if the Page (as defined below) displays a rate which is a composite quotation or customarily supplied by one entity, the Agent Bank (or the Calculation Agent, if applicable) will determine the Relevant Rate (as defined in Condition 6(j) (*Definitions*) below);

(ii) in any other case, the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the Relevant Rates (as defined in Condition 6(j) (*Definitions*) below) which appear on the Page as of the Relevant Time (as defined in Condition 6(j) (*Definitions*) below) on the relevant Interest Determination Date;

(iii) if, in the case of (i) above, such rate does not appear on that Page or, in the case of (ii) above, fewer than two such rates appear on that Page or if, in either case, the Page is unavailable, the Agent Bank (or the Calculation Agent, if applicable) will:

(1) request the principal Relevant Financial Centre office of each of the Reference Banks (as defined in Condition 6(j) (*Definitions*) below) to provide a quotation of the Relevant Rate at approximately the Relevant Time on the relevant Interest Determination Date to prime banks in the Relevant Financial Centre (as defined in Condition 6(j) (*Definitions*) below) interbank market (or, if appropriate, money market) in an amount that is representative for a single transaction in that market at that time; and

(2) determine the arithmetic mean of such quotations; and

(iv) if fewer than two such quotations are provided as requested in Condition 6(c)(iii), the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the rates (being the rates nearest to the Relevant Rate as determined by the Agent Bank (or the Calculation Agent, if applicable)) quoted by the Reference Banks at approximately 11.00 a.m. (local time in the Relevant Financial Centre of the Relevant Currency) on the first day of the relevant Note Interest Period (as defined in Condition 6(j) (*Definitions*) below) for loans in the Relevant Currency to leading European banks for a period equal to the relevant Note Interest Period and in the Representative Amount (as defined in Condition 6(j) (*Definitions*) below),

and the Interest Rate for such Note Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined. However, if the Agent Bank (or the Calculation Agent, if applicable) is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Note Interest Period, the Interest Rate applicable to the Notes during such Note Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Note Interest Period.

If "**ISDA Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate(s) applicable to the Notes for each Note Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Note Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions (as defined in Condition 6(j) (*Definitions*) below)) that would be determined by the Agent Bank (or the Calculation Agent, if applicable) under an interest rate swap transaction if the Agent Bank (or the Calculation Agent, if applicable) were acting as calculation agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

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

(ii) the Designated Maturity (as defined in the ISDA Definitions) is the Specified Duration (as defined in Condition 6(j) (*Definitions*) below); and

(iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (1) if the relevant Floating Rate Option is based on LIBOR for a currency, the first day of that Note Interest Period, (2) if the relevant Floating Rate Option is based on EURIBOR, the first day of that Note Interest Period or (3) in any other case, as specified in the relevant Final Terms.

No interest shall be payable on any Class R Notes while held by the Issuer.

(d) *Fixed Rate Notes*

Subject to Condition 6(f) (*Interest Rate Step-Up*), this Condition 6(d) is applicable only if the relevant Final Terms specifies the Notes as Fixed Rate Notes.

The Interest Rate applicable to the Notes for each Note Interest Period will be the fixed rate specified in the relevant Final Terms.

(e) *Indexed Notes*

Subject to Condition 6(f) (*Interest Rate Step-Up*), this Condition 6(e) is applicable only if the relevant Final Terms specifies the Notes as Indexed Notes.

Payments of principal on, and the interest payable in respect of, the Notes will be subject to adjustment for indexation as set out in Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(iii) (*Application of the Index Ratio*), as applicable. The Interest Rate applicable to the Notes for each Note Interest Period will be at the rate specified in the relevant Final Terms.

(f) *Interest Rate Step-Up*

(i) This Condition 6(f)(i) is applicable only if the relevant Final Terms specifies the Floating Rate Step-Up as applicable.

(a) From and including the Note Step-Up Date specified in the relevant Final Terms, the Interest Rate in respect of any Sub-Class of Notes that are specified in the Final Terms as Fixed Rate Notes, Indexed Notes or Zero Coupon Notes will be determined in accordance with the terms of Condition 6(c) (*Floating Rate Notes*), save that the Margin shall be increased by the Note Step-Up Rate specified in the Final Terms.

(b) From and including the Note Step-Up Date specified in the relevant Final Terms, the Margin shall be increased by the Note Step-Up Rate specified in the Final Terms in respect of any Sub-Class of Notes that are specified in the Final Terms as Floating Rate Notes.

(ii) This Condition 6(f)(ii) is applicable only if the relevant Final Terms specifies the Fixed Rate Step-Up as applicable. From and including the Note Step-Up Date specified in the relevant Final Terms, the Interest Rate in respect of any Sub-Class of Notes that are specified in the Final Terms as Fixed Rate Notes, Indexed Notes or Zero Coupon Notes will be the rate specified in the relevant Final Terms (or, in the case of Zero Coupon Notes, the Accrual Yield specified in the relevant Final Terms) plus the Note Step-Up Rate specified in the Final Terms.

(g) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in the Final Terms):

(i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);

(ii) all figures will be rounded according to market convention; and

(iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes, "**unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(h) *Calculations*

The amount of interest payable in respect of any Note for each Note Interest Period shall be calculated by multiplying the product of the Interest Rate and the Principal Amount Outstanding of such Note during that Note Interest Period by the Day Count Fraction (as defined below) and, in the case of Indexed Notes only, adjusted according to the indexation set out in Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable), unless an Interest Amount is specified in respect of such period in the relevant Final Terms, in which case the amount of interest payable in respect of such Note for such Note Interest Period will equal such Interest Amount.

(i) *Determination and Publication of Interest Rates, Interest Amounts and Redemption Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Cash Manager or the Agent Bank (or the Calculation Agent, if applicable), as applicable, may be required to calculate any Redemption Amount, in the case of the Cash Manager, or obtain any quote or make any determination or calculation, in the case of the Agent Bank (or the Calculation Agent, if applicable), the Agent Bank (or the Calculation Agent, if applicable) will determine the Interest Rate and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Specified Denomination of Notes for the relevant Note Interest Period (including, for the avoidance of doubt, any applicable Index Ratio to be calculated in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) and obtain such quote or make such determination or calculation, as the case may be, and the Cash Manager shall calculate the Redemption Amount.

The Agent Bank will cause the Interest Rate and the Interest Amounts for each Note Interest Period and the relevant Note Payment Date and, if required to be calculated, the Redemption Amount, or any Principal Amount Outstanding to be notified to, in the case of Bearer Notes, the Paying Agents or, in the case of Registered Notes, the Registrar and, in each case, the Note Trustee, the Issuer, the Noteholders and the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system by which the relevant Notes have then

been admitted to listing, trading and/or quotation as soon as possible after its determination but in no event later than (i) (in case of notification to the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system on which the relevant Notes have then been admitted to listing, trading and/or quotation) the commencement of the relevant Note Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination.

The Interest Amounts and the Note Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Note Interest Period. Any such amendment will be promptly notified to the Irish Stock Exchange and each other listing authority, stock exchange and/or quotation system on which the relevant Sub-Class or Class of Notes are for the time being listed, traded and/or quoted or by which they have been admitted to listing, trading and/or quotation and to the Noteholders in accordance with Condition 16 (*Notices*). If the Notes become due and payable under Condition 11 (*Issuer Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously provided in accordance with this Condition 6 but no publication of the Interest Rate or the Interest Amount so calculated need be made unless otherwise required by the Note Trustee. The determination of each Interest Rate, Interest Amount and Redemption Amount, the obtaining of each quote and the making of each determination or calculation by the Agent Bank (or the Calculation Agent, if applicable), the Cash Manager or, as the case may be, the Note Trustee pursuant to this Condition 6 or Condition 7 (*Indexation*), shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Definitions*

In these Conditions and in the relevant Final Terms, unless the context otherwise requires, the following defined terms shall have the meanings set out below.

"**Business Day**" means a day which is:

(i) A day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre (other than the TARGET2 System) specified in the applicable Final Terms;

(ii) If TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a TARGET Settlement Day; and

(iii) either (a) in relation to any sum payable in a Relevant Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the Relevant Currency or (b) in relation to any sum payable in euro, a TARGET Settlement Day;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting a Note Interest Period, the "**Calculation Period**"):

(i) if "Actual/Actual (ICMA)" is specified:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods that would occur in one calendar year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1)

the number of days in such Determination Period and (2) the number of Determination Periods that would occur in one calendar year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods that would occur in one calendar year,

where:

"**Determination Period**" means the period from and including a Determination Date in any year but excluding the next Determination Date; and

"**Determination Date**" means the date specified as such in the Final Terms or, if none is so specified, the Note Payment Date;

(ii) if "**Actual/365**" or "**Actual/Actual**" is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366, and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "Actual/365 (Fixed)" is specified, the actual number of days in the Calculation Period divided by 365;

(iv) if "Actual/360" is specified, the actual number of days in the Calculation Period divided by 360;

(v) if "30/360", "360/360" or "Bond Basis" is specified, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(vi) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(vii) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30;

"**euro**" means the lawful currency of the Participating Member States;

"**Interest Commencement Date**" means, in respect of any Sub-Class of Notes, the Issue Date or such other date as may be specified in the relevant Final Terms;

"**Interest Determination Date**" means, with respect to an Interest Rate and a Note Interest Period in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms or, if none is so specified, the day falling two Business Days in London prior to the first day of such Note Interest Period (or if the specified currency is sterling the first day of such Note Interest Period) (as adjusted in accordance with any Business Day Convention (as defined above) specified in the relevant Final Terms);

"**Interest Rate**" means, in respect of any Sub-Class of Notes, the rate of interest payable from time to time in respect of such Notes and which is either specified as such in, or calculated in accordance with the provisions of, these Conditions and/or the relevant Final Terms;

"**ISDA Definitions**" means the 2000 ISDA Definitions (as amended and updated as at the date of issue of the first Series of Notes of the relevant Sub-Class as published by the International Swaps and Derivatives Association, Inc.);

"**Issue Date**" means, in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms;

"**Margin**" means, in respect of any Sub-Class of Floating Rate Notes, the rate per annum (or otherwise as specified in the relevant Final Terms) (expressed as a percentage) specified as such in item 15(xi) of the relevant Final Terms and, for the purposes of Condition 6(f) (*Interest Rate Step-Up*), means the rate specified as such in item 16 of the relevant Final Terms;

"**Maturity Date**" means, in respect of any Sub-Class of Notes, the date specified in the relevant Final Terms as the final date on which the full principal amount of the Note is due and payable;

"**Note Interest Period**" means, in respect of any Sub-Class of Notes, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Note Payment Date and each successive period beginning on (and including) a Note Payment Date and ending on (but excluding) the next succeeding Note Payment Date;

"**Note Payment Dates**" means, in respect of any Sub-Class of Notes, the dates specified as such in the relevant Final Terms;

"**Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms, or such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

"**Participating Member State**" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty establishing the European Communities (as amended), and "**Participating Member States**" means all of them;

"**Principal Amount Outstanding**" means, at any date (a) in relation to a Note, the principal amount of that Note upon issue less any repayment of principal made to the Holder(s) thereof and (b) in relation to any Sub-Class or Class, the aggregate principal amount of all Notes in such Sub-Class or Class less any repayment of principal made to the Holder(s) thereof, provided that, in the case of (b) for the purposes of Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*) only, it shall exclude those Notes (if any) which are for the time being held by (1) the Issuer, any Obligor or any Non-Restricted Group Entity, (2) any person for the benefit of the Issuer or any of its subsidiaries or holding companies or any subsidiaries of any of its holding companies or (3) any person who has failed to surrender for repurchase any Class R Note on any Note Payment Date (other than where the Issuer was not obliged to repurchase the same);

"**Redemption Amount**" means, in respect of any Sub-Class of Notes, the amount provided under Condition 8 (*Redemption, Purchase and Cancellation*);

"**Reference Banks**" means the institutions specified as such or, if none, four major banks selected by the Agent Bank (or the Calculation Agent, if applicable) in the interbank market (or, if appropriate, money market) which is most closely connected with the Relevant Rate as determined by the Agent Bank (or the Calculation Agent, if applicable), on behalf of the Issuer, in its sole and absolute discretion;

"**Relevant Currency**" means the currency specified as such or, if none is specified, the currency in which such Notes are denominated;

"**Relevant Date**" means, in respect of any Sub-Class of Notes, the earlier of (a) the date on which all amounts in respect of such Notes have been paid, and (b) five days after the date on which all of the Principal Amount Outstanding (adjusted in the case of Indexed Notes in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*);

"**Relevant Financial Centre**" means, with respect to any Sub-Class of Notes, the financial centre specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the Relevant Rate is most closely connected as determined by the Agent Bank (or the Calculation Agent, if applicable);

"**Relevant Rate**" means (i) LIBOR or (ii) EURIBOR, in each case for a Representative Amount of the Relevant Currency for a period (if applicable) equal to the Specified Duration, as specified in the relevant Final Terms;

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Representative Amount**" means, with respect to any rate to be determined on an Interest Determination Date, the amount specified in the relevant Final Terms as such or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

"**Specified Duration**" means, with respect to any Floating Rate (as defined in the ISDA Definitions) to be determined on an Interest Determination Date, the period or duration specified as such in the relevant Final Terms or, if none is specified, a period of time equal to the relative Note Interest Period;

"**TARGET Settlement Day**" means any day on which the TARGET2 System is open; and

"**TARGET2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer system.

(k) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Relevant Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

Designated Maturity means, in relation to Screen Rate Determination, the period of time designated in the Relevant Rate.

(l) *Agent Bank, Calculation Agent and Reference Banks*

The Issuer will procure that there shall at all times be an Agent Bank (and a Calculation Agent, if applicable) and four Reference Banks selected by the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) with offices in the Relevant Financial Centre if provision is made for them in these Conditions applicable to this Note and for so long as it is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) will select another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Agent Bank (or the Calculation Agent, if applicable) is unable or unwilling to act as such or if the Agent Bank (or the Calculation Agent, if applicable) fails duly to establish the Interest Rate for any Note Interest Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint a successor to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

(m) *Determination or Calculation by Note Trustee*

If the Agent Bank (or the Calculation Agent, if applicable) or the Cash Manager, as applicable, does not at any time for any reason determine any Interest Rate, Interest Amount, Redemption Amount or any other amount to be determined or calculated by it, the Note Trustee shall (without liability for so doing) determine such Interest Rate, Interest Amount, Redemption Amount or other amount as aforesaid at such rate or in such amount as in its absolute discretion (having regard as it shall think fit to the procedures described above, but subject to the terms of the Trust Deed) it shall deem fair and reasonable in all the circumstances or, subject as aforesaid, apply the foregoing provisions of this Condition 6, with any consequential amendments, to the extent that, in its sole opinion, it can do so and in all other respects it shall do so in such manner as it shall, in its absolute discretion, deem fair and reasonable in the circumstances, and each such determination or calculation shall be deemed to have been made by the Agent Bank (or the Calculation Agent, if applicable) or the Cash Manager, as applicable.

(n) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6, whether by the Principal Paying Agent, the Agent Bank (or the Calculation Agent, the Note Trustee or the Cash Manager, if applicable), shall (in the absence of wilful default, negligence, bad faith or manifest error) be binding on the Issuer, the Agent Bank, the Note Trustee, the Cash Manager, the Principal Paying Agent, the other Agents and all Noteholders, Couponholders and other Issuer Secured Creditors and (in the absence as aforesaid) no liability to the Issuer, the Note Trustee, the Noteholders or the Couponholders shall attach to the Principal Paying Agent, the Cash Manager, the Agent Bank or, if applicable, any Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

7. **Indexation**

(a) *Indexation of RPI Indexed Notes*

This Condition 7(a) is applicable only if the relevant Final Terms specifies (i) that the Notes are Indexed Notes and (ii) that the applicable Index is RPI (such Notes, the "**RPI Indexed Notes**").

(i) *Definitions*

"**Base Index Figure**" means (subject to Condition 7(a)(iii)(A) (*Change in base*)) the base index figure as specified in the relevant Final Terms;

"**Index**" or "**Index Figure**" means, subject as provided in Condition 7(a)(iii)(A) (*Change in base*), the UK Retail Prices Index (**RPI**) (for all items) published by the Office for National Statistics (January 1987 — 100) or any comparable index which may replace the UK Retail Prices Index for the purpose of calculating the amount payable on repayment of the Reference Gilt. Any reference in these Conditions

and/or the relevant Final Terms to the "**Index Figure applicable**" to a month or date shall, subject in each case as provided in Condition 7(a)(iii) (*Changes in Circumstances Affecting the Index*) and 7(a)(v) (*Cessation of or Fundamental Changes to the Index*):

(A) if the relevant Final Terms specify the Index Figure applicable to a particular month, be construed as a reference to the Index Figure published in the seventh month prior to that particular month and relating to the month before that of publication; or

(B) if the relevant Final Terms specify the Index Figure applicable to the first calendar day of any month, be construed as a reference to the Index Figure published in the second month prior to that particular month and relating to the month before that of publication; or

(C) if the relevant Final Terms specify the Index Figure applicable to any other day in any month, be calculated by linear interpolation between (x) the Index Figure applicable to the first calendar day of the month in which the specified day falls, calculated as described in sub-paragraph (B) above, and (y) the Index Figure applicable to the first calendar day of the month following the month in which the specified day falls, calculated as described in sub-paragraph (B) above;

"**Index Ratio**" applicable to any month or date, as the case may be, means the Index Figure applicable to such month or date, as the case may be, divided by the Base Index Figure and rounded to the nearest fifth decimal place (0.000005 being rounded upwards);

"**Limited Index Ratio**" means (a) in respect of any month or date, as the case may be, prior to the relevant Issue Date (as defined in Condition 6(j) (*Definitions*)), the Index Ratio for that month or date, as the case may be; (b) in respect of any Limited Indexation Month or Limited Indexation Date after the relevant Issue Date, the product of the Limited Indexation Factor for that month or date, as the case may be, and the Limited Index Ratio as previously calculated in respect of the month or date, as the case may be, 12 months prior thereto; and (c) in respect of any other month, or date, as the case may be, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month or Limited Indexation Date;

"**Limited Indexation Date**" means any date falling during the period specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

"**Limited Indexation Factor**" means, in respect of a Limited Indexation Month or Limited Indexation Date, as the case may be, the ratio of the Index Figure applicable to that month or date, as the case may be, divided by the Index Figure applicable to the month or date, as the case may be, 12 months prior thereto, **provided that** (a) if such ratio is greater than the Maximum Indexation Factor (if any) specified in the relevant Final Terms, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor (if any) specified in the relevant Final Terms, it shall be deemed to be equal to such Minimum Indexation Factor;

"**Limited Indexation Month**" means any month specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

"**Limited Indexed Notes**" means RPI Indexed Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the relevant Final Terms) applies; and

"**Reference Gilt**" means the index-linked Treasury Stock specified as such in the relevant Final Terms for so long as such stock is in issue, and thereafter such issue of index-linked Treasury Stock determined to be appropriate by a gilt-edged market maker or other adviser selected by the Issuer (an "**Indexation Adviser**").

(ii) *Application of the Index Ratio*

Each payment of interest and principal in respect of the RPI Indexed Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month or date, as the case may be, in or on which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(iii) *Changes in Circumstances Affecting the Index*

(A) *Change in base*: If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be,(I) the definition of "**Index**" and "**Index Figure**" in Condition 7(a)(i) (*Definitions*) shall be deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date or month as may have been substituted therefor), and (II) the new Base Index Figure shall be the product of the existing Base Index Figure (specified in the relevant Final Terms) and the Index Figure immediately following such substitution, divided by the Index Figure immediately prior to such substitution.

(B) *Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*: If the Index Figure which is normally published in the seventh month and which relates to the eighth month (the "**relevant month**") before the month in which a payment is due to be made is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable to the month in which the date for payment falls shall be (I) such substitute index figure (if any) as the Issuer considers (acting solely on the advice of the Indexation Adviser) to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser or (II) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(a)(iii)(A) (*Change in base*)) before the date for payment.

(C) *Delay in publication of Index if sub-paragraph (B) and/or (C) of the definition of Index Figure is applicable*: If the Index Figure relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Figure for any date is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable for the relevant calculation month shall be (I) such substitute index figure (if any) as the Issuer considers (acting solely on the advice of the Indexation Adviser) to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser or (II) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(a)(iii)(A) (*Change in base*)) before the date for payment;

(iv) *Application of Changes*

Where the provisions of Condition 7(a)(iii)(B) (*Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*) or Condition 7(a)(iii)(C) (*Delay in publication of Index if sub-paragraph (B) and/or (C) of the definition of Index*

Figure is applicable) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall be conclusive and binding. If, where an Index Figure has been applied pursuant to Condition 7(a)(iii)(B)(II) or Condition 7(a)(iii)(C)(II), as applicable, the Index Figure relating to the relevant month or relevant calculation month, as the case may be, is subsequently published while a Note is still outstanding, then:

(A) in relation to a payment of principal or interest in respect of such Note other than upon final redemption of such Note, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced by an amount equal to (respectively) the shortfall or excess of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 7(a)(iii)(B)(II) or Condition 7(a)(iii)(C)(II), below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and

(B) in relation to a payment of principal or interest upon final redemption, no subsequent adjustment to amounts paid will be made.

(v) *Cessation of or Fundamental Changes to the Index*

(A) If (I) the Note Trustee has been notified by the Agent Bank (or the Calculation Agent, if applicable) that the Index has ceased to be published or (II) any change is made to the coverage or the basic calculation of the Index which constitutes a fundamental change which would, in the opinion of the Note Trustee acting solely on the advice of the Indexation Adviser, be materially prejudicial to the interests of the relevant Noteholders, the Note Trustee will give written notice of such occurrence to the Issuer, and the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) together shall seek to agree for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made.

(B) If the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) fail to reach agreement as mentioned above within 20 business days following the giving of notice as mentioned in paragraph (A), a bank or other person in London shall be appointed by the Issuer and the Note Trustee or, failing agreement on the making of such appointment within 20 business days following the expiry of the 20-business-day period referred to above, by the Note Trustee (acting solely on the advice of the Indexation Adviser) (in each case, such bank or other person so appointed being referred to as the "**Expert**"), to determine for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as an expert and not as an arbitrator and all fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Note Trustee in connection with such appointment shall be borne by the Issuer.

(C) The Index shall be adjusted or replaced by a substitute index as agreed by the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, and references in these Conditions to the Index and to any Index Figure shall be deemed amended in such manner as

the Note Trustee and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the other Issuer Secured Creditors, the Note Trustee and the Noteholders, and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (*Notices*) of such amendments as promptly as practicable following such notification.

(b) *Indexation of HICP Indexed Notes*

This Condition 7(b) is applicable only if the relevant Final Terms specifies (i) that the Notes are Indexed Notes and (ii) that the applicable Index is HICP (such Notes, the "**HICP Indexed Notes**" and, together with the RPI Indexed Notes, "**Indexed Notes**").

(i) *Definitions*

"**Base Index Figure**" means the Base Index Figure specified in the relevant Final Terms;

"**Index**" or "**Index Level**" means, subject as provided in Condition 7(b)(iii), the Non-revised Index of Consumer Prices excluding tobacco or relevant Successor Index (as defined in Condition 7(b)(iii)(C)), measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by Eurostat (the "**HICP**"). The first publication or announcement of a level of such index for a calculation month (as defined in Condition 7(b)(iii)(B)) shall be final and conclusive and later revisions to the level for such calculation month will not be used in any calculations. Any reference in these Conditions to the "**Index Level applicable**" to any day ("**d**") in any month ("**m**") shall, subject as provided in Condition 7(b)(iii), be calculated as follows:

$$I_d = HICP_{m-3} + \frac{nbd}{q_m} \times (HICP_{m-2} - HICP_{m-3})$$

where:

"$\mathbf{I_d}$" is the Index Level for the day d;

"**HICP $_{m-2}$**" is the level of HICP for month m-2;

"**HICP $_{m-3}$**" is the level of HICP for month m-3;

"**nbd**" is the actual number of days from and excluding the first day of month m to but including day d; and

"**q $_m$**" is the actual number of days in month m;

"**Index Business Day**" means a day on which the TARGET2 System is open;

"**Index Determination Date**" means, in respect of any date for which the Index Level is required to be determined, the fifth Index Business Day prior to such date;

"**Index Ratio**" applicable to any date means the Index Level applicable to the relevant Index Determination Date divided by the Base Index Figure and rounded to the nearest fifth decimal place (0.000005 being rounded upwards); and

"**Related Instrument**" means an inflation-linked note selected by the Agent Bank (or the Calculation Agent, if applicable) that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union with a maturity date which falls on (A) the same day as the Maturity Date, (B) the next longest maturity date after the Maturity Date if there is no such note maturing on the Maturity Date, or (C) the next

shortest maturity before the Maturity Date if no note defined in (A) or (B) is selected by the Agent Bank (or the Calculation Agent, if applicable). The Agent Bank (or the Calculation Agent, if applicable) will select the Related Instrument from such of those inflation linked notes issued on or before the relevant Issue Date and, if there is more than one such inflation-linked note maturing on the same date, the Related Instrument shall be selected by the Agent Bank (or the Calculation Agent, if applicable) from such of those inflation linked notes. If the Related Instrument is redeemed the Agent Bank (or the Calculation Agent, if applicable) will select a new Related Instrument on the same basis, but selected from all eligible notes in issue at the time the originally selected Related Instrument is redeemed (including any note for which the redeemed originally selected Related Instrument is exchanged).

(ii) *Application of the Index Ratio*

Each payment of interest and principal in respect of the HICP Indexed Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio applicable to the date on which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(iii) *Changes in Circumstances Affecting the Index*

(A) *Rebasing of the Index*: If the Agent Bank (or the Calculation Agent, if applicable) determines that the Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for the purposes of determining the Index Level applicable to any date falling on or after the date of such rebasing; provided, however, that the Agent Bank (or the Calculation Agent, if applicable) shall make such adjustments as are made by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made.

(B) *Delay in publication of Index*:

(I) If the Index Level relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Level applicable to any date (the "**Relevant Level**") has not been published or announced by the day that is five Business Days before the date on which the relevant payment is due (the "**Affected Payment Date**"), the Agent Bank (or the Calculation Agent, if applicable) shall determine a substitute Index Level (the "**Substitute Index Level**"), to be used in place of the Relevant Level for the relevant calculation month, by using the following methodology:

(1) if applicable, the Agent Bank (or the Calculation Agent, if applicable) will take the same action to determine the Substitute Index Level for the Affected Payment Date as that taken by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument;

(2) if (1) above does not result in a Substitute Index Level for the Affected Payment Date for any reason, then the Agent Bank (or the Calculation Agent, if applicable) shall determine the Substitute Index Level as follows:

Substitute Index Level = Base Level x (Latest Level / Reference Level)

where:

"**Base Level**" means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined;

"**Latest Level**" means the latest level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) prior to the month for which the Substitute Index Level is being determined; and

"**Reference Level**" means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month that is 12 calendar months prior to the month in respect of which the Latest Level was published or announced.

(II) If a Relevant Level is published or announced at any time on or after the day that is five Business Days prior to the Affected Payment Date, such Relevant Level will not be used in any calculations to be made pursuant to this Condition 7(b), and the Substitute Index Level determined pursuant to this Condition 7(b)(iii)(A) will be the definitive Index Level for the relevant calculation month.

(C) *Cessation of publication*:

(I) If the Index Level has not been published or announced for two consecutive months or Eurostat announces that it will no longer continue to publish or announce the Index then the Agent Bank (or the Calculation Agent, if applicable) shall determine a successor index (the "**Successor Index**") in lieu of any previously applicable Index by using the following methodology:

(1) if at any time (other than after an Early Termination Event (as defined below) has occurred pursuant to Condition 7(b)(iii)(C)(II) below) a successor index has been designated by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument, such successor index shall be the Successor Index for the purposes of all subsequent payments of interest and/or principal in respect of the Notes, notwithstanding that any other Successor Index may previously have been determined under paragraphs (2), (3) or (4) below; or

(2) if a Successor Index has not been determined under paragraph (1) above (and no Early Termination Event has occurred pursuant to Condition 7(b)(iii)(C)(II) below), and a notice has been given or an announcement has been made by Eurostat (or any successor entity which publishes the Index) specifying that the Index will be superseded by a replacement index specified by Eurostat (or any such successor), and the Agent Bank (or the Calculation Agent, if applicable) determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the

previously applicable Index, such replacement index shall be the Successor Index from the date that such replacement index comes into effect; or

(3) if a Successor Index has not been determined under paragraphs (1) or (2) above (and no Early Termination Event has occurred pursuant to Condition 7(b)(iii)(C)(II) below), the Agent Bank (or the Calculation Agent, if applicable) shall ask five leading independent dealers to state what the replacement index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the Successor Index. If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the Successor Index. If fewer than three responses are received, the Agent Bank (or the Calculation Agent, if applicable) will proceed to paragraph (4) below;

(4) if no Successor Index has been determined under paragraphs (1), (2) or (3) above on or before the fifth Index Business Day prior to the next Affected Payment Date the Agent Bank (or the Calculation Agent, if applicable) will determine an appropriate alternative index for such Affected Payment Date, and such index will be the Successor Index.

(II) If the Agent Bank (or the Calculation Agent, if applicable) determines that there is no appropriate alternative index as referred to in Condition 7(b)(iii)(C)(I)(4), the Issuer and the Note Trustee shall, in conjunction with the Agent Bank (or the Calculation Agent, if applicable), determine an appropriate alternative index and, if the Issuer and the Note Trustee, in conjunction with the Agent Bank (or the Calculation Agent, if applicable), do not reach agreement on an appropriate alternative index within a period of ten Business Days, then an "**Early Termination Event**" will be deemed to have occurred and the Issuer will redeem the Notes in accordance with Condition 8(d).

(A) *Material Modification Prior to Note Payment Date*: If, on or prior to the day that is five Business Days before a Note Payment Date, Eurostat announces that it will make a material change to the Index then the Agent Bank (or the Calculation Agent, if applicable) shall make any such adjustments to the Index consistent with adjustments made to the Related Instrument.

(B) *Manifest Error in Publication*: If, within thirty days of publication, the Agent Bank (or the Calculation Agent, if applicable) determines that Eurostat (or any successor entity which publishes the Index) has corrected the level of the Index to remedy a manifest error in its original publication, the Agent Bank (or the Calculation Agent, if applicable) will notify the Issuer and the Note Trustee of (1) that correction, (2) the amount that is payable as a result of that correction and (3) take such other action as it may deem necessary to give effect to such correction.

Any amendments to the Index made pursuant to this Condition 7(b)(iii) shall be binding on the Issuer Secured Creditors, the Note Trustee, the Noteholders and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (Notices) of such amendments as promptly as practicable following their determination

8. **Redemption, Purchase and Cancellation**

(a) *Scheduled Partial and Final Redemption*

Unless previously redeemed, or purchased and cancelled as provided below, each Note will be redeemed at its Principal Amount Outstanding (in the case of Indexed Notes as adjusted in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) on the date or dates (or, in the case of *Floating Rate Notes*, on the Note Payment Date(s)) specified in the relevant Final Terms plus accrued but unpaid interest (other than in the case of Zero Coupon Notes) and, in the case of Indexed Notes, as adjusted in accordance with Condition 7(a)(ii) (*Application of the Index Ratio* or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable).

(b) *Optional Redemption*

Subject as provided below and if an Issuer Call Option is specified in the relevant Final Terms, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and all of the Noteholders in accordance with Condition 16 (*Notices*), the Issuer may (prior to the Maturity Date) redeem any Sub-Class of the Notes in whole or in part (but on a *pro rata* and *pari passu* basis only) on any Optional Redemption Date at their Redemption Amount (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Final Terms) as follows:

(i) in respect of Fixed Rate Notes:

(A) if Swap Mid Curve Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will be an amount equal to the higher of (i) the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a Financial Adviser appointed by the Issuer (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the Notes on the Relevant Date (as defined below) is equal to the Redemption Rate (as defined below).

For the purposes of this Condition 8(b)(i)(A): "**Redemption Rate**" means the Relevant Swap Mid Curve Rate plus the Redemption Margin or, if the Relevant Swap Mid Curve Rate is not able to be determined, such rate as may be determined by a Financial Adviser plus the Redemption Margin; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute and Faculty of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as a Financial Adviser may approve; "**Relevant Date**" means the date which is two Business Days prior to the publication or dispatch of the notice of redemption under this Condition 8(b); "**Relevant Swap Mid Curve Rate**" means the mid-point of the bid-side and offer-side rates for the fixed leg of a hypothetical interest rate swap with a notional profile equal to the semi-annual interest that would be payable on the relevant Sub-Class of Notes to be redeemed, with the same payment dates as the relevant Notes, against a floating leg of Six Month Sterling LIBOR with no spread, where the rates for such hypothetical interest rate swap are as displayed on the Bloomberg <ICAB> page or such other page as may replace the Bloomberg <ICAB> on that service for the purpose of displaying such information or, if that service ceases to display such information, the Relevant Swap Mid Curve Rate shall be determined by a Financial Adviser using its standard valuation methodology as at the date of calculation) as at or about 11.00 a.m. (London time) on such Relevant Date; and "**Six Month Sterling LIBOR**" means the rate of interest for six month sterling deposits as determined as at or about 11.00 a.m. (London time) on the Relevant Date by reference to the display designated as the

Intercontinental Exchange Benchmark Association rate as quoted on the Reuters Screen LIBOR01 page or such other page as may replace the Reuters Screen LIBOR01 page on that service for the purposes of displaying such information; or if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Issuer (acting solely on the advice of a Financial Adviser)) as may replace the Reuters Screen LIBOR01);

(B) If Spens Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will be an amount equal to the higher of (i) the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (as reported in writing to the Issuer and the Note Trustee by a Financial Adviser) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Spens Gross Redemption Yield on the Notes on the Reference Date is equal to the Spens Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time specified in the applicable Final Terms on the Reference Date of the Reference Bond, plus the Redemption Margin, all as determined by a Financial Adviser.

(C) If Make-Whole Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will be an amount calculated by the Agent equal to the higher of (i) the Principal Amount Outstanding of the Notes or the relevant portion thereof to be redeemed and (ii) the sum of the present values of the Principal Amount Outstanding of the relevant Notes to be redeemed and the Remaining Term Interest on such Note (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on an annual basis at the Reference Bond Rate, plus the Redemption Margin.

For the purposes of Condition 8(b)(i)(A), 8(b)(i)(B) and Condition 8(b)(i)(C):

Financial Adviser means any financial adviser appointed by the Issuer;

FA Selected Bond means a government security or securities selected by a Financial Adviser as having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

Redemption Margin shall be as set out in the relevant Final Terms;

Reference Bond shall be as set out in the relevant Final Terms or the FA Selected Bond;

Reference Bond Price means, with respect to any date of redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

Reference Bond Rate means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

Reference Date will be set out in the relevant notice of redemption;

Reference Government Bond Dealer means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

Reference Government Bond Dealer Quotations means, with respect to each Reference Government Bond Dealer and any date for redemption, the arithmetic average, as determined by the Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the relevant Final Terms on the Reference Date quoted in writing to the Agent by such Reference Government Bond Dealer;

Remaining Term Interest means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term of such Note determined on the basis of the rate of interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer pursuant to this Condition 8(b); and

Spens Gross Redemption Yield means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by a Financial Adviser on the basis set out 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 amended or updated from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or on such other basis as the Issuer may determine (acting solely on the advice of a Financial Adviser).

(D) If Fixed Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Final Terms).

If a Swap Mid Curve Amount, Spens Amount, Make-Whole Amount or Fixed Amount is specified in the relevant Final Terms as the Redemption Amount, the Redemption Amount will also include accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption, provided that, in any case where Condition 6(f) (*Interest Rate Step-Up*) applies, from and including the date which is two years prior to the Maturity Date specified in the relevant Final Terms, the Redemption Amount shall be equal to the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed plus accrued but unpaid interest on such amount to (but excluding) the date of redemption.

(ii) in respect of Floating Rate Notes, the Redemption Amount will be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Final Terms) plus any accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption;

(iii) in respect of Indexed Notes, the Redemption Amount will be the amount determined in accordance with Condition 8(b)(i) or Condition 8(b)(ii), as the case may be, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month in which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*); and

(iv) in respect of Zero Coupon Notes, the Redemption Amount will be an amount equal to the sum of:

(A) the Reference Price; and

(B) the product of the Accrual Yield (compounded annually) and the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption,

and where such calculation is to be made for a period which is less than a full year, such calculation shall be made on the basis of the Day Count Fraction specified in the Final Terms for the purposes of this Condition 8(b)(iv) or, if none is so specified, a Day Count Fraction of 30/360, plus accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption.

In this Condition 8(b)(iv), "**Accrual Yield**" and "**Reference Price**" have the meanings given to them in the relevant Final Terms.

In any such case:

(I) prior to giving any notice of redemption under this Condition 8(b), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer that it will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date; and

(II) where Condition 6(f) (*Interest Rate Step-Up*) applies, any date of redemption falling on or after the Note Step-Up Date shall be required to be a Note Payment Date.

(c) *Optional Redemption as Result of Ratings Event*

Following the satisfaction of all conditions precedent in respect of a Ratings Event, the Issuer may seek to exercise its option to redeem the Notes by notifying the holders of each Sub-Class of Notes in accordance with Condition 16 (*Notices*) of the occurrence of such Ratings Event and its intention to redeem the Notes if a Noteholders' Affirmation (as defined below) is passed. The Issuer shall also convene a meeting of each such Sub-Class to take place at least 21 days following such notification. If at such meeting 75% or more by Principal Amount Outstanding of the Noteholders of the relevant Sub-Class of Notes vote in favour of such redemption on a specified date (a "**Noteholders' Affirmation**"), then the Issuer shall redeem such Sub-Class of Notes in whole (but not in part) on the Optional Redemption Date (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Final Terms). If at such meeting, less than 75% of the Noteholders of the relevant Sub-Class vote in favour of such redemption, then the Issuer shall not redeem any of the Notes of such Sub-Class.

Any redemption under this Condition 8(c) will be made (I) if the Notes are not Fixed Rate Notes, at the Redemption Amount determined in accordance with Condition 8(b)(ii), (iii) or (iv) or (II) if the Notes are Fixed Rate Notes, at a Redemption Amount equal to the higher of (i) their Principal Amount Outstanding and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser selected by the Issuer) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield (as defined below) on such Notes on the Reference Date (as defined below) is equal to the sum of (a) Gross Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt (as defined below) and (b) the Issue Spread for the relevant Notes (as per the relevant Final Terms), in each case plus accrued but unpaid interest on the Principal Amount Outstanding to (but excluding) the date of redemption.

Before giving any notification under this Condition 8(c), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(c) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been

satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(c): the "**Issue Spread**" shall be the spread on the relevant Class of Notes as specified in the relevant Final Terms; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Issuer may select (acting solely on the advice of a Financial Adviser); "**Reference Date**" means the date which is two Business Days prior to the dispatch of the notice of redemption under this Condition 8(c); and "**Reference Gilt**" means the Treasury Stock specified in the relevant Final Terms while that stock is in issue, and thereafter such UK government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market (selected by the Issuer), determine to be appropriate.

(d) *Optional Redemption for Index Event or Taxation Reasons*

(i) *Optional Redemption for Index Events*:

(A) *RPI Indexed Notes:* In the case of RPI Indexed Notes, upon the occurrence of any Index Event (as defined below), the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on the Optional Redemption Date at the Redemption Amount, together with accrued but unpaid interest on the Principal Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs (such interest subject, in the case of Index Linked Interest Notes, to adjustment in accordance with Condition 7(a)(ii) or Condition 7(b)(ii), as applicable).

For the purposes of this Condition 8(d)(i)(A), "**Index Event**" means (i) if the Index Figure for three consecutive months is to be determined on the basis of an Index Figure previously published as provided in Condition 7(a)(iii)(B) (*Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*) or Condition 7(c)(iii), as applicable, and the Issuer has been notified by the Principal Paying Agent that publication of the Index has ceased or (ii) notice is published by Her Majesty's Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt (as defined in Condition 7(a)(i) (*Definitions*) above), and (in either case) no amendment or substitution of the Index has been advised by the Indexation Adviser to the Issuer and such circumstances are continuing.

(B) *HCIP Indexed Notes:* In the case of HICP Indexed Notes, upon the occurrence of an Early Termination Event pursuant to Condition 7(b)(iii)(C)(II), the Issuer will, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on any day at the Redemption Amount together with accrued but unpaid interest on the Principal Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs (such interest subject, in the case of Index Linked Interest Notes, to adjustment in accordance with Condition 7(a)(ii) or Condition 7(b)(ii), as applicable).

Before giving any notice of redemption under this Condition 8(d)(i), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d)(i) and setting forth a statement of facts showing that the conditions precedent to the

right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(ii) *Optional Redemption for Taxation Reasons*: If the Issuer would, on the next Note Payment Date, be obliged to deduct or withhold from any payment of interest or principal in respect of the Notes (other than in respect of default interest), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) or (b) FinCo would, on or about the next interest payment date under the Intercompany Loan Agreement, be obliged to increase any sum payable by it to the Issuer under the Intercompany Loan Agreement as a result of FinCo being required to deduct or withhold any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) from that payment, then the Issuer may, upon giving not more than 60 days nor less than 30 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Notes on the Optional Redemption Date at their Principal Amount Outstanding plus accrued but unpaid interest thereon to (but excluding) the date of redemption (adjusted, in the case of Indexed Notes, in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) without premium or penalty. Before giving any notice of redemption under this Condition 8(d)(ii), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d)(ii) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(e) *Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*

If the Issuer receives (or is to receive) any monies (a) pursuant to the Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments or the Security Group Post-Enforcement (Post-Acceleration) Priority of Payments, (b) pursuant to the exercise of the P1 ICL Call Option (as defined in the Security Trust and Intercreditor Deed) or (c) other than in accordance with Condition 8(b) (*Optional Redemption*), 8(c) (*Optional Redemption as Result of Ratings Event*) or 8(d) (*Optional Redemption for Index Event or Taxation Reasons*) above, in Prepayment of all or any ICL Loan under the Intercompany Loan Agreement, the Issuer shall, upon giving not more than 30 nor less than 10 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all of the Notes of the relevant Sub-Class of Notes on their next respective Note Payment Dates at their Principal Amount Outstanding plus accrued but unpaid interest to (but excluding) the date of redemption or (where part only of such ICL Loan has been Prepaid) the proportion of the relevant Sub-Class of Notes which the prepayment amount bears to the amount of the relevant ICL Loan. Before giving any notice of redemption under this Condition 8(e), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer stating that the Issuer is required to effect such redemption under this Condition 8(e) and setting forth a statement of facts showing that the conditions precedent to the obligation of the Issuer so to redeem have been satisfied.

(f) *Purchase of Notes (other than Class R Notes) by the Issuer*

The Issuer may not at any time purchase any of the Notes (other than Class R Notes in accordance with Condition 8(h) (*Issue, repurchases and resales of Class R Notes by Issuer*)).

(g) *Purchase of Notes by FinCo and other Obligors*

FinCo and any of the other Obligors (provided that such Obligor is ordinarily resident in the United Kingdom for United Kingdom tax purposes) may at any time purchase Notes of any Class in accordance with applicable law and the provisions of the Common Terms Agreement. Any Notes purchased by FinCo may, at the option of FinCo, be surrendered to the Issuer. Upon surrender of any such Note (other than a Class R Note), the Note will be cancelled.

If not all the Registered Notes are to be purchased, upon surrender of the existing Individual Note Certificate, the Registrar shall forthwith upon the written request of the Noteholder concerned issue a new Individual Note Certificate in respect of the Notes which are not to be purchased and despatch such Individual Note Certificate to the Noteholder (at the risk of the Noteholder and to such address as the Noteholder may specify in such request).

(h) *Issue, repurchases and resales of Class R Notes by Issuer*

(i) The Issuer may enter into a Class R Underwriting Agreement (as defined below) and issue Class R1 Notes and Class R2 Notes, in which case it may use the proceeds from the issue of the Class R Notes immediately to repurchase (but not cancel) such Class R Notes. The Issuer may only issue Class R Notes if it enters into a Class R Underwriting Agreement and if the aggregate nominal amount of Class R1 Notes issued is equal to the aggregate nominal amount of Class R2 Notes issued.

(ii) The Issuer will (save to the extent that Condition 8(h)(iii) applies and save where an Issuer Event of Default or a Potential Issuer Event of Default is outstanding) on any Note Payment Date falling on or prior to the Note Payment Date falling on or before the last day of the period agreed as being the period throughout which the underwriters will be bound to repurchase from the Issuer any Class R Notes (the "**Underwriting Period**") repurchase all Class R Notes outstanding on each Note Payment Date at a price which is equal to their Principal Amount Outstanding, plus accrued but unpaid interest to (but excluding) the date of repurchase. The Issuer may at its option cancel, hold or resell all or any of the Class R Notes so purchased (or purchased by FinCo and surrendered to the Issuer pursuant to Condition 8(g) (*Purchase of Notes by FinCo and other Obligors*) above) provided that it shall not on any Note Payment Date resell, or procure the resale of, more than 50 per cent. of the aggregate Principal Amount Outstanding of the Class R Notes or cancel Class R Notes such that the aggregate nominal amount of Class R1 Notes then outstanding and the aggregate nominal amount of Class R2 Notes then outstanding is unequal.

(iii) Notwithstanding the provisions of Condition 8(h)(ii), the Issuer shall not, during the Underwriting Period, be obliged to repurchase from holders any Class R Notes in respect of which it holds insufficient funds to effect such repurchase in accordance with Condition 8(h)(ii), if such insufficiency arises as a result of the Class R Underwriters not being obliged to repurchase Class R Notes from the Issuer to finance such repurchase from holders by the Issuer, or as a result of any Class R Underwriter failing to honour its commitment under the Class R Underwriting Agreement to purchase Class R Notes from the Issuer. The Class R Notes to be repurchased on a Note Payment Date, in respect of which there are insufficient funds to effect such repurchase in full, shall be repurchased *pro rata* from the holders of the Class R Notes using such funds as are available for such purpose pursuant to the Issuer Pre-Enforcement Priority of Payments.

(iv) If, by virtue of the operation of Condition 8(h)(iii), the Issuer is not obliged to repurchase all the Class R Notes on any Note Payment Date, the Issuer shall, as soon as reasonably practicable after becoming aware that it will not be repurchasing

such Class R Notes by virtue of the operation of Condition 8(h)(iii) (and, in any event, by no later than 11.00 a.m. on the Note Payment Date upon which it would otherwise have repurchased such Class R Notes), give notice to the Class R Noteholders, the Note Trustee, the Rating Agencies and the Principal Paying Agent, in accordance with the provisions of Condition 16 (*Notices*), specifying the amount of Class R Notes which will not be repurchased on such Note Payment Date.

(v) Any Class R Notes held by or on behalf of the Issuer at the close of business on the Note Payment Date falling at the end of the Underwriting Period shall be cancelled and any Class R Notes purchased by the Issuer on or after such Note Payment Date shall be cancelled immediately upon such repurchase.

(vi) *Definition of "Class R Underwriting Agreement"*

A Class R Underwriting Agreement shall mean an underwriting agreement entered into with underwriters whose short-term and long-term ratings are at least equal to the Minimum Short Term Ratings and the Minimum Long Term Ratings (each as defined in or for the purposes of the Common Terms Agreement) from each of the Rating Agencies rating the Class R Notes pursuant to which:

(A) such underwriters agree during the Underwriting Period to purchase and repurchase from the Issuer on request all or any Class R Notes then in issue on (subject to (B) below in the case of certain repurchases) such terms as are agreed between them;

(B) the only condition that may apply to the repurchase of Class R Notes by the underwriters up to a maximum aggregate nominal amount not exceeding that of all Class R Notes then in circulation shall be that no Issuer Event of Default or Potential Issuer Event of Default shall have occurred and be continuing; and

(C) if (but for any Obligor Event of Default or Potential Obligor Event of Default, as defined in the Common Terms Agreement) FinCo would be obliged under the Common Terms Agreement to refinance, in whole or in part, any ICL Loan (as defined in or for the purposes of the Common Terms Agreement) corresponding to any Class R1 Notes under the Intercompany Loan Agreement (which corresponds to any Class R1 Notes) with another ICL Loan from the Issuer (which is to be financed by the repurchase price payable by the underwriters for Class R2 Notes), the underwriters are obliged (subject only to (B) above, and notwithstanding any Obligor Event of Default or Potential Obligor Event of Default) to repurchase Class R2 Notes from the Issuer in an amount sufficient to finance the making of such ICL Loan.

(vii) *Maturity of Class R Notes*

Subject to satisfying the Ratings Test, the Class R Notes may mature on a date falling after the end of the Underwriting Period, as specified in the relevant Final Terms.

(i) *Cancellation*

In respect of all Notes redeemed by the Issuer, the Bearer Notes or the Registered Notes shall be surrendered to or to the order of the Principal Paying Agent or the Registrar, as the case may be, for cancellation and, if so surrendered, will be cancelled forthwith (together with, in the case of Bearer Notes, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) *Subordination of principal*

In the case of principal on any Class of Notes other than the Most Senior Class of Notes, if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a) (*Default Events*), there are insufficient funds available to the Issuer in accordance with the Issuer Payment Priorities to pay such principal due, the Issuer's liability to pay such principal will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred principal on a Sub-Class of Notes shall be payable *pro rata* and *pari passu* with deferred principal on all other Sub-Classes of Notes in such Class. Interest will accrue on such deferred principal at the rate otherwise payable on unpaid principal of such Notes.

(k) *Limited right of redemption or repurchase by the Issuer*

If 80% or more in nominal amount of Notes of a Sub-Class of Notes then outstanding have been redeemed or repurchased pursuant to this Condition 8, the Issuer may, on not less than 30 or more than 60 days' notice to Noteholders (given within 30 days after the relevant redemption or repurchase date) redeem or repurchase (or procure the purchase of), at its option, the remaining Notes of such Sub-Class of Notes in whole but not in part at a price equal to the Redemption Amount thereof plus, if appropriate, interest accrued to but excluding the Note Payment Date on which such redemption, repurchase or purchase, as the case may be, occurs.

9. **Payments**

(a) *Bearer Notes*

Payments to the Noteholders of principal (or, as the case may be, Redemption Amounts or other amounts payable on redemption) and interest (or, as the case may be, Interest Amounts) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 9(f) (*Unmatured Coupons and Unexchanged Talons*)) or Coupons (in the case of interest, save as specified in Condition 9(f) (*Unmatured Coupons and Unexchanged Talons*)), as the case may be, at the specified office of any Paying Agent outside the United States of America by transfer to an account denominated in the currency in which such payment is due which is maintained by the payee with, or (in the case of Notes in definitive form only) a cheque payable in that currency drawn on, a bank in the Relevant Financial Centre.

(b) *Registered Notes*

Payments of principal (or, as the case may be Redemption Amounts or other amounts payable on redemption) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the fifteenth day before the due date for any such payment (the "**Record Date**"), by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with a bank in the Relevant Financial Centre upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

Payments of interest (or, as the case may be Interest Amounts) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the relevant Record Date, by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with, a bank in the Relevant Financial Centre and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only,

endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

(c) *Payments in the United States of America*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

(i) the Issuer shall have appointed Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due;

(ii) payment in full of such amounts at all such offices outside the United States of America is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and

(iii) such payment is then permitted by the law of the United States of America, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws*

All payments are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment 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 any laws implementing an intergovernmental approach thereto.

(e) *Appointment of the Agents*

The Paying Agents, the Agent Bank, the Transfer Agents and the Registrar appointed by the Issuer (and their respective specified offices) are listed in the Agency Agreement. The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, provided that the Issuer will at all times maintain (i) a Principal Paying Agent (in the case of Bearer Notes), (ii) a Registrar (in the case of Registered Notes), (iii) an Agent Bank or Calculation Agent (as specified in the relevant Final Terms) (in the case of Floating Rate Notes or Indexed Notes) and (iv) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent, Transfer Agent or Registrar in any particular place, a Paying Agent, Transfer Agent and/or Registrar, as applicable, having its specified office in the place required by such listing authority, stock exchange and/or quotation system, which, while any Notes are admitted to trading on the Irish Stock Exchange, shall be in Ireland. Notice of any such variation, termination or appointment will be given in accordance with Condition 16 (*Notices*).

(f) *Unmatured Coupons and Unexchanged Talons*

(i) Subject to the provisions of the relevant Final Terms, upon the due date for redemption of any Note which is a Bearer Note (other than a Fixed Rate Note, unless it has all unmatured Coupons attached), unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the date for redemption of any Note, any unmatured Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iii) Where any Note, which is a Bearer Note and is a Fixed Rate Note, is presented for redemption without all unmatured Coupons and any unexchanged Talons relating to

it, a sum equal to the aggregate amount of the missing unmatured Coupons will be deducted from the amount of principal due for payment and redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) If the due date for redemption of any Note is not a Note Payment Date, interest accrued from the preceding Note Payment Date or the Interest Commencement Date, as the case may be, or the Interest Amount payable on such date for redemption shall only be payable against presentation (and surrender if appropriate) of the relevant Note and Coupon.

(g) *Non-Business Days*

Subject as provided in the relevant Final Terms, if any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day in the relevant place and shall not be entitled to any further interest or other payment sum in respect of such delay. In this paragraph, "**business day**" means a day which (subject to Condition 13 (*Prescription*)) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):

(A) in the case of Notes in definitive form only, in the relevant place of presentation, and

(B) in each Additional Financial Centre (other than the TARGET2 System) specified in the applicable Final Terms;

(ii) if TARGET2 System is specified as an Additional Financial Centre in the applicable Final Terms, a TARGET Settlement Day; and

(iii) either (a) in relation to any sum payable in a Relevant Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the Relevant Currency or (b) in relation to any sum payable in euro, a TARGET Settlement Day.

(h) *Talons*

On or after the Note Payment Date for the final Coupon forming part of a coupon sheet issued in respect of any Note, the Talon forming part of such coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further coupon sheet (and if necessary another Talon for a further coupon sheet but excluding any Coupons which may have become void pursuant to Condition 13 (*Prescription*)).

10. **Taxation**

All payments in respect of the Notes and Coupons will be made (whether by the Issuer, any Paying Agent, the Registrar or the Note Trustee) without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, any Paying Agent or the Registrar or, where applicable, the Note Trustee is required by applicable law to make such a withholding or deduction. In that event, the Issuer, such Paying Agent, the Registrar or the Note Trustee, 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. None of the Issuer, any Paying Agent, the Registrar or the Note Trustee will be obliged to make any additional payments to the Noteholders or the Couponholders in respect of such withholding or deduction.

Notwithstanding any other provision in these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes and Coupons for, or on account of, any withholding or deduction required pursuant to an agreement described in

Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

11. **Issuer Events of Default**

(a) *Default Events*

If an Issuer Event of Default (as defined below) occurs and is continuing, then the Note Trustee may, at its discretion, at any time (in accordance with the provisions of the Trust Deed), having certified (in the case of Condition 11(a)(ii)) in writing that in its opinion the happening of such event is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and shall, upon the Note Trustee being (i) so requested in writing by holders of at least one quarter in principal amount of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*)) of the holders of the Most Senior Class of Notes then outstanding and (ii) indemnified and/or secured to its satisfaction, give notice (a "**Note Enforcement Notice**") to the Issuer and the Noteholders declaring the Notes to be immediately due and repayable.

Each of the following will constitute an "**Issuer Event of Default**" under the Notes:

(i) if default is made for a period of six days in the payment of any sum due in respect of the Most Senior Class of Notes then outstanding (or any Sub-Class of them) (other than the payment of any Note Step-Up Amount); or

(ii) if the Issuer fails to perform or observe any of its obligations (other than payment obligations referred to in (i) above) under the Notes (including these Conditions) or the Issuer Transaction Documents and, if the Note Trustee considers that such default can be remedied, such failure continues for a period of 30 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or

(iii) if any order is made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer (or any analogous proceedings) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Note Trustee or sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding; or

(iv) if (other than as referred to in (v) below) (1) any other proceedings are initiated against the Issuer under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws and such proceedings are not being disputed in good faith, (2) an administrative receiver or other receiver, administrator or other similar official is appointed in relation to the Issuer or in relation to, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer, (3) an encumbrancer (other than the Note Trustee) takes possession of, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer or (4) a distress or execution or other process is levied or enforced upon or sued out against, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases (other than in relation to the circumstances described in (2) where no grace period shall apply) such order, appointment, possession or process (as the case may be) is not discharged or stayed or does not cease to apply within 14 days; or

(v) if the Issuer or its directors (or any of them) initiates or consents to judicial proceedings relating to itself (except for the purposes of any amalgamation, merger, consolidation, reorganisation or other similar arrangement referred to in (iii) above) (including, without limitation, the giving of notice of intention to appoint an administrator or the filing of an application for administration by the Issuer or any of

the directors of the Issuer) under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally; or

(vi) if the Issuer becomes unable to pay its debts as they fall due or is adjudicated or found bankrupt.

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

Upon delivery of a Note Enforcement Notice in accordance with Condition 11(a) (*Default Events*) above, all Classes of the Notes then outstanding 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 Deed of Charge.

(c) *Confirmation of no Issuer Event of Default*

The Issuer shall provide written confirmation to the Note Trustee, on an annual basis, that no Issuer Event of Default has occurred.

12. **Enforcement Against Issuer**

No Noteholder is entitled to take any action against the Issuer or any assets of the Issuer to enforce its rights in respect of the Notes or to enforce any of the Issuer Security. The Note Trustee will act (subject to Condition 4(e) (*Enforceable Security*)) on the instructions of the holders of the Most Senior Class of Notes then outstanding and the Note Trustee shall not be bound to take any such action unless it is indemnified and/or secured to its satisfaction against all fees, costs, expenses, liabilities, claims and demands to which it may thereby become liable or which it may incur by so doing.

Neither the Note Trustee nor the Noteholders may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Issuer Deed of Charge and subject to the Trust Deed) or other proceeding under any similar law for so long as any Notes are outstanding or for two years and a day after the latest Maturity Date on which any Note of any Series is due to mature.

13. **Prescription**

Claims against the Issuer for payment in respect of the Notes or Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 6(j) (*Definitions*)) in respect thereof.

14. **Replacement of Notes, Coupons and Talons**

If any Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and requirements of the Irish Stock Exchange or any other relevant exchange on which Notes are listed (in the case of listed Notes) (and each other listing authority, stock exchange and or quotation system upon which the relevant Notes have then been admitted to listing, trading and/or quotation), at the specified office of the Principal Paying Agent or, as the case may be, the Registrar 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 require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

15. **Meetings of Noteholders, Modification, Waiver and Substitution**

(a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of the Noteholders (in addition to a meeting of Noteholders held pursuant to Condition 8(c) (*Optional Redemption as Result of Ratings Event*)) to consider any matter affecting their interests, including the modification of the Notes, the Coupons or any of the provisions of the Trust Deed and any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement, save insofar as they relate to the Issuer) to which the Note Trustee is a party or over which it has security. Any modification may (subject to the other terms of this Condition 15(a)) be made if sanctioned by a resolution passed at a meeting or meetings of the relevant Noteholders duly convened and held in accordance with the Trust Deed and these Conditions by a majority of not less than $66^2/_3$ per cent. of the votes cast (an "**Extraordinary Resolution**") at such meeting or meetings. Such a meeting may be convened by the Note Trustee or the Issuer, and shall be convened by the Issuer upon the request in writing of the relevant Noteholders holding not less than one-tenth in nominal amount of the relevant Notes for the time being outstanding.

The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. (or 75 per cent. in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification (as defined in the Security Trust and Intercreditor Deed) (save as regards any meeting convened by the Issuer pursuant to Condition 8(c) (*Optional Redemption as Result of Ratings Event*)) in respect of the Notes and the other Transaction Documents) in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting, one or more persons being or representing Noteholders, whatever the principal amount of the relevant Notes held or represented (or one or more persons holding or representing not less than 25 per cent. in principal amount of the relevant Notes for the time being outstanding, in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification). Any Extraordinary Resolution duly passed at any such meeting shall be binding on all of the Noteholders and Couponholders whether present or not.

In addition, (i) a resolution in writing signed by or on behalf of Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed, holding not less than $66^2/_3$ per cent. in principal amount of the relevant Notes outstanding or (ii) (in the case of Notes in the form of a Global Note or a Global Note Certificate) consent given by way of electronic consents through the relevant clearing system(s) by or on behalf of the holders of not less than $66^2/_3$ per cent. in principal amount of the relevant Notes outstanding, will take effect as if it were an Extraordinary Resolution and will be binding on all Noteholders and Couponholders whether or not they participated. A resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Note Trustee shall, if requested in writing by Noteholders holding Notes having in aggregate a Principal Amount Outstanding of at least 50% of the aggregate Principal Amount Outstanding of all the Notes, notify the Issuer of the Noteholders' desire for a meeting between the Issuer and the Noteholders to discuss the asset backing for the Notes and any issues directly relevant thereto. The Issuer shall, following receipt of such a notice from the Note Trustee, give to the Noteholders notice in accordance with Condition 16 (*Notices*) of a meeting to be held in London for such purpose falling not earlier than 30 days and not later than 60 days after receipt by it of the notice from the Note Trustee. All Noteholders shall be entitled to attend any such meeting and to raise with the Issuer's representatives present at such meeting (who shall include at least one director) any questions which relate directly to the asset backing for the Notes.

In the absence of any Obligor Event of Default or Issuer Event of Default, the Note Trustee (and the Noteholders) shall not be entitled to require the Issuer to convene more than one such meeting in any period of 12 months.

A Rating Agency may, on request, attend meetings of Noteholders at which an Extraordinary Resolution is to be considered unless the Noteholders at such meeting vote to exclude them in accordance with the Trust Deed. Any Rating Agency present at such a meeting must leave the meeting when the Noteholders cast their votes on the relevant Extraordinary Resolution. A Rating Agency may not attend any other type of Noteholder meeting.

(b) *Debtholders' Meetings*

Pursuant to the Issuer Deed of Charge, the Issuer has assigned by way of security its interest in respect of the advances to FinCo under the Intercompany Loan Agreement and the security therefor to the Note Trustee for the benefit of, *inter alios*, the Noteholders. Accordingly the Security Trust and Intercreditor Deed provides that the relevant Qualifying Noteholders shall be entitled to instruct the Note Trustee to vote in *Debtholders' Meetings* instead of the Issuer on certain proposals relating to the Obligors and the Obligor Secured Creditors. Such proposal, if duly approved in such Debtholders' Meetings shall be a "**Secured Creditor Instruction**".

Any Noteholder who is a Qualifying Noteholder will vote at a Debtholders' Meeting solely by instructing the Note Trustee to vote on its behalf as its Representative (as defined in the Security Trust and Intercreditor Deed) in such Debtholders' Meeting. In any Debtholders' Meeting, voting shall be determined on a pound-for-pound basis by reference to the Principal Amount Outstanding owed to each of the relevant Qualifying Debtholders, so that all votes in favour of the proposal and against the proposal from the Qualifying Noteholders and the other Qualifying Debtholders (who are not Noteholders) are considered on an aggregated basis, irrespective of whether a majority of such Qualifying Noteholders are in favour of or against the proposal.

If any Noteholder is a Qualifying Noteholder, then for the purpose of voting in such Debtholders' Meeting, the Note Trustee shall convene a meeting of the Qualifying Noteholders of any relevant Class or Sub-Class in accordance with the Trust Deed to consider the proposed Secured Creditor Instruction and to instruct the Note Trustee how to vote on each Qualifying Noteholder's behalf on such proposal. After obtaining the instruction of the Qualifying Noteholders who are present at such meeting, the Note Trustee shall vote in the Debtholders' Meeting in accordance with such instructions.

The Obligor Security Trustee shall, pursuant to the Security Trust and Intercreditor Deed, request the Note Trustee to confirm that the quorum requirement for any meeting of Qualifying Noteholders had been satisfied, that is, one or more persons holding or representing at least 25 per cent. in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting of Qualifying Noteholders, one or more persons being or representing Qualifying Noteholders, whatever the principal amount of the relevant Notes held or represented.

Irrespective of the result of voting at a meeting of Noteholders in relation to a proposed Secured Creditor Instruction, any Secured Creditor Instruction duly approved at a Debtholders' Meeting shall be binding on all of the Noteholders and Couponholders.

(c) *Modification, consent and waiver*

As more fully set out in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may, without the consent of the Noteholders of any Sub-Class, concur with the Issuer and any other relevant parties in making (i) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement save insofar as they relate to the Issuer) which is of a formal, minor or technical nature or is made to correct a manifest error or an error in respect of which an English Court could reasonably be expected to make a rectification order; (ii) any other modification of and the granting of any consent under, or waiver or authorisation of any breach or proposed breach of, these Conditions, the Trust Deed or any other Issuer Transaction Document or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) which is, in the opinion of the Note Trustee, not materially prejudicial to the interests of the holders of the Most Senior

Class of Notes then outstanding; and (iii) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Documents or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) if such modification is made for an Accepted Restructuring Purpose or pursuant to Proposed Non-UK Structural Changes (as defined in or for the purposes of the Common Terms Agreement) and no Ratings Event occurs in respect of the proposed modification. Any such modification, consent, waiver or authorisation shall be binding on all Noteholders and the holders of all relevant Coupons and, in each case, if the Note Trustee so requires, notice thereof shall be given by the Issuer to the Noteholders as soon as practicable thereafter.

No Extraordinary Resolution in respect of a Basic Terms Modification or a change in respect of the Financial Covenant shall be binding on the Note Trustee or the Noteholders (or any of them) unless the Obligor Security Trustee has confirmed to the Note Trustee that such modification has also been approved by each of the other providers of finance to the Obligors in accordance with the relevant credit facility agreements between FinCo (or any other Obligor) and the other providers of such finance.

The Note Trustee, in exercising its discretion to concur in making any modification, granting any consent under or waiver for authorisation of any breach or proposed breach of these Conditions, the Trust Deed or any other Issuer Transaction Document (other than a Basic Terms Modification or a change in respect of the Financial Covenant), shall be entitled to have regard to the Ratings Test (as defined in the Common Terms Agreement) and it may consider the Ratings Test to be an appropriate test or the only appropriate test to apply in that circumstance in exercising its discretion.

(d) *Substitution of the Issuer*

As more fully set forth in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may also agree with the Issuer, without reference to the Noteholders, to the substitution of another corporation in place of the Issuer as principal debtor in respect of the Trust Deed and the Notes of all Series.

16. **Notices**

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the date of posting. Other notices to Noteholders will be valid if published in a leading daily newspaper having general circulation in Ireland (which is expected to be the *Irish Times*). The Issuer shall also ensure that all notices are duly published in a manner that complies with the rules and regulations of the Irish Stock Exchange and any other listing authority, stock exchange and/or quotation system on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice (other than to holders of Registered Notes as specified above) 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 date of the first publication in all required newspapers. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

The Note Trustee will also provide a Rating Agency, at its request from time to time, with all notices, written information and reports that the Note Trustee sends or makes available to all Noteholders of any Class or Sub-Class except to the extent that such notices, information or reports contain information confidential to third parties.

17. **Miscellaneous**

(a) *Governing Law*

The Trust Deed, the Issuer Deed of Charge (except in respect of certain terms that may relate to the creation, subsistence or enforcement of security in assets governed by law other than English law), the Notes, the Coupons, the Talons (if any) and the other Issuer Transaction

Documents are, and all non-contractual obligations arising out of or in connection with such documents shall be, governed by English law.

(b) *Third Party Rights*

No person shall have any right to enforce any term or condition of the Notes or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

5. Sub-Class A17 Notes: 2022 Terms and Conditions (to be read as amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

Chapter 13
Terms and Conditions of the Notes

Contents

1. *Form, Denomination, Title*
2. *Exchanges of Notes and Transfers of Registered Notes*
3. *Status of Notes*
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15. *Meetings of Noteholders, Modification, Waiver and Substitution*
16. *Notices*
17. *Miscellaneous*

Land Securities Capital Markets PLC (the "**Issuer**") has established a multicurrency programme (the "**Programme**") for the issuance of up to £7,000,000,000 Notes (the "**Notes**"). Notes issued under the Programme on a particular Issue Date comprise a Series (a "**Series**"), and each Series comprises one or more Classes of Notes (each a "**Class**"). Each Class may comprise one or more sub-classes (each a "**Sub-Class**").

A Class designation denotes priority ranking in point of security. First ranking Notes will be designated as "**Class A Notes**" or (if issued pursuant to a Class R Underwriting Agreement) as Class R1 Notes ("**Class R1 Notes**" and, together with the Class A Notes, the "**Priority 1 Notes**"), second ranking Notes will be designated as "**Class B Notes**" or (if issued pursuant to a Class R

Underwriting Agreement) as Class R2 Notes ("**Class R2 Notes**" and, together with the Class R1 Notes, the "**Class R Notes**", and the Class B Notes together with the Class R2 Notes, the "**Priority 2 Notes**") and any Notes issued in any Class or Classes of Notes designated as ranking below the Priority 2 Notes will be designated as the "**Subordinated Notes**".

A Sub-Class of Notes may have economic terms that differ from the other Sub-Class(es) of Notes in the same Class and each Sub-Class may therefore be denominated in a different currency or have different interest rates and/or interest payment dates, maturity dates or other terms. Notes of any Sub-Class may be zero coupon Notes ("**Zero Coupon Notes**"), fixed rate Notes ("**Fixed Rate Notes**"), floating rate Notes ("**Floating Rate Notes**"), index-linked Notes ("**Indexed Notes**"), or any other type of Note issued by the Issuer from time to time and may be denominated in sterling, euro, U.S. dollars or in other currencies subject to compliance with applicable law.

The terms and conditions applicable to any particular Sub-Class of Notes are these terms and conditions ("**Conditions**") as completed by a final terms relating to such Sub-Class substantially in the form of the *pro forma* final terms set out in the base prospectus as revised, supplemented or amended from time to time ("**Base Prospectus**") for the Notes ("**Final Terms**") or, in the case of Notes issued before 1 July 2005, a pricing supplement in which case, where the context requires or permits, a reference in these Conditions to Final Terms shall be a reference to such pricing supplement. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

The Final Terms for this Note complete these Conditions. Reference to "**Final Terms**" is to the Final Terms annexed to this Note.

The Notes are subject to and have the benefit of a trust deed dated 3 November 2004 (the "**Exchange Date**") (the "**Principal Trust Deed**"), such Principal Trust Deed and any subsequent supplemental trust deeds, the last dated 8 August 2023 (the "**Eleventh Supplemental Trust Deed**" and, together with the Principal Trust Deed and any subsequent supplemental trust deeds, the "**Trust Deed**", as amended, supplemented, restated and/or novated from time to time) between the Issuer and Deutsche Trustee Company Limited as trustee for the Noteholders (the "**Note Trustee**", which expression includes the trustee or trustees of the Trust Deed from time to time).

The Notes have the benefit (to the extent applicable) of an amended and restated agency agreement (as amended, supplemented and/or restated from time to time, the "**Agency Agreement**") dated 20 July 2022 between the Issuer, the Note Trustee, the Principal Paying Agent, the other Paying Agents, the Transfer Agents and the Registrar. As used herein, each of "**Principal Paying Agent**", "**Paying Agents**", "**Agent Bank**", "**Transfer Agents**" and/or "**Registrar**" means, in relation to the Notes, the persons specified in the Agency Agreement as the Principal Paying Agent, Paying Agents, Agent Bank, Transfer Agents and/or Registrar respectively and, in each case, any successor to such person in such capacity. The Notes may also have the benefit (to the extent applicable) of a calculation agency agreement (in the form or substantially in the form of Schedule 1 to the Agency Agreement, the "**Calculation Agency Agreement**") between, *inter alios*, the Issuer and any calculation agent appointed by the Issuer as calculation agent (the "**Calculation Agent**"). In these Conditions, "**Agents**" means the Principal Paying Agent, the Paying Agents, the Agent Bank, the Transfer Agents, the Registrar and any Calculation Agent and "**Agent**" means any of them.

On the Exchange Date, the Issuer entered into a loan agreement (the "**Intercompany Loan Agreement**") with LS Property Finance Company Limited ("**FinCo**") pursuant to which the Issuer will make loan advances to FinCo with the proceeds of any issue of Notes under the Programme. The obligation of FinCo to pay interest and/or repay principal under the Intercompany Loan Agreement will exclusively support the Issuer's obligations in respect of the Notes and will be secured pursuant to the Obligor Security Documents.

On the Exchange Date, the Issuer entered into an account bank and cash management agreement (the "**Account Bank and Cash Management Agreement**") with Lloyds Bank plc (the "**Account Bank**", which term shall include the successors or assignees thereof), Land Securities (Finance) Limited (the "**Cash Manager**"), FinCo, the Obligors, the Obligor Security Trustee (each as defined below) and the Note Trustee.

On the Exchange Date, the Issuer entered into a deed of charge (the "**Issuer Deed of Charge**") with, among others, the Note Trustee in its capacity as trustee for the Issuer Secured Creditors (as defined below), pursuant to which the Issuer grants fixed and floating charge security over all its assets and undertakings (the "**Issuer Security**") to the Note Trustee for itself and on behalf of the Noteholders, any receiver appointed under the Issuer Deed of Charge, each Agent, the Account Bank and any Replacement Cash Manager and any other creditors who accede to the Issuer Deed of Charge from time to time in accordance with the terms thereof (together, the "**Issuer Secured Creditors**").

On the Exchange Date, the Issuer entered into a security trust and intercreditor deed (the "**Security Trust and Intercreditor Deed**") with the Note Trustee, Deutsche Trustee Company Limited as security trustee for the Issuer and the other Obligor Secured Creditors (as defined in the Security Trust and Intercreditor Deed) (the "**Obligor Security Trustee**"), the Obligors (as defined in the Security Trust and Intercreditor Deed) and the other Obligor Secured Creditors, pursuant to which the Obligor Security Trustee holds the Obligor Security on trust for the Obligor Secured Creditors (including, save as regards the floating charges contained in the Security Trust and Intercreditor Deed, the Issuer) and the Obligor Secured Creditors (including the Issuer) agree to certain intercreditor arrangements.

On the Exchange Date, the Issuer entered into a floating charge agreement (the "**Obligor Floating Charge Agreement**") with the Note Trustee, the Obligor Security Trustee and the Obligors, pursuant to which the Issuer has the benefit of a first ranking floating charge over the whole of each Obligor's undertaking, assets, property and rights whatsoever and wheresoever, present and future.

On the Exchange Date, the Issuer entered into a common terms agreement (the "**Common Terms Agreement**") with the Note Trustee, the Obligor Security Trustee, the Obligors and the other Obligor Secured Creditors pursuant to which the Issuer has the benefit of certain representations, warranties and covenants made by the Obligors.

On the Exchange Date, certain Obligors granted standard securities (the "**Standard Securities**") over their real estate properties in Scotland, the benefit of which are held on trust in accordance with the Security Trust and Intercreditor Deed.

The Security Trust and Intercreditor Deed, the Obligor Floating Charge Agreement and the Standard Securities secure (*inter alia*) the obligations of FinCo under the Intercompany Loan Agreement, which (by virtue of the Issuer Deed of Charge) means that the Notes are indirectly secured by all the assets over which such security is created. The Issuer Deed of Charge enables the Note Trustee to exercise all of the Issuer's rights in respect of the Intercompany Loan Agreement and the security documents referred to above.

The Obligors (who have granted such security) will be affiliates of the Issuer, including in particular FinCo and Land Securities PLC.

On or around the date of this Prospectus, the Issuer entered into an amended and restated dealership agreement (as amended, supplemented and/or restated from time to time, the "**Dealership Agreement**") with the Obligors and the dealers named therein (the "**Dealers**") in respect of the Programme, pursuant to which any of the Dealers may enter into subscription agreements in relation to Classes or Sub-Classes of Notes (other than any Class R Notes) issued by the Issuer, and pursuant to which the Dealers agree to subscribe for the relevant Classes or Sub-Classes of Notes.

The Issuer may enter into an underwriting agreement (a "**Class R Underwriting Agreement**") with the underwriters named therein (the "**Class R Underwriters**"), pursuant to which the Class R Underwriters will agree to underwrite the issue and sale of Class R Notes.

On the Exchange Date, the Issuer entered into a deed of covenant (the "**Tax Deed of Covenant**") with the Note Trustee, the Obligor Security Trustee, the Obligors and Land Securities Group PLC.

The Trust Deed, the Notes (including the relevant Final Terms), the Agency Agreement, the Issuer Deed of Charge, the Security Trust and Intercreditor Deed, the Intercompany Loan Agreement, the Obligor Floating Charge Agreement, the Common Terms Agreement, the Account Bank and Cash Management Agreement and the Tax Deed of Covenant are together referred to as the "**Issuer Transaction Documents**".

Terms not defined in these Conditions have the meaning set out in the Trust Deed.

Certain statements in these Conditions are summaries of, and are subject to, the detailed provisions appearing in the Trust Deed, the Issuer Deed of Charge, the Agency Agreement, any Class R Underwriting Agreement, the Dealership Agreement or the other Issuer Transaction Documents. Copies of, *inter alia*, the Issuer Transaction Documents are available for inspection during normal business hours at the specified offices of the Paying Agents (in the case of Bearer Notes) or the specified offices of the Transfer Agents and the Registrar (in the case of Registered Notes) (each as defined below), save that, if this Note is an unlisted Note of any Sub-Class, the relevant Final Terms will only be obtainable by a Noteholder holding one or more unlisted Notes of that Sub-Class and such Noteholder must provide evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity.

The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the relevant Final Terms and the provisions of the Agency Agreement applicable to them. In addition, the Noteholders are entitled to the benefit of, are bound by, and will be deemed to have notice of the provisions of the Issuer

Deed of Charge, the Intercompany Loan Agreement, the Common Terms Agreement and the other Issuer Transaction Documents applicable to them.

Any reference in these Conditions to a matter being "**specified**" means as the same may be specified in the relevant Final Terms.

1. Form, Denomination, Title

(a) *Form and Denomination*

The Notes will be issued either (i) in bearer form ("**Bearer Notes**"), serially numbered in a Specified Denomination (as specified in the Final Terms) or (ii) in registered form ("**Registered Notes**") serially numbered in the Specified Denomination or an integral multiple thereof. References in these Conditions to "**Notes**" include Bearer Notes and Registered Notes and all Sub-Classes, Classes and Series of Notes.

Interest bearing Bearer Notes (other than Class R Notes) are issued with Coupons (as defined below) and, where appropriate, a Talon (as defined below) attached. After all the Coupons attached to, or issued in respect of, any Bearer Note which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and (if necessary) one further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent.

(b) *Title*

Title to Bearer Notes, Coupons and Talons (if any) passes by delivery. Title to Registered Notes passes by registration in the register (the "**Register**"), which the Issuer shall procure will be kept by the Registrar.

In these Conditions, subject as provided below, each "**Noteholder**", "**holder**" and "**Holder**" (in relation to a Note) means (i) in relation to a Bearer Note, the bearer of any Bearer Note and (ii) in relation to a Registered Note, the person in whose name a Registered Note is registered. The expressions "**Noteholder**", "**holder**" and "**Holder**" also include the holders of the Coupons (which, in relation to Class A Notes, will be "**Class A Coupons**", in relation to Class B Notes, "**Class B Coupons**", in relation to the Subordinated Notes, "**Subordinated Coupons**" and, together, the "**Coupons**") (if any) appertaining to interest bearing Bearer Notes (the "**Couponholders**") and the expression Couponholders includes the bearers of Talons in relation to Coupons (which, in relation to Class A Notes, will be "**Class A Talons**", in relation to Class B Notes, "**Class B Talons**", in relation to the Subordinated Notes, "**Subordinated Talons**" and together, the "**Talons**") (if any) for further Coupons attached to such Notes (the "**Talonholders**").

The bearer of any Bearer Note, Coupon or Talon and the registered holder of any Registered Note will (except as otherwise required by law) be deemed and treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the relevant Note, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Registered Note, a duly executed transfer of such Note in the form endorsed on the Note Certificate in respect thereof) and no person will be liable for so treating the holder.

(c) *Fungible Issues of Notes comprising a Sub-Class*

A Sub-Class of Notes may comprise a number of issues of Notes of such Sub-Classes in addition to the initial issue of such Sub-Class, each of which will be issued on identical

terms and conditions save for the first Note Payment Date, the Issue Date and the Issue Price. Such further issues of the same Sub-Class will be consolidated with and form a single series with the prior issues of Notes of that Sub-Class.

2. Exchanges of Notes and Transfers of Registered Notes

(a) *Exchange of Notes*

Registered Notes may not be exchanged for Bearer Notes and vice versa.

(b) *Transfer of Registered Notes*

A Registered Note may upon the terms and subject to the conditions of the Agency Agreement be transferred upon the surrender of the relevant Individual Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of any Transfer Agent or the Registrar. However, a Registered Note may not be transferred unless (i) the principal amount of Registered Notes to be transferred and (ii) the remaining principal amount of the Registered Notes (if any) to be retained by the relevant transferor are, in each case, Specified Denominations. In the case of a transfer of part only of a holding of Registered Notes represented by an Individual Note Certificate, a new Individual Note Certificate in respect of the balance not transferred will be issued to the transferor within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer.

(c) *Delivery of New Individual Note Certificates*

Each new Individual Note Certificate to be issued upon transfer of Registered Notes will, within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer, be available for delivery at the specified office of the Transfer Agent or the Registrar stipulated in the form of transfer, or be mailed at the risk of the Noteholder entitled to the Individual Note Certificate to such address as may be specified in such form of transfer. For these purposes, a form of transfer received by the Registrar after the Record Date (as defined in Condition 9(b) below) in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar until the business day (as defined in Condition 9(g) below) following the due date for such payment.

(d) *No Charge*

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(e) *Closed Periods*

No transfer of a Registered Note may be registered during the period of 15 days ending on the due date for any payment of principal, interest, Interest Amount or Redemption Amount on that Note.

3. Status of Notes

(a) *Status of Class A Notes and Class R1 Notes*

This Condition 3(a) is applicable only in relation to Notes that are specified as being a Sub-Class of Class A Notes or Class R1 Notes in the relevant Final Terms.

The Class A Notes, Class A Coupons, Class A Talons and the Class R1 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and rank *pari passu* and *pro rata* without any preference among themselves.

(b) *Status of Class B Notes and Class R2 Notes*

This Condition 3(b) is applicable only in relation to Notes that are specified as being a Sub-Class of Class B Notes or Class R2 Notes in the relevant Final Terms.

Any Class B Notes, Class B Coupons, Class B Talons and the Class R2 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class A Notes, Class A Coupons, Class A Talons and the Class R1 Notes and rank *pari passu* and *pro rata* without any preference among themselves.

(c) *Status of Subordinated Notes*

This Condition 3(c) is applicable only in relation to Notes that are specified as being a Sub-Class of Subordinated Notes in the relevant Final Terms.

Any Subordinated Notes, Subordinated Coupons and Subordinated Talons will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class B Notes, Class B Coupons, Class B Talons and the Class R2 Notes and rank *pari passu* and *pro rata* without any preference among themselves. The precise ranking of the Subordinated Notes *vis-à-vis* any other Class of Subordinated Notes issued by the Issuer is as specified in the Final Terms.

The Issuer may after the Issue Date issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to, *pari passu* and *pro rata* with, or subordinate to, the Subordinated Notes existing at the time of such issue provided that the Issuer may only issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to Subordinated Notes existing at the time of such issue if such issue has been approved by an Extraordinary Resolution of the Noteholders of any Affected Class.

In these Conditions "**Affected Class**" means:

(i) in relation to the proposed introduction or change of any Secondary Debt Rank or Primary Debt Rank, each Sub-Class of Notes which corresponds to an ICL Loan which, as a result of such introduction or change, will become subordinated in point of security to any other Subordinated ICL Loan or Subordinated ACF Loan to which it is not then subordinated;

(ii) in relation to the proposed incurrence of any Subordinated Debt after a Subordinated Debt Split, each Sub-Class of Notes which corresponds to a Subordinated ICL Loan that will be subordinate in point of security to the Subordinated Debt proposed to be drawn;

(iii) in relation to the proposed change of the Primary Debt Rank of any ICL Loan, the Sub-Class of Notes which corresponds to such Loan; and

(iv) in relation to any proposal to use funds standing to the credit of a DCA Ledger in respect of an ICL Loan to Prepay any Loan other than such ICL Loan, the Sub-Class of Notes which corresponds to such ICL Loan.

(d) *Note Trustee not responsible for monitoring compliance*

The Note Trustee shall not be responsible for monitoring compliance by the Issuer with any of its obligations under the Issuer Transaction Documents except by means of receipt of a certificate from the Issuer which will state, among other things, that no Issuer Event of Default is outstanding. The Note Trustee shall be entitled to rely on such certificates absolutely. The Note Trustee is not responsible for monitoring compliance by any of the parties with their respective obligations under the Issuer Transaction Documents. The Note Trustee may call for and is at liberty to accept as sufficient evidence a certificate signed by any two Authorised Signatories of the Issuer, the Obligors (or any of them) or any other party to any Issuer Transaction Document to the effect that any particular dealing, transaction, step or thing is in the opinion of the persons so certifying suitable or expedient or as to any other fact or matter upon which the Note Trustee may require to be satisfied. The Note Trustee is in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such certificate although the same may contain some error or is not authentic. The Note Trustee is entitled to rely upon any certificate believed by it to be genuine and will not be liable for so acting.

4. Security and Relationship with Issuer Secured Creditors

(a) *Security*

As far as permitted by and subject to compliance with any applicable law and as continuing security for the payment and discharge of the Issuer's obligations in respect of the Notes and Coupons and in respect of the other Issuer Secured Creditors under the Issuer Transaction Documents (including the remuneration, fees, expenses and other claims of the Note Trustee under the Trust Deed, and of the Note Trustee and any Receiver appointed under the Issuer Deed of Charge, to any Replacement Cash Manager

and the Account Bank under the Account Bank and Cash Management Agreement and to the Agents under the Agency Agreement) (the "**Issuer Secured Liabilities**") the Issuer created the following security (the "**Issuer Security**") in favour of the Note Trustee for itself and on behalf of the other Issuer Secured Creditors (including, without limitation, the Note Trustee on behalf of the Noteholders) by execution of the Issuer Deed of Charge on the Exchange Date:

(i) a first fixed charge over the Issuer Accounts;

(ii) an assignment and assignation by way of security of the interest of the Issuer under each Issuer Transaction Document (other than the Trust Deed and the Issuer Deed of Charge);

(iii) an assignment by way of security of the beneficial interest of the Issuer under the Obligor Transaction Documents; and

(iv) a first floating charge over the whole of the Issuer's undertaking, assets, property and rights whatsoever and wheresoever, present and future, including its uncalled capital,

all as more particularly set out in the Issuer Deed of Charge.

All Notes issued by the Issuer under the Programme share in the Issuer Security as more particularly set out in the Issuer Deed of Charge.

(b) *Relationship among Noteholders and with other Issuer Secured Creditors*

Except where expressly provided otherwise in the Trust Deed and/or these Conditions, including Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*), 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, 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 then outstanding if, in the Note Trustee's opinion, there is a conflict between the interests of the holders of such Class and any other Class of Notes then outstanding.

So long as any of the Notes remain outstanding, in the exercise of its rights, authorities and discretions under the Trust Deed, the Note Trustee is only required to have regard to the interests of the Noteholders or, as the case may be, the holders of the Most Senior Class of Notes then outstanding and not to the interests of the other Issuer Secured Creditors.

The Trust Deed and these Conditions contain provisions limiting the powers of the holders of any Class of Notes other than the Most Senior Class of Notes, *inter alia*, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution which may affect the interests of the holders of each of the other Classes of Notes ranking equally with or senior to such Class. Except in certain circumstances set out in the Trust Deed and these Conditions (including Condition 15 (*Meetings of Noteholders,*

Modification, Waiver and Substitution)), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class of Notes, the exercise of which will be binding on all such holders, irrespective of the effect thereof on their interests.

In exercising its rights, powers, trusts, authorities, duties and discretions in accordance with this Condition 4, the Note Trustee shall disregard any Step-Up Amounts for the purposes of determining whether there are any Notes of a particular Class outstanding.

In these Conditions, "**Most Senior Class of Notes**" means (i) any outstanding Class A Notes and Class R1 Notes, or (ii) if no Class A Notes or Class R1 Notes are then outstanding, any outstanding Class B Notes and Class R2 Notes, or (iii) if no Class A Notes, Class R1 Notes, Class B Notes or Class R2 Notes are then outstanding, the most senior outstanding Class of the Subordinated Notes, in each case, if instructing, directing or requesting the Note Trustee on any matter, acting together whether by means of an Extraordinary Resolution or a written instruction, direction or request of the holders of at least one quarter of the principal amount of the relevant Class of Notes then outstanding.

(c) *Relationship with Obligor Secured Creditors*

The Security Trust and Intercreditor Deed will include provisions relating to the holding of meetings between the providers of secured finance to the Obligors and Noteholders and voting on certain issues concerning the Obligors.

(i) *Debtholders' Meetings*: On issues relating to the enforcement of the security interests granted by the Obligors, the acceleration of secured obligations owed by the Obligors, the removal of the Obligor Security Trustee and the appointment of any successor thereof, and the modification or waiver of the Financial Covenant (as defined in the Common Terms Agreement), the Obligor Security Trustee shall, in accordance with the Security Trust and Intercreditor Deed, hold a Debtholders' Meeting, at which certain Class(es) or Sub-Class(es) of Noteholders who are Qualifying Debtholders for the purpose of such Debtholders' Meeting ("**Qualifying Noteholders**") are eligible to vote (the composition of the Qualifying Debtholders (and hence Qualifying Noteholders) in respect of a Debtholders' Meeting being prescribed in the Security Trust and Intercreditor Deed). At any Debtholders' Meeting, the Note Trustee shall act as the Representative (as defined in the Security Trust and Intercreditor Deed) of such Qualifying Noteholders. The Note Trustee will vote on behalf of such Qualifying Noteholders in accordance with Condition 15(b) (*Debtholders' Meetings*) below, and any decision reached at a Debtholders' Meeting shall bind all Classes of Noteholders.

(ii) *Extraordinary Resolutions*: On issues relating to the modification of, the consents under, or the waivers in respect of breaches or potential breaches of, the Obligor Transaction Documents (including any Basic Terms Modification, the creation or modification of Primary Debt Ranks or Secondary Debt Ranks, consent for the Obligors to incur Subordinated Debt (as defined in the Common Terms Agreement) which rank prior to, or *pari passu* with, any Subordinated Notes), the Obligor Security Trustee may, in accordance with the Security Trust and

Intercreditor Deed, seek confirmation from the Note Trustee that the holders of the Most Senior Class of Notes then outstanding (or, in the case of a Basic Terms Modification, the holders of each Sub-Class of Notes, or in the case of the modification of Primary Ranks or the creation or modification of Secondary Debt Ranks, the holders of Notes comprised in any Affected Class) have passed an Extraordinary Resolution approving such modification, consent or waiver, in accordance with Condition 15(a) (*Meetings of Noteholders*). Any such Extraordinary Resolution shall bind all Noteholders.

(d) *Application Prior to Enforcement*

Prior to enforcement of the Issuer Security by the Note Trustee, the Cash Manager, on behalf of the Issuer, is required to apply funds available to the Issuer in accordance with the Issuer Pre-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(e) *Enforceable Security*

In the event of the Issuer Security becoming enforceable as provided in Condition 11(b) (*Consequences of Notes becoming Due and Payable and Delivery of Note Enforcement Notice*) below, the Note Trustee may, at its discretion and without further notice, institute such proceedings as it thinks fit to enforce its rights with respect to the Issuer Security, but it shall not be bound to do so unless instructed by the holders of the Most Senior Class of Notes then outstanding, and without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any particular Noteholder, provided that the Note Trustee shall not be obliged to take any action unless it is indemnified and/or secured to its satisfaction.

Although the Issuer holds certain floating charges granted by the Obligors under the Obligor Floating Charge Agreement (and the Note Trustee is an assignee by way of security of such floating charges pursuant to the Issuer Deed of Charge), the Issuer and the Note Trustee have agreed with the Obligor Security Trustee in the Obligor Floating Charge Agreement that any proceeds from the enforcement of the security contained in the Obligor Floating Charge Agreement shall be shared between the Issuer and the other Obligor Secured Creditors, by applying such proceeds towards the applicable priority of payments as set out in the Security Trust and Intercreditor Deed.

The Obligor Floating Charge Agreement also provides that the Note Trustee (as the assignee by way of security of the floating charges contained therein) is required to appoint an administrative receiver in respect of any Obligor if the Note Trustee has actual notice of an application for the appointment of an administrator or of the giving of notice of intention to appoint an administrator in respect of such Obligor, such appointment to take effect upon the final day by which the appointment must be made in order to prevent an administration from proceeding or (where an Obligor or the directors of an Obligor have initiated its administration) not later than that final day (and the Obligor Floating Charge Agreement provides that the Note Trustee shall agree that it is adequately indemnified and secured in respect of its making such appointment by virtue of its indemnification rights against the Issuer under the Issuer Deed of Charge and against

the Obligors under the Obligor Floating Charge Agreement, and the security it has in respect of those rights).

(f) *Application After Enforcement*

After enforcement of the Issuer Security in accordance with Condition 4(e) (*Enforceable Security*), the Note Trustee shall (to the extent that such funds are available) use all monies received or recovered by it under the Issuer Deed of Charge (except proceeds in respect of the floating charge contained in the Obligor Floating Charge Agreement) to make payments in accordance with the Issuer Post-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(g) *Note Trustee not liable for security*

The Note Trustee will not be liable for any failure to make the usual investigations or any investigations which might be made by a security holder in relation to the property which is the subject of the Issuer Security, and shall not be bound to enquire into or be liable for any defect or failure in the right or title of the Issuer to the Issuer Security, whether such defect or failure was known to the Note Trustee or might have been discovered upon examination or enquiry or whether capable of remedy or not, nor will it have any liability for the enforceability of the Issuer Security whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting such Issuer Security. The Note Trustee has no responsibility for the value of any Issuer Security.

5. Issuer Covenants

So long as any of the Notes remain outstanding, the Issuer has agreed to comply with the covenants set out in the Issuer Deed of Charge.

The Note Trustee shall be entitled to rely absolutely on a certificate signed by two directors of the Issuer in relation to any matter relating to such covenants and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter stated in such certificate.

6. Interest and other Calculations

(a) *Interest Rate and Accrual*

Each Note other than (i) Zero Coupon Notes and (ii) any Class R Note for so long as it is held by the Issuer bears interest on its Principal Amount Outstanding (as defined below) from the Interest Commencement Date (as defined below) at the Interest Rate (as defined below), such interest being payable in arrear on each Note Payment Date (as defined below).

Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event

interest will continue to accrue (both before and after judgment) at the Interest Rate in the manner provided in this Condition 6 to the Relevant Date (as defined below).

In the case of accrued interest on any Class of Notes other than the Most Senior Class of Notes (as defined in Condition 4(b) (*Relationship among Noteholders and with other Issuer Secured Creditors*) above) (or any accrued Note Step-Up Amount relating to the Most Senior Class of Notes), if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a) (*Default Events*), there are insufficient funds available to the Issuer to pay such accrued interest or such accrued Note Step-Up Amount, the Issuer's liability to pay such accrued interest or accrued Note Step-Up Amount will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred interest on a Sub-Class of Notes shall be payable *pari passu* and *pro rata* with deferred interest on all other Sub-Classes of Notes in that Class. Interest will accrue on such deferred interest at the rate otherwise payable on unpaid principal of such Notes.

In this Condition 6, "**Note Step-Up Amount**" means, in relation to any Sub-Class of Notes, the amount of the interest payable in respect thereof which represents either (i) an increase in Margin equal to the Note Step-Up Rate (where Condition 6(f)(i) (*Interest Rate Step-Up*) applies), or (ii) the Note Step Up Rate (where Condition 6(f)(ii) (*Interest Rate Step-Up*) applies), from a specific date, as specified in the relevant Final Terms; and "**Note Step-Up Rate**" means the rate specified in the relevant Final Terms as such.

(b) *Business Day Convention*

If any date referred to in these Conditions or the relevant Final Terms is specified to be subject to adjustment in accordance with a Business Day Convention and would otherwise fall on a day that is not a Business Day (as defined below), then if the Business Day Convention specified in the relevant Final Terms is:

(i) the "**Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day;

(ii) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(iii) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day.

(c) *Floating Rate Notes*

Subject to Condition 6(f) (*Interest Rate Step-Up*) this Condition 6(c) is applicable only if the relevant Final Terms specifies the Notes as Floating Rate Notes.

Screen Rate Determination (EURIBOR)

If "**Screen Rate Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Notes for each Note Interest Period will, subject as provided in Condition 6(n) (*Benchmark Replacement*) below, be (other than in respect of Notes for which SONIA is specified as the Relevant Rate in the relevant Final Terms) determined by the Agent Bank (or the Calculation Agent, if applicable) on the following basis:

(i) if the Relevant Screen Page (as defined below) displays a rate which is a composite quotation or customarily supplied by one entity, the Agent Bank (or the Calculation Agent, if applicable) will determine the Relevant Rate (as defined in Condition 6(j) (*Definitions*) below);

(ii) in any other case, the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the Relevant Rates (as defined in Condition 6(j) (*Definitions*) below) which appear on the Relevant Screen Page as of the Relevant Time (as defined in Condition 6(j) (*Definitions*) below) on the relevant Interest Determination Date; and

(iii) if, in the case of (i) above, such rate does not appear on that Relevant Screen Page or, in the case of (ii) above, fewer than two such rates appear on that Relevant Screen Page or if, in either case, the Relevant Screen Page is unavailable the Interest Rate applicable to the Notes during such Note Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Note Interest Period.

Screen Rate Determination (SONIA)

If "**Screen Rate Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined and the Relevant Rate specified in the relevant Final Terms is SONIA, the Interest Rate applicable to the Notes for each Note Interest Period will, subject as provided in Condition 6(n) (*Benchmark Replacement*) below, be Compounded Daily SONIA plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Agent Bank (or the Calculation Agent, if applicable).

In this Condition 6(c):

"**Compounded Daily SONIA**", with respect to a Note Interest Period, will be calculated by the Agent Bank (or the Calculation Agent, if applicable) on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_i \times n_i}{365}\right)-1\right] \times \frac{365}{d}$$

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Note Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**d_o**" means the number of London Banking Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Note Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to do, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Note Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last London Banking Day in such period;

"**Interest Determination Date**" means, where the Relevant Rate specified in the relevant Final Terms is SONIA, in respect of any Note Interest Period, the date falling "p" London Banking Days prior to the Note Payment Date for such Note Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes are due and payable);

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n_i**" for any London Banking Day "**i**", in the relevant Note Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"**Observation Period**" means, in respect of an Note Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Note Interest Period (and the first Note Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is "p" London Banking Days prior to the Note Payment Date for such Note Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Note Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or if no such period is specified, five London Banking Days;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

"**SONIAi**" means the SONIA Reference Rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant London Banking Day "i";

If, in respect of any London Banking Day in the relevant Note Interest Period or Observation Period (as applicable), the Agent Bank (or the Calculation Agent, if applicable) determines that the SONIA Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 6(n) (*Benchmark Replacement*), be:

(i) the sum of (a) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; and (b) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or

(ii) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, (a) the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (b) if this is more recent, the latest determined rate under (A).

Subject to Condition 6(n) (*Benchmark Replacement*), if the Interest Rate cannot be determined in accordance with the foregoing provisions of this Condition 6(c), the Interest Rate shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Note Interest

Period from that which applied to the last preceding Note Interest Period, the Margin relating to the relevant Note Interest Period, in place of the Margin relating to that last preceding Note Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Note Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Note Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Note Interest Period).

Notwithstanding the foregoing, but subject to Condition 6(n) (*Benchmark Replacement*) in the event of the Bank of England publishing guidance as to (i) how the SONIA reference is to be determined or (ii) any rate that is to replace the SONIA reference rate, the Agent Bank (or the Calculation Agent if applicable), as applicable, shall subject to receiving written instructions from the Issuer and to the extent reasonably practicable, follow such guidance to determine SONIA reference rate for so long as the SONIA reference rate is not available or has not been published by the authorised distributors.

ISDA Determination

If "**ISDA Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate(s) applicable to the Notes for each Note Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Note Interest Period means a rate equal to the Floating Rate (as defined in Condition 6(j) (*Definitions*) below) that would be determined by the Agent Bank (or the Calculation Agent, if applicable) under an interest rate swap transaction if the Agent Bank (or the Calculation Agent, if applicable) were acting as calculation agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(iii) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

(A) the Floating Rate Option is as specified in the relevant Final Terms;

(B) the Designated Maturity is the Specified Duration (as defined in Condition 6(j) (*Definitions*) below); and

(C) the relevant Reset Date unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions;

(D) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Final Terms and:

(1) if Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Final Terms;

(2) if Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or

(3) if Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms; and

(E) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Final Terms and:

(1) if Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days specified in relevant Final Terms;

(2) if Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms then (a) Averaging with Overnight Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or

(3) if Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;

(iv) references in the ISDA Definitions to:

(A) "**Confirmation**" shall be references to the relevant Final Terms;

(B) "**Calculation Period**" shall be references to the relevant Note Interest Period;

(C) "**Termination Date**" shall be references to the Maturity Date;

(D) "**Effective Date**" shall be references to the Interest Commencement Date; and

(v) if the Final Terms specify "2021 ISDA Definitions" as being applicable:

(A) "Administrator/Benchmark Event" shall be disapplied;

(B) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate"; and

(C) unless otherwise defined, capitalised terms used in this Condition 6(c) shall have the meaning ascribed to them in the ISDA Definitions.

No interest shall be payable on any Class R Notes while held by the Issuer.

(d) *Fixed Rate Notes*

Subject to Condition 6(f) (*Interest Rate Step-Up*), this Condition 6(d) is applicable only if the relevant Final Terms specifies the Notes as Fixed Rate Notes.

The Interest Rate applicable to the Notes for each Note Interest Period will be the fixed rate specified in the relevant Final Terms.

If the Notes are in definitive form, except as provided in the relevant Final Terms, the amount of interest payable on each Note Payment Date in respect of the Note Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of Interest on any Note Payment Date will, if so specified in the relevant Final Terms, amount to the Broken Amount so specified.

(e) *Indexed Notes*

Subject to Condition 6(f) (*Interest Rate Step-Up*), this Condition 6(e) is applicable only if the relevant Final Terms specifies the Notes as Indexed Notes.

Payments of principal on, and the interest payable in respect of, the Notes will be subject to adjustment for indexation as set out in Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(iii) (*Application of the Index Ratio*), as applicable. The Interest Rate applicable to the Notes for each Note Interest Period will be at the rate specified in the relevant Final Terms.

(f) *Interest Rate Step-Up*

(i) This Condition 6(f)(i) is applicable only if the relevant Final Terms specifies the Floating Rate Step-Up as applicable.

(a) From and including the Note Step-Up Date specified in the relevant Final Terms, the Interest Rate in respect of any Sub-Class of Notes that are specified in the Final Terms as Fixed Rate Notes, Indexed Notes or Zero Coupon Notes will be determined in accordance with the terms of Condition 6(c) (*Floating Rate Notes*), save that the Margin shall be increased by the Note Step-Up Rate specified in the Final Terms.

(b) From and including the Note Step-Up Date specified in the relevant Final Terms, the Margin shall be increased by the Note Step-Up Rate specified in the Final Terms in respect of any Sub-Class of Notes that are specified in the Final Terms as Floating Rate Notes.

(ii) This Condition 6(f)(ii) is applicable only if the relevant Final Terms specifies the Fixed Rate Step-Up as applicable. From and including the Note Step-Up Date specified in the relevant Final Terms, the Interest Rate in respect of any Sub-Class of Notes that are specified in the Final Terms as Fixed Rate Notes, Indexed Notes or Zero Coupon Notes will be the rate specified in the relevant Final Terms (or, in the case of Zero Coupon Notes, the Accrual Yield specified in the relevant Final Terms) plus the Note Step-Up Rate specified in the Final Terms.

(g) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in the Final Terms):

(i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);

(ii) all figures will be rounded according to market convention; and

(iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes, "**unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(h) *Calculations*

Unless an Interest Amount is otherwise specified in respect of such period in the relevant Final Terms, in which case the amount of interest payable in respect of such Note for such Note Interest Period will equal such Interest Amount, the amount of interest payable

in respect of the Notes for each Note Interest Period shall be calculated by multiplying the product of the Interest Rate and:

(i)

(a) in the case of Notes which are represented by a Global Note, the Principal Amount Outstanding of the Notes represented by such Global Note during that Note Interest Period; or

(b) in the case of Notes in definitive form where there is no Fixed Coupon Amount or Broken Amount specified in the applicable Final Terms, the Specified Denomination of such Note; and

(ii) the Day Count Fraction (as defined below),

and in the case of Indexed Notes only, adjusted according to the indexation set out in Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable).

(i) *Determination and Publication of Interest Rates, Interest Amounts and Redemption Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Cash Manager or the Agent Bank (or the Calculation Agent, if applicable), as applicable, may be required to calculate any Redemption Amount, in the case of the Cash Manager, or obtain any quote or make any determination or calculation, in the case of the Agent Bank (or the Calculation Agent, if applicable), the Agent Bank (or the Calculation Agent, if applicable) will determine the Interest Rate and calculate the amount of interest payable (the "**Interest Amounts**") for the relevant Note Interest Period (including, for the avoidance of doubt, any applicable Index Ratio to be calculated in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) and obtain such quote or make such determination or calculation, as the case may be, and the Cash Manager shall calculate the Redemption Amount.

The Agent Bank will cause the Interest Rate and the Interest Amounts for each Note Interest Period and the relevant Note Payment Date and, if required to be calculated, the Redemption Amount, or any Principal Amount Outstanding to be notified to, in the case of Bearer Notes, the Paying Agents or, in the case of Registered Notes, the Registrar and, in each case, the Note Trustee, the Issuer, the Noteholders and the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") and each other listing authority, stock exchange and/or quotation system by which the relevant Notes have then been admitted to listing, trading and/or quotation as soon as possible after its determination but in no event later than (i) (in case of notification to Euronext Dublin and each other listing authority, stock exchange and/or quotation system on which the relevant Notes have then been admitted to listing, trading and/or quotation) the commencement of the relevant Note Interest Period, if determined prior to such time, in

the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination.

The Interest Amounts and the Note Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Note Interest Period. Any such amendment will be promptly notified to Euronext Dublin and each other listing authority, stock exchange and/or quotation system on which the relevant Sub-Class or Class of Notes are for the time being listed, traded and/or quoted or by which they have been admitted to listing, trading and/or quotation and to the Noteholders in accordance with Condition 16 (*Notices*). If the Notes become due and payable under Condition 11 (*Issuer Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously provided in accordance with this Condition 6 but no publication of the Interest Rate or the Interest Amount so calculated need be made unless otherwise required by the Note Trustee. The determination of each Interest Rate, Interest Amount and Redemption Amount, the obtaining of each quote and the making of each determination or calculation by the Agent Bank (or the Calculation Agent, if applicable), the Cash Manager or, as the case may be, the Note Trustee pursuant to this Condition 6 or Condition 7 (*Indexation*), shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Definitions*

In these Conditions and in the relevant Final Terms, unless the context otherwise requires, the following defined terms shall have the meanings set out below.

"**Business Day**" means a day which is:

(i) A day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre (other than the T2 System) specified in the applicable Final Terms;

(ii) If T2 System is specified as an Additional Business Centre in the applicable Final Terms, a TARGET Settlement Day; and

(iii) either (a) in relation to any sum payable in a Relevant Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the Relevant Currency or (b) in relation to any sum payable in euro, a TARGET Settlement Day;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting a Note Interest Period, the "**Calculation Period**"):

(i) if "Actual/Actual (ICMA)" is specified:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods that would occur in one calendar year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods that would occur in one calendar year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods that would occur in one calendar year,

where:

"**Determination Period**" means the period from and including a Determination Date in any year but excluding the next Determination Date; and

"**Determination Date**" means the date specified as such in the Final Terms or, if none is so specified, the Note Payment Date;

(i) if "**Actual/365**" or "**Actual/Actual**" is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366, and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "Actual/365 (Fixed)" is specified, the actual number of days in the Calculation Period divided by 365;

(iii) if "Actual/360" is specified, the actual number of days in the Calculation Period divided by 360;

(iv) if "30/360", "360/360" or "Bond Basis" is specified, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(vi) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30;

"**euro**" means the lawful currency of the Participating Member States;

"**Interest Commencement Date**" means, in respect of any Sub-Class of Notes, the Issue Date or such other date as may be specified in the relevant Final Terms;

"**Interest Determination Date**" means, with respect to an Interest Rate and a Note Interest Period in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms or, if none is so specified, the day falling two Business Days in London prior to the first day of such Note Interest Period (or if the relevant currency is sterling the first day of such Note Interest Period) (as adjusted in accordance with any Business Day Convention (as defined above) specified in the relevant Final Terms);

"**Interest Rate**" means, in respect of any Sub-Class of Notes, the rate of interest payable from time to time in respect of such Notes and which is either specified as such in, or calculated in accordance with the provisions of, these Conditions and/or the relevant Final Terms;

"**ISDA Definitions**" means the 2000 ISDA Definitions (as amended and updated as at the date of issue of the first Series of Notes of the relevant Sub-Class as published by the International Swaps and Derivatives Association, Inc.);

"**Issue Date**" means, in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms;

"**Margin**" means, in respect of any Sub-Class of Floating Rate Notes, the rate per annum (or otherwise as specified in the relevant Final Terms) (expressed as a percentage) specified as such in item 15(xi) of the relevant Final Terms and, for the purposes of Condition 6(f) (*Interest Rate Step-Up*), means the rate specified as such in item 16 of the relevant Final Terms;

"**Maturity Date**" means, in respect of any Sub-Class of Notes, the date specified in the relevant Final Terms as the final date on which the full principal amount of the Note is due and payable;

"**Note Interest Period**" means, in respect of any Sub-Class of Notes, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Note Payment Date and each successive period beginning on (and including) a Note Payment Date and ending on (but excluding) the next succeeding Note Payment Date;

"**Note Payment Dates**" means, in respect of any Sub-Class of Notes, the dates specified as such in the relevant Final Terms;

"**Participating Member State**" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty establishing the European Communities (as amended), and "**Participating Member States**" means all of them;

"**Principal Amount Outstanding**" means, at any date (a) in relation to a Note, the principal amount of that Note upon issue less any repayment of principal made to the Holder(s) thereof and (b) in relation to any Sub-Class or Class, the aggregate principal amount of all Notes in such Sub-Class or Class less any repayment of principal made to the Holder(s) thereof, provided that, in the case of (b) for the purposes of Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*) only, it shall exclude those Notes (if any) which are for the time being held by (1) the Issuer, any Obligor or any Non-Restricted Group Entity, (2) any person for the benefit of the Issuer or any of its subsidiaries or holding companies or any subsidiaries of any of its holding companies or (3) any person who has failed to surrender for repurchase any Class R Note on any Note Payment Date (other than where the Issuer was not obliged to repurchase the same);

"**Redemption Amount**" means, in respect of any Sub-Class of Notes, the amount provided under Condition 8 (*Redemption, Purchase and Cancellation*);

"**Reference Banks**" means the institutions specified as such or, if none, four major banks selected by the Issuer (or a third party agent appointed by the Issuer) in the interbank market (or, if appropriate, money market) which is most closely connected with the Relevant Rate;

"**Relevant Currency**" means the currency specified as such or, if none is specified, the currency in which such Notes are denominated;

"**Relevant Date**" means, in respect of any Sub-Class of Notes, the earlier of (a) the date on which all amounts in respect of such Notes have been paid, and (b) five days after the date on which all of the Principal Amount Outstanding (adjusted in the case of Indexed Notes in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*);

"**Relevant Financial Centre**" means, with respect to any Sub-Class of Notes, the financial centre specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the Relevant Rate is most closely connected as determined by the Agent Bank (or the Calculation Agent, if applicable);

"**Relevant Rate**" means (i) SONIA or (ii) EURIBOR, in each case for a Representative Amount of the Relevant Currency for a period (if applicable) equal to the Specified Duration, as specified in the relevant Final Terms;

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms, or such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Representative Amount**" means, with respect to any rate to be determined on an Interest Determination Date, the amount specified in the relevant Final Terms as such or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

"**Specified Duration**" means, with respect to any Floating Rate (as defined in the ISDA Definitions) to be determined on an Interest Determination Date, the period or duration specified as such in the relevant Final Terms or, if none is specified, a period of time equal to the relative Note Interest Period;

"**TARGET Settlement Day**" means any day on which the T2 System is open; and

"**T2 System**" means the real time gross settlement system operated by the Eurosystem or any successor system.

(k) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of a Note Interest Period in the applicable Final Terms, the Interest Rate for such Note Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Relevant Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Note Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Note Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"Designated Maturity" means, in relation to Screen Rate Determination, the period of time designated in the Relevant Rate.

(l) *Agent Bank, Calculation Agent and Reference Banks*

The Issuer will procure that there shall at all times be an Agent Bank (and a Calculation Agent, if applicable) and four Reference Banks selected by the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) with offices in the Relevant Financial Centre if provision is made for them in these Conditions applicable to this Note and for so long as it is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) will select another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Agent Bank (or the Calculation Agent, if applicable) is unable or unwilling to act as such or if the Agent Bank (or the Calculation Agent, if applicable) fails duly to establish the Interest Rate for any Note Interest Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint a successor to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

(m) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6, whether by the Principal Paying Agent, the Agent Bank (or the Calculation Agent, the Note Trustee or the Cash Manager, if applicable), shall (in the absence of wilful default, negligence, bad faith or manifest error) be binding on the Issuer, the Agent Bank, the Note Trustee, the Cash Manager, the Principal Paying Agent, the other Agents and all Noteholders, Couponholders and other Issuer Secured Creditors and (in the absence as aforesaid) no liability to the Issuer, the Note Trustee, the Noteholders or the Couponholders shall attach to the Principal Paying Agent, the Cash Manager, the Agent

Bank or, if applicable, any Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(n) *Benchmark Replacement*

Notwithstanding the provisions above in Condition 6(c) (*Floating Rate Notes*) if the Issuer determines that the relevant Relevant Rate specified in the relevant Final Terms has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered when any Interest Rate (or the relevant component part thereof) remains to be determined by such Relevant Rate (a "**Benchmark Event**"), then the following provisions shall apply:

(i) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner), no later than 5 Business Days prior to the relevant Interest Determination Date relating to the next succeeding Note Interest Period (the "**IA Determination Cut-off Date**"), a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Interest Rate (or the relevant component part thereof) applicable to the Notes;

(ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;

(iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Relevant Rate for each of the future Note Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 6(n) (*Benchmark Replacement*)); provided, however, that if sub-paragraph (ii) applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Interest Determination Date, the Interest Rate applicable to the next succeeding Note Interest Period shall be equal to the Interest Rate last determined in relation to the Notes in respect of a preceding Note Interest Period (subject, where applicable, to substituting the Margin that applied to such preceding Note Interest Period for the Margin that is to be applied to the relevant Note Interest Period or Reset Period (as applicable)); for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Note Interest Period only and any subsequent Note Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 6(n) (*Benchmark Replacement*));

(iv) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may

also specify amendments to these Conditions, the Trust Deed or the Agency Agreement (such amendments being "**Benchmark Amendments**", which for the avoidance of doubt shall not be treated as being within the scope of the Basic Terms Modifications), including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Relevant Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable), determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. Noteholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Trustee or the Agents (if required);

(v) At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two Directors of the Issuer (i) confirming that a Benchmark Event has occurred, and (ii) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate or Alternative Reference Rate, as the case may be, the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed and these Conditions), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way. For the avoidance of doubt, any Benchmark Amendments which would impose more onerous obligations upon an Agent or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agency Agreement shall require such Agent's written consent; and

(vi) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable), give notice thereof to the Trustee, the Principal Paying Agent and the Noteholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any consequential Benchmark Amendments.

For the purposes of this Condition 6(n) (*Benchmark Replacement*):

"**Adjustment Spread**" means a spread (which may be positive or negative or zero) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders and Couponholders as a result of the replacement of the Relevant Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Relevant Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Relevant Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or

(iii) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

"**Alternative Reference Rate**" means the rate that the Independent Adviser or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable) determines has replaced the relevant Relevant Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Relevant Currency and of a comparable duration to the relevant Note Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the relevant Relevant Rate;

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense;

"**Relevant Nominating Body**" means, in respect of a relevant rate:

(i) the central bank for the currency to which the relevant rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the relevant rate; or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the relevant rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the relevant rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means the rate that the Independent Adviser or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable) determines is a successor to or replacement of the Relevant Rate which is formally recommended by any Relevant Nominating Body.

7. Indexation

(a) *Indexation of RPI Indexed Notes*

This Condition 7(a) is applicable only if the relevant Final Terms specifies (i) that the Notes are Indexed Notes and (ii) that the applicable Index is RPI (such Notes, the "**RPI Indexed Notes**").

(i) *Definitions*

"**Base Index Figure**" means (subject to Condition 7(a)(iii)(A) (*Change in base*)) the base index figure as specified in the relevant Final Terms;

"**Index**" or "**Index Figure**" means, subject as provided in Condition 7(a)(iii)(A) (*Change in base*), the UK Retail Prices Index ("**RPI**") (for all items) published by the Office for National Statistics (January 1987 — 100) or any comparable index which may replace the UK Retail Prices Index for the purpose of calculating the amount payable on repayment of the Reference Gilt. Any reference in these Conditions and/or the relevant Final Terms to the "**Index Figure applicable**" to a month or date shall, subject in each case as provided in Condition 7(a)(iii) (*Changes in Circumstances Affecting the Index*) and 7(a)(v) (*Cessation of or Fundamental Changes to the Index*):

(A) if the relevant Final Terms specify the Index Figure applicable to a particular month, be construed as a reference to the Index Figure published in the seventh month prior to that particular month and relating to the month before that of publication; or

(B) if the relevant Final Terms specify the Index Figure applicable to the first calendar day of any month, be construed as a reference to the Index

Figure published in the second month prior to that particular month and relating to the month before that of publication; or

(C) if the relevant Final Terms specify the Index Figure applicable to any other day in any month, be calculated by linear interpolation between (x) the Index Figure applicable to the first calendar day of the month in which the specified day falls, calculated as described in sub-paragraph (B) above, and (y) the Index Figure applicable to the first calendar day of the month following the month in which the specified day falls, calculated as described in sub-paragraph (B) above;

"**Index Ratio**" applicable to any month or date, as the case may be, means the Index Figure applicable to such month or date, as the case may be, divided by the Base Index Figure and rounded to the nearest fifth decimal place (0.000005 being rounded upwards);

"**Limited Index Ratio**" means (a) in respect of any month or date, as the case may be, prior to the relevant Issue Date (as defined in Condition 6(j) (*Definitions*)), the Index Ratio for that month or date, as the case may be; (b) in respect of any Limited Indexation Month or Limited Indexation Date after the relevant Issue Date, the product of the Limited Indexation Factor for that month or date, as the case may be, and the Limited Index Ratio as previously calculated in respect of the month or date, as the case may be, 12 months prior thereto; and (c) in respect of any other month, or date, as the case may be, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month or Limited Indexation Date;

"**Limited Indexation Date**" means any date falling during the period specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

"**Limited Indexation Factor**" means, in respect of a Limited Indexation Month or Limited Indexation Date, as the case may be, the ratio of the Index Figure applicable to that month or date, as the case may be, divided by the Index Figure applicable to the month or date, as the case may be, 12 months prior thereto, **provided that** (a) if such ratio is greater than the Maximum Indexation Factor (if any) specified in the relevant Final Terms, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor (if any) specified in the relevant Final Terms, it shall be deemed to be equal to such Minimum Indexation Factor;

"**Limited Indexation Month**" means any month specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

"**Limited Indexed Notes**" means RPI Indexed Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the relevant Final Terms) applies; and

"**Reference Gilt**" means the index-linked Treasury Stock specified as such in the relevant Final Terms for so long as such stock is in issue, and thereafter such issue of index-linked Treasury Stock determined to be appropriate by a gilt-edged market maker or other adviser selected by the Issuer (an "**Indexation Adviser**").

(ii) *Application of the Index Ratio*

Each payment of interest and principal in respect of the RPI Indexed Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month or date, as the case may be, in or on which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(iii) *Changes in Circumstances Affecting the Index*

(A) *Change in base*: If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be,(I) the definition of "**Index**" and "**Index Figure**" in Condition 7(a)(i) (*Definitions*) shall be deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date or month as may have been substituted therefor), and (II) the new Base Index Figure shall be the product of the existing Base Index Figure (specified in the relevant Final Terms) and the Index Figure immediately following such substitution, divided by the Index Figure immediately prior to such substitution.

(B) *Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*: If the Index Figure which is normally published in the seventh month and which relates to the eighth month (the "**relevant month**") before the month in which a payment is due to be made is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable to the month in which the date for payment falls shall be (I) such substitute index figure (if any) as the Issuer considers (acting solely on the advice of the Indexation Adviser) to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser or (II) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(a)(iii)(A) (*Change in base*)) before the date for payment.

(C) *Delay in publication of Index if sub-paragraph (B) and/or (C) of the definition of Index Figure is applicable*: If the Index Figure relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Figure for any date is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable for the relevant calculation month shall be (I) such substitute index figure (if any) as the Issuer considers (acting solely on the advice of the Indexation Adviser) to have been published by the

United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser or (II) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(a)(iii)(A) (*Change in base*)) before the date for payment;

(iv) *Application of Changes*

Where the provisions of Condition 7(a)(iii)(B) (*Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*) or Condition 7(a)(iii)(C) (*Delay in publication of Index if sub-paragraph (B) and/or (C) of the definition of Index Figure is applicable*) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall be conclusive and binding. If, where an Index Figure has been applied pursuant to Condition 7(a)(iii)(B)(II) or Condition 7(a)(iii)(C)(II), as applicable, the Index Figure relating to the relevant month or relevant calculation month, as the case may be, is subsequently published while a Note is still outstanding, then:

(A) in relation to a payment of principal or interest in respect of such Note other than upon final redemption of such Note, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced by an amount equal to (respectively) the shortfall or excess of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 7(a)(iii)(B)(II) or Condition 7(a)(iii)(C)(II), below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and

(B) in relation to a payment of principal or interest upon final redemption, no subsequent adjustment to amounts paid will be made.

(v) *Cessation of or Fundamental Changes to the Index*

(A) If (I) the Note Trustee has been notified by the Agent Bank (or the Calculation Agent, if applicable) that the Index has ceased to be published or (II) any change is made to the coverage or the basic calculation of the Index which constitutes a fundamental change which would, in the opinion of the Note Trustee acting solely on the advice of the Indexation Adviser, be materially prejudicial to the interests of the relevant Noteholders, the Note Trustee will give written notice of such occurrence to the Issuer, and the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) together shall seek to agree for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that

the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made.

(B) If the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) fail to reach agreement as mentioned above within 20 business days following the giving of notice as mentioned in paragraph (A), a bank or other person in London shall be appointed by the Issuer and the Note Trustee or, failing agreement on the making of such appointment within 20 business days following the expiry of the 20-business-day period referred to above, by the Note Trustee (acting solely on the advice of the Indexation Adviser) (in each case, such bank or other person so appointed being referred to as the "**Expert**"), to determine for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as an expert and not as an arbitrator and all fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Note Trustee in connection with such appointment shall be borne by the Issuer.

(C) The Index shall be adjusted or replaced by a substitute index as agreed by the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, and references in these Conditions to the Index and to any Index Figure shall be deemed amended in such manner as the Note Trustee and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the other Issuer Secured Creditors, the Note Trustee and the Noteholders, and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (*Notices*) of such amendments as promptly as practicable following such notification.

(b) *Indexation of HICP Indexed Notes*

This Condition 7(b) is applicable only if the relevant Final Terms specifies (i) that the Notes are Indexed Notes and (ii) that the applicable Index is HICP (such Notes, the "**HICP Indexed Notes**" and, together with the RPI Indexed Notes, "**Indexed Notes**").

(i) *Definitions*

"**Base Index Figure**" means the Base Index Figure specified in the relevant Final Terms;

"**Index**" or "**Index Level**" means, subject as provided in Condition 7(b)(iii), the Non-revised Index of Consumer Prices excluding tobacco or relevant Successor Index (as defined in Condition 7(b)(iii)(C)), measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by Eurostat (the "**HICP**"). The first publication or announcement of a level of such index for a calculation month (as defined in Condition 7(b)(iii)(B)) shall be final and conclusive and later revisions to the level for such calculation month will not be used in any calculations. Any reference in these Conditions to the "**Index Level applicable**" to any day ("**d**") in any month ("**m**") shall, subject as provided in Condition 7(b)(iii), be calculated as follows:

$$I_d = HICP_{m-3} + \frac{nbd}{q_m} \times (HICP_{m-2} - HICP_{m-3})$$

where:

"**I_d**" is the Index Level for the day d;

"**$HICP_{m-2}$**" is the level of HICP for month m-2;

"**$HICP_{m-3}$**" is the level of HICP for month m-3;

"**nbd**" is the actual number of days from and excluding the first day of month m to but including day d; and

"**q_m**" is the actual number of days in month m;

"**Index Business Day**" means a day on which the T2 System is open;

"**Index Determination Date**" means, in respect of any date for which the Index Level is required to be determined, the fifth Index Business Day prior to such date;

"**Index Ratio**" applicable to any date means the Index Level applicable to the relevant Index Determination Date divided by the Base Index Figure and rounded to the nearest fifth decimal place (0.000005 being rounded upwards); and

"**Related Instrument**" means an inflation-linked note selected by the Agent Bank (or the Calculation Agent, if applicable) that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union with a maturity date which falls on (A) the same day as the Maturity Date, (B) the next longest maturity date after the Maturity Date if there is no such note maturing on the Maturity Date, or (C) the next shortest maturity before the Maturity Date if no note defined in (A) or (B) is selected by the Agent Bank (or the Calculation Agent, if applicable). The Agent Bank (or the Calculation Agent, if applicable) will select the Related Instrument from such of those inflation linked notes issued on or before the relevant Issue Date and, if there is more than one such inflation-linked note maturing on the same date, the Related Instrument shall be selected by the Agent Bank (or the Calculation Agent, if applicable) from such of those inflation linked notes. If the Related Instrument is

redeemed the Agent Bank (or the Calculation Agent, if applicable) will select a new Related Instrument on the same basis, but selected from all eligible notes in issue at the time the originally selected Related Instrument is redeemed (including any note for which the redeemed originally selected Related Instrument is exchanged).

(ii) *Application of the Index Ratio*

Each payment of interest and principal in respect of the HICP Indexed Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio applicable to the date on which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(iii) *Changes in Circumstances Affecting the Index*

(A) *Rebasing of the Index*: If the Agent Bank (or the Calculation Agent, if applicable) determines that the Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for the purposes of determining the Index Level applicable to any date falling on or after the date of such rebasing; provided, however, that the Agent Bank (or the Calculation Agent, if applicable) shall make such adjustments as are made by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made.

(B) Delay in publication of Index:

(I) If the Index Level relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Level applicable to any date (the "**Relevant Level**") has not been published or announced by the day that is five Business Days before the date on which the relevant payment is due (the "**Affected Payment Date**"), the Agent Bank (or the Calculation Agent, if applicable) shall determine a substitute Index Level (the "**Substitute Index Level**"), to be used in place of the Relevant Level for the relevant calculation month, by using the following methodology:

(1) if applicable, the Agent Bank (or the Calculation Agent, if applicable) will take the same action to determine the Substitute Index Level for the Affected Payment Date as that taken by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument;

(2) if (1) above does not result in a Substitute Index Level for the Affected Payment Date for any reason, then the Agent Bank (or the Calculation Agent, if applicable) shall determine the Substitute Index Level as follows:

Substitute Index Level = Base Level x (Latest Level / Reference Level)

where:

"**Base Level**" means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined;

"**Latest Level**" means the latest level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) prior to the month for which the Substitute Index Level is being determined; and

"**Reference Level**" means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month that is 12 calendar months prior to the month in respect of which the Latest Level was published or announced.

(II) If a Relevant Level is published or announced at any time on or after the day that is five Business Days prior to the Affected Payment Date, such Relevant Level will not be used in any calculations to be made pursuant to this Condition 7(b), and the Substitute Index Level determined pursuant to this Condition 7(b)(iii)(A) will be the definitive Index Level for the relevant calculation month.

(C) *Cessation of publication:*

(I) If the Index Level has not been published or announced for two consecutive months or Eurostat announces that it will no longer continue to publish or announce the Index then the Agent Bank (or the Calculation Agent, if applicable) shall determine a successor index (the "**Successor Index**") in lieu of any previously applicable Index by using the following methodology:

(1) if at any time (other than after an Early Termination Event (as defined below) has occurred pursuant to Condition 7(b)(iii)(C)(II) below) a successor index has been designated by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument, such successor index shall be the Successor Index for the purposes of all subsequent payments of interest and/or principal in respect of

the Notes, notwithstanding that any other Successor Index may previously have been determined under paragraphs (2), (3) or (4) below; or

(2) if a Successor Index has not been determined under paragraph (1) above (and no Early Termination Event has occurred pursuant to Condition 7(b)(iii)(C)(II) below), and a notice has been given or an announcement has been made by Eurostat (or any successor entity which publishes the Index) specifying that the Index will be superseded by a replacement index specified by Eurostat (or any such successor), and the Agent Bank (or the Calculation Agent, if applicable) determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be the Successor Index from the date that such replacement index comes into effect; or

(3) if a Successor Index has not been determined under paragraphs (1) or (2) above (and no Early Termination Event has occurred pursuant to Condition 7(b)(iii)(C)(II) below), the Agent Bank (or the Calculation Agent, if applicable) shall ask five leading independent dealers to state what the replacement index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the Successor Index. If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the Successor Index. If fewer than three responses are received, the Agent Bank (or the Calculation Agent, if applicable) will proceed to paragraph (4) below;

(4) if no Successor Index has been determined under paragraphs (1), (2) or (3) above on or before the fifth Index Business Day prior to the next Affected Payment Date the Agent Bank (or the Calculation Agent, if applicable) will determine an appropriate alternative index for such Affected Payment Date, and such index will be the Successor Index.

(II) If the Agent Bank (or the Calculation Agent, if applicable) determines that there is no appropriate alternative index as referred to in Condition 7(b)(iii)(C)(I)(4), the Issuer and the Note Trustee shall, in conjunction with the Agent Bank (or the Calculation Agent, if applicable), determine an appropriate alternative index and, if the Issuer and the Note Trustee, in conjunction with the Agent Bank (or the Calculation Agent, if applicable), do not reach agreement on an appropriate

alternative index within a period of ten Business Days, then an "**Early Termination Event**" will be deemed to have occurred and the Issuer will redeem the Notes in accordance with Condition 8(d).

(A) *Material Modification Prior to Note Payment Date*: If, on or prior to the day that is five Business Days before a Note Payment Date, Eurostat announces that it will make a material change to the Index then the Agent Bank (or the Calculation Agent, if applicable) shall make any such adjustments to the Index consistent with adjustments made to the Related Instrument.

(B) *Manifest Error in Publication*: If, within thirty days of publication, the Agent Bank (or the Calculation Agent, if applicable) determines that Eurostat (or any successor entity which publishes the Index) has corrected the level of the Index to remedy a manifest error in its original publication, the Agent Bank (or the Calculation Agent, if applicable) will notify the Issuer and the Note Trustee of (1) that correction, (2) the amount that is payable as a result of that correction and (3) take such other action as it may deem necessary to give effect to such correction.

Any amendments to the Index made pursuant to this Condition 7(b)(iii) shall be binding on the Issuer Secured Creditors, the Note Trustee, the Noteholders and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (Notices) of such amendments as promptly as practicable following their determination

8. Redemption, Purchase and Cancellation

(a) *Scheduled Partial and Final Redemption*

Unless previously redeemed, or purchased and cancelled as provided below, each Note will be redeemed at its Principal Amount Outstanding (in the case of Indexed Notes as adjusted in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) on the date or dates (or, in the case of *Floating Rate Notes*, on the Note Payment Date(s)) specified in the relevant Final Terms plus accrued but unpaid interest (other than in the case of Zero Coupon Notes) and, in the case of Indexed Notes, as adjusted in accordance with Condition 7(a)(ii) (*Application of the Index Ratio* or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable).

(b) *Optional Redemption*

Subject as provided below and if an Issuer Call Option is specified in the relevant Final Terms, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee

and all of the Noteholders in accordance with Condition 16 (*Notices*), the Issuer may (prior to the Maturity Date) redeem any Sub-Class of the Notes in whole or in part (but on a *pro rata* and *pari passu* basis only) on any Optional Redemption Date at their Redemption Amount (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Final Terms) as follows:

(i) in respect of Fixed Rate Notes:

(A) if Swap Mid Curve Amount is specified in the relevant Final Terms as the Redemption Amount then, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount will be an amount equal to the higher of (i) the Principal Amount Outstanding of the Notes or the relevant portion thereof to be redeemed and (ii) an amount calculated with reference to the remaining Duration of the Notes by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by the Financial Adviser (and rounded to three decimal places (0.0005 being rounded upwards))) at which the Gross Redemption Yield on the Notes on the Relevant Date (as defined below) is equal to the Redemption Rate (as defined below).

For the purposes of this Condition 8(b)(i)(A):

"**Duration**" means, in relation to the relevant Notes, the remaining period (expressed in years) between the date of redemption for such Notes pursuant to this Condition 8(b)(i)(A) and the Maturity Date, or in any case where Condition 6(f) (*Interest Rate Step-Up*) applies, the Note Step-Up Date, in each case determined by reference to the remaining days in such period divided by 365 (rounded to three decimal places);

"**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute and Faculty of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Note Trustee may approve;

"**Interpolated Rate**" is the rate that will be determined by the Mid-Swap Financial Adviser to be used as the Relevant Mid-Swap Rate:

(1) by way of reference to the mid-swap rate on the Mid-Swaps Screen Page for the tenor that exactly matches the Duration of the Notes (the "**Exact Quotation**"); or

(2) if the Interpolated Rate cannot be determined in accordance with paragraph (1) above, by way of reference to:

(A) the mid-swap rate on the Mid-Swaps Screen Page for the tenor most closely matched to the Duration of the Notes which is shorter than such Duration or, in the case where Notes have a Duration of less than 1 year, zero (such shorter tenor (expressed in years) referred to as the "**Lower Duration**" (which, for the avoidance of doubt, shall be zero where the Duration in relation to the Notes is less than 1 year)) (the "**Lower Quotation**"); and

(B) the mid-swap rate on the Mid-Swaps Screen Page for the tenor most closely matched to the remaining Duration of the Notes which is longer than such Duration (such longer tenor (expressed in years) referred to as the "**Higher Duration**") (the "**Higher Quotation**").

The Mid-Swap Financial Adviser will then calculate the Interpolated Rate by:

(i) subtracting the Lower Quotation in sub-paragraph (A) above from the Higher Quotation in sub-paragraph (B) above and multiplying the result of that subtraction by the Maturity Weight; and

(ii) adding the result of (i) to the Lower Quotation;

"**Maturity Weight**" means the amount, expressed as a percentage (and rounded to three decimal places), calculated as:

(i) the Duration minus the Lower Duration, divided by

(ii) the Higher Duration, minus the Lower Duration;

"**Mid-Swap Financial Adviser**" means an independent financial institution of international repute, or other independent financial adviser experienced in the international debt capital markets, nominated by the Issuer and approved by the Note Trustee which has been appointed at the Issuer's cost; *provided that* none of the Agents nor the Note Trustee shall be obliged to perform such role;

"**Mid-Swaps Screen Page**" means:

(i) the page on which rates for sterling mid-swap rates (specifically being the mid-rate for a pound sterling fixed-for-floating interest rate swap where the floating leg pays overnight SONIA compounded in arrears for twelve months annually and the fixed leg pays a fixed rate annually) appear, as published by ICE Benchmark Administration Limited (or any successor) ("**ICE**") on

the Relevant Date and displayed as at 2.00 p.m. (London time) on such Relevant Date on such Bloomberg or Reuters page or the web-site maintained by ICE or, as the case may be, such other information service that may replace Bloomberg or Reuters, in each case as may be nominated by ICE Benchmark Administration Limited; or

(ii) where the published sterling mid-swap rates for the Exact Quotation, failing which, Lower Quotation (except where the Duration is less than 12 months) and/or Higher Quotation are not available for the Relevant Date in accordance with paragraph (i) above, the sterling mid-swap rates of TP ICAP (specifically being the mid-rate for a pound sterling fixed-for-floating interest rate swap where the floating leg pays overnight SONIA compounded in arrears for twelve months annually and the fixed leg pays a fixed rate annually), as published on the Bloomberg <ICAB> page as at 2.00 p.m. (London time) on the Relevant Date; or

(iii) in the event neither (i) nor (ii) is available, any alternative or successor provider for the publication of such rate as is in customary market usage in the international debt capital markets as determined by the Mid-Swap Financial Adviser;

"**Redemption Rate**" means the aggregate of the Relevant Mid-Swap Rate and (where specified in the relevant Final Terms) the Redemption Margin;

"**Relevant Date**" means the date which is two Business Days prior to the publication or dispatch of the notice of redemption under this Condition 8(b); and

"**Relevant Mid-Swap Rate**" shall be the Interpolated Rate (converted to a semi-annual rate in accordance with market convention), as determined by the Mid-Swap Financial Adviser or, if a Mid-Swap Replacement Event (as defined in Condition 8(b)(i)(E) below) has occurred and is continuing at such time on the Relevant Date, the replacement rate determined in accordance with Condition 8(b)(i)(E) below, which replacement rate shall be converted (if applicable) to a semi-annual rate by the Mid-Swap Financial Adviser in accordance with market convention.

(B) If Spens Amount is specified in the relevant Final Terms as the Redemption Amount then, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount will be an amount equal to the higher of (i) the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price

(as reported in writing to the Issuer and the Note Trustee by a Financial Adviser) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Spens Gross Redemption Yield on the Notes on the Reference Date is equal to the Spens Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time specified in the applicable Final Terms on the Reference Date of the Reference Bond, plus the Redemption Margin, all as determined by a Financial Adviser.

(C) If Make-Whole Amount is specified in the relevant Final Terms as the Redemption Amount then, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount will be an amount calculated by the Agent Bank (or Calculation Agent, if applicable) equal to the higher of (i) the Principal Amount Outstanding of the Notes or the relevant portion thereof to be redeemed and (ii) the sum of the present values of the Principal Amount Outstanding of the relevant Notes to be redeemed and the Remaining Term Interest on such Note (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on an annual basis at the Reference Bond Rate, plus the Redemption Margin.

For the purposes of Condition 8(b)(i)(A), Condition 8(b)(i)(B) and Condition 8(b)(i)(C):

"**Financial Adviser**" means any financial adviser appointed by the Issuer;

"**FA Selected Bond**" means a government security or securities selected by a Financial Adviser as having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

"**Redemption Margin**" shall be as set out in the relevant Final Terms;

"**Reference Bond**" shall be as set out in the relevant Final Terms or the FA Selected Bond;

"**Reference Bond Price**" means, with respect to any date of redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

"**Reference Bond Rate**" means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

"**Reference Date**" will be set out in the relevant notice of redemption;

"**Reference Government Bond Dealer**" means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

"**Reference Government Bond Dealer Quotations**" means, with respect to each Reference Government Bond Dealer and any date for redemption, the arithmetic average, as determined by the Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the relevant Final Terms on the Reference Date quoted in writing to the Agent by such Reference Government Bond Dealer;

"**Remaining Term Interest**" means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term of such Note determined on the basis of the rate of interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer pursuant to this Condition 8(b); and

"**Spens Gross Redemption Yield**" means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by a Financial Adviser on the basis set out by the United Kingdom Debt Management Office in the paper "*Formulae for Calculating Gilt Prices from Yields*", page 5, 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 and updated on 15 January 2002 and 16 March 2005, and as further amended or updated from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or on such other basis as the Issuer may determine (acting solely on the advice of a Financial Adviser).

(D) If Fixed Amount is specified in the relevant Final Terms as the Redemption Amount then, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount will be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Final Terms).

(E) If Swap Mid-Curve Amount is specified in the relevant Final Terms as the Redemption Amount, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, and a Mid-Swap Replacement Event has occurred and is continuing at any time when the Redemption Amount falls to be calculated in accordance with Condition 8(b)(i)(A), this Condition 8(b)(i)(E) shall apply.

Terms defined in Condition 8(b)(i)(A) shall have the same meanings when used in this Condition 8(b)(i)(E).

(1) *Independent Adviser*

The Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner), a Successor Mid-Swap Rate,

failing which an Alternative Mid-Swap Rate for purposes of determining the Redemption Rate.

(2) *Redemption Rate Adjustment Spread*

If the Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) determines that a Redemption Rate Adjustment Spread is required to be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, the Interpolated Rate, the Relevant Mid-Swap Rate and/or the Redemption Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Redemption Rate Adjustment Spread, then such Redemption Rate Adjustment Spread shall be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, the Interpolated Rate, the Relevant Mid-Swap Rate and/or the Redemption Rate (as applicable).

If the Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) is unable to determine the quantum of, or a formula or methodology for determining, such Redemption Rate Adjustment Spread, then such Successor Mid-Swap Rate, Alternative Mid-Swap Rate, Interpolated Rate, Relevant Mid-Swap Rate and/or Redemption Rate (as applicable) will apply without a Redemption Rate Adjustment Spread.

(3) *Mid-Swap Amendments*

If the Independent Adviser or the Issuer (as applicable) determines a Successor Mid-Swap Rate or, failing which, an Alternative Mid-Swap Rate and/or Redemption Rate Adjustment Spread (as applicable) in accordance with the above provisions, and the Independent Adviser or the Issuer (as applicable) acting in good faith determines (i) that amendments to these Conditions, the Trust Deed or the Agency Agreement are necessary to ensure the proper operation of such Successor Mid-Swap Rate, Alternative Mid-Swap Rate and/or Redemption Rate Adjustment Spread (such amendments being "**Mid-Swap Amendments**", which for the avoidance of doubt shall not be treated as being within the scope of the Basic Terms Modifications), and (ii) the terms of the Mid-Swap Amendments (including, but not limited to, the definitions of "Interpolated Rate", "Redemption Rate", "Mid-Swaps Screen Page", "Gross Redemption Yield", "Relevant Date" and/or the "Relevant Mid-Swap Rate") applicable to the Notes, and the method for determining the Redemption Amount in relation to the Notes, in order to follow market practice in relation to the Successor Mid-

Swap Rate or the Alternative Mid-Swap Rate (as applicable), then the Issuer shall, subject to the provisions of the paragraph below and to giving notice thereof in accordance with Condition 8(b)(i)(E)(4), without any requirement for the consent or approval of Noteholders, vary these Conditions, the Trust Deed or the Agency Agreement, as the case may be, to give effect to such Mid-Swap Amendments with effect from the date specified in such notice.

Subject to the other provisions of this Condition 8(b)(i)(E) and the receipt by the Note Trustee of a certificate signed by two Directors of the Issuer (i) confirming that a Mid-Swap Replacement Event has occurred, and (ii) certifying that the Mid-Swap Amendments are necessary to ensure the proper operation of such Successor Mid-Swap Rate or Alternative Mid-Swap Rate, as the case may be, the Note Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Mid-Swap Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed and these Conditions), provided that neither the Note Trustee nor the Agents shall be obliged so to concur if in the opinion of the Note Trustee or the Agents doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Note Trustee or the Agents in these Conditions, the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) or the Agency Agreement in any way. For the avoidance of doubt, any Mid-Swap Amendments which would impose more onerous obligations upon an Agent or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agency Agreement shall require such Agent's written consent.

(4) *Notices*

The Issuer shall promptly, following the determination of any Successor Mid-Swap Rate or Alternative Mid-Swap Rate (as applicable), give notice thereof to the Note Trustee, the Agents and the Noteholders, which shall specify the effective date(s) for such Successor Mid-Swap Rate or Alternative Mid-Swap Rate (as applicable) and any consequential Mid-Swap Amendments.

(5) *Fallbacks*

If the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a

Successor Mid-Swap Rate or an Alternative Mid-Swap Rate, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Mid-Swap Rate or, failing which, an Alternative Mid-Swap Rate, as well as the appropriate Redemption Rate Adjustment Spread (if applicable).

For the purposes of this Condition 8(b)(i)(E):

"**Alternative Mid-Swap Rate**" means the rate that the Independent Adviser or the Issuer (as applicable) (in each case acting in good faith and in a commercially reasonable manner) determines has replaced the Relevant Mid-Swap Rate (or any relevant components thereof) in customary market usage in the derivatives markets, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the Relevant Mid-Swap Rate (or any relevant components thereof);

"**Independent Adviser**" means, for the purpose of this Condition 8(b)(i)(E), an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, an Independent Adviser appointed pursuant to this Condition 8(b)(i)(E), shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Note Trustee, the Agent Bank (or the Calculation Agent if applicable), the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 8(b)(i)(E);

"**Mid-Swap Replacement Event**" means:

(a) the relevant rates used to derive the Relevant Mid-Swap Rate do not appear on the Mid-Swaps Screen Page or cease to exist or if such rates have ceased to be published on the Mid-Swaps Screen Page as a result of such rates (or any component thereof) ceasing to be calculated or administered; or

(b) the later of (i) the making of a public statement by the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that it will, on or before a specified date, cease publishing such rates permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such rates) and (ii) the date falling six months prior to the date specified in (b)(i) above; or

(c) the making of a public statement by the supervisor of the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that such rates have been permanently or indefinitely discontinued; or

(d) the later of (i) the making of a public statement by the supervisor of the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that such rates will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (d)(i) above;

(e) the later of (i) the making of a public statement by the supervisor of the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that means such rates will be prohibited from being used or that their use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (ii) the date falling six months prior to the specified date referred to in (e)(i) above;

(f) it has or will prior to the date specified for redemption become unlawful (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011 and/or Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, if applicable) for any Paying Agent, the Agent Bank, the Calculation Agent, the Note Trustee, the Mid-Swap Financial Adviser, the Issuer or other party to calculate any payments due to be made to any Noteholder or Couponholder using the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof); or

(g) the later of (i) the making of a public statement by the supervisor of the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that in the view of such supervisor, such rates are or will on or before a specified date, be no longer representative of an underlying market and (ii) the date falling six months prior to the specified date referred to in (g)(i) above.

"**Redemption Rate Adjustment Spread**" means a spread (which may be positive or negative or zero) or formula or methodology for calculating a spread, which the Independent Adviser or the Issuer (as applicable) (in each case acting in good faith and in a commercially reasonable manner) determines is required to be applied to the Successor Mid-Swap Rate, the Alternative Mid-Swap Rate, the Interpolated Rate, the Relevant Mid-Swap Rate and/or the Mid-Swap Redemption Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the

circumstances, any economic prejudice or benefit (as applicable) to Noteholders and Couponholders as a result of the replacement of the Relevant Mid-Swap Rate (or any component thereof) with the Successor Swap Rate or the Alternative Swap Rate (as applicable) and is the spread, formula or methodology which:

(a) in the case of a Successor Mid-Swap Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Relevant Mid-Swap Rate (or the relevant component thereof) with the Successor Mid-Swap Rate by any Relevant Nominating Body; or

(b) in the case of a Successor Mid-Swap Rate for which no such recommendation or option has been made (or made available) or in the case of an Alternative Mid-Swap Rate, the Independent Adviser or the Issuer (as applicable) (in each case acting in good faith and in a commercially reasonable manner) determines is recognised or acknowledged as being in customary market usage in derivatives transactions which reference the Relevant Mid-Swap Rate (or any relevant component thereof), where such rate has been replaced by the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate (as applicable); or

(c) if no such determination regarding customary market usage is made, the Independent Adviser or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate (as applicable) relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof;

"**Successor Mid-Swap Rate**" means the rate that the Independent Adviser or the Issuer (as applicable) (in each case acting in good faith and in a commercially reasonable manner) determines is a successor to or replacement of the Relevant Mid-Swap Rate (or any components thereof) which is formally recommended, or formally provided as an option for parties to adopt, by any Relevant Nominating Body.

Notwithstanding the above, in respect of Fixed Rate Notes:

(i) the Redemption Amount will also include accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption; and

(ii) from and including the date (if any) specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount shall be equal to the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed plus accrued but unpaid interest on such amount to (but excluding) the date of redemption.

(A) in respect of Floating Rate Notes, the Redemption Amount will be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Final Terms) plus any accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption;

(B) in respect of Indexed Notes, the Redemption Amount will be the amount determined in accordance with Condition 8(b)(i) or Condition 8(b)(ii), as the case may be, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month in which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*); and

(C) in respect of Zero Coupon Notes, the Redemption Amount will be an amount equal to the sum of:

(1) the Reference Price; and

(2) the product of the Accrual Yield (compounded annually) and the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption,

and where such calculation is to be made for a period which is less than a full year, such calculation shall be made on the basis of the Day Count Fraction specified in the Final Terms for the purposes of this Condition 8(b)(iv) or, if none is so specified, a Day Count Fraction of 30/360, plus accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption.

In this Condition 8(b)(iv), "**Accrual Yield**" and "**Reference Price**" have the meanings given to them in the relevant Final Terms.

In any such case:

(I) prior to giving any notice of redemption under this Condition 8(b), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer that it will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date; and

(II) where Condition 6(f) (*Interest Rate Step-Up*) applies, any date of redemption falling on or after the Note Step-Up Date shall be required to be a Note Payment Date.

(c) *Optional Redemption as Result of Ratings Event*

Following the satisfaction of all conditions precedent in respect of a Ratings Event, the Issuer may seek to exercise its option to redeem the Notes by notifying the holders of each Sub-Class of Notes in accordance with Condition 16 (*Notices*) of the occurrence of such Ratings Event and its intention to redeem the Notes if a Noteholders' Affirmation (as defined below) is passed. The Issuer shall also convene a meeting of each such Sub-Class to take place at least 21 days following such notification. If at such meeting 75% or more by Principal Amount Outstanding of the Noteholders of the relevant Sub-Class of Notes vote in favour of such redemption on a specified date (a "**Noteholders' Affirmation**"), then the Issuer shall redeem such Sub-Class of Notes in whole (but not in part) on the Optional Redemption Date (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Final Terms). If at such meeting, less than 75% of the Noteholders of the relevant Sub-Class vote in favour of such redemption, then the Issuer shall not redeem any of the Notes of such Sub-Class.

Any redemption under this Condition 8(c) will be made (I) if the Notes are not Fixed Rate Notes, at the Redemption Amount determined in accordance with Condition 8(b)(ii), (iii) or (iv) or (II) if the Notes are Fixed Rate Notes, at a Redemption Amount equal to the higher of (i) their Principal Amount Outstanding and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser selected by the Issuer) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield (as defined below) on such Notes on the Reference Date (as defined below) is equal to the sum of (a) Gross Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt (as defined below) and (b) the Issue Spread for the relevant Notes (as per the relevant Final Terms), in each case plus accrued but unpaid interest on the Principal Amount Outstanding to (but excluding) the date of redemption.

Before giving any notification under this Condition 8(c), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(c) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem

the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(c): the "**Issue Spread**" shall be the spread on the relevant Class of Notes as specified in the relevant Final Terms; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Issuer may select (acting solely on the advice of a Financial Adviser); "**Reference Date**" means the date which is two Business Days prior to the dispatch of the notice of redemption under this Condition 8(c); and "**Reference Gilt**" means the Treasury Stock specified in the relevant Final Terms while that stock is in issue, and thereafter such UK government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market (selected by the Issuer), determine to be appropriate.

(d) *Optional Redemption for Index Event or Taxation Reasons*

(i) *Optional Redemption for Index Events:*

(A) *RPI Indexed Notes:* In the case of RPI Indexed Notes, upon the occurrence of any Index Event (as defined below), the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on the Optional Redemption Date at the Redemption Amount, together with accrued but unpaid interest on the Principal Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs (such interest subject, in the case of Index Linked Interest Notes, to adjustment in accordance with Condition 7(a)(ii) or Condition 7(b)(ii), as applicable).

For the purposes of this Condition 8(d)(i)(A), **"Index Event"** means (i) if the Index Figure for three consecutive months is to be determined on the basis of an Index Figure previously published as provided in Condition 7(a)(iii)(B) (*Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*) or Condition 7(c)(iii), as applicable, and the Issuer has been notified by the Principal Paying Agent that publication of the Index has ceased or (ii) notice is published by Her Majesty's Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt (as defined in Condition 7(a)(i) (*Definitions*) above), and (in either case) no amendment or substitution of the Index has been advised by the Indexation Adviser to the Issuer and such circumstances are continuing.

(B) *HCIP Indexed Notes:* In the case of HICP Indexed Notes, upon the occurrence of an Early Termination Event pursuant to Condition 7(b)(iii)(C)(II), the Issuer will, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on any day at the Redemption Amount together with accrued but unpaid interest on the Principal

Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs (such interest subject, in the case of Index Linked Interest Notes, to adjustment in accordance with Condition 7(a)(ii) or Condition 7(b)(ii), as applicable).

Before giving any notice of redemption under this Condition 8(d)(i), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d)(i) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(ii) *Optional Redemption for Taxation Reasons*: If the Issuer would, on the next Note Payment Date, be obliged to deduct or withhold from any payment of interest or principal in respect of the Notes (other than in respect of default interest), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) or (b) FinCo would, on or about the next interest payment date under the Intercompany Loan Agreement, be obliged to increase any sum payable by it to the Issuer under the Intercompany Loan Agreement as a result of FinCo being required to deduct or withhold any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) from that payment, then the Issuer may, upon giving not more than 60 days nor less than 30 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Notes on the Optional Redemption Date at their Principal Amount Outstanding plus accrued but unpaid interest thereon to (but excluding) the date of redemption (adjusted, in the case of Indexed Notes, in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) without premium or penalty. Before giving any notice of redemption under this Condition 8(d)(ii), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d)(ii) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(e) *Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*

If the Issuer receives (or is to receive) any monies (a) pursuant to the Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments or the Security Group Post-Enforcement (Post-Acceleration) Priority of Payments, (b) pursuant to the exercise of the P1 ICL Call Option (as defined in the Security Trust and Intercreditor Deed) or (c) other than in accordance with Condition 8(b) (*Optional Redemption*), 8(c) (*Optional Redemption as Result of Ratings Event*) or 8(d) (*Optional Redemption for Index Event or Taxation Reasons*) above, in Prepayment of all or any ICL Loan under the Intercompany Loan Agreement, the Issuer shall, upon giving not more than 30 nor less than 10 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all of the Notes of the relevant Sub-Class of Notes on their next respective Note Payment Dates at their Principal Amount Outstanding plus accrued but unpaid interest to (but excluding) the date of redemption or (where part only of such ICL Loan has been Prepaid) the proportion of the relevant Sub-Class of Notes which the prepayment amount bears to the amount of the relevant ICL Loan. Before giving any notice of redemption under this Condition 8(e), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer stating that the Issuer is required to effect such redemption under this Condition 8(e) and setting forth a statement of facts showing that the conditions precedent to the obligation of the Issuer so to redeem have been satisfied.

(f) *Purchase of Notes (other than Class R Notes) by the Issuer*

The Issuer may not at any time purchase any of the Notes (other than Class R Notes in accordance with Condition 8(h) (*Issue, repurchases and resales of Class R Notes by Issuer*)).

(g) *Purchase of Notes by FinCo and other Obligors*

FinCo and any of the other Obligors (provided that such Obligor is ordinarily resident in the United Kingdom for United Kingdom tax purposes) may at any time purchase Notes of any Class in accordance with applicable law and the provisions of the Common Terms Agreement. Any Notes purchased by FinCo may, at the option of FinCo, be surrendered to the Issuer. Upon surrender of any such Note (other than a Class R Note), the Note will be cancelled.

If not all the Registered Notes are to be purchased, upon surrender of the existing Individual Note Certificate, the Registrar shall forthwith upon the written request of the Noteholder concerned issue a new Individual Note Certificate in respect of the Notes which are not to be purchased and despatch such Individual Note Certificate to the Noteholder (at the risk of the Noteholder and to such address as the Noteholder may specify in such request).

(h) *Issue, repurchases and resales of Class R Notes by Issuer*

(i) The Issuer may enter into a Class R Underwriting Agreement (as defined below) and issue Class R1 Notes and Class R2 Notes, in which case it may use the

proceeds from the issue of the Class R Notes immediately to repurchase (but not cancel) such Class R Notes. The Issuer may only issue Class R Notes if it enters into a Class R Underwriting Agreement and if the aggregate nominal amount of Class R1 Notes issued is equal to the aggregate nominal amount of Class R2 Notes issued.

(ii) The Issuer will (save to the extent that Condition 8(h)(iii) applies and save where an Issuer Event of Default or a Potential Issuer Event of Default is outstanding) on any Note Payment Date falling on or prior to the Note Payment Date falling on or before the last day of the period agreed as being the period throughout which the underwriters will be bound to repurchase from the Issuer any Class R Notes (the "**Underwriting Period**") repurchase all Class R Notes outstanding on each Note Payment Date at a price which is equal to their Principal Amount Outstanding, plus accrued but unpaid interest to (but excluding) the date of repurchase. The Issuer may at its option cancel, hold or resell all or any of the Class R Notes so purchased (or purchased by FinCo and surrendered to the Issuer pursuant to Condition 8(g) (*Purchase of Notes by FinCo and other Obligors*) above) provided that it shall not on any Note Payment Date resell, or procure the resale of, more than 50 per cent. of the aggregate Principal Amount Outstanding of the Class R Notes or cancel Class R Notes such that the aggregate nominal amount of Class R1 Notes then outstanding and the aggregate nominal amount of Class R2 Notes then outstanding is unequal.

(iii) Notwithstanding the provisions of Condition 8(h)(ii), the Issuer shall not, during the Underwriting Period, be obliged to repurchase from holders any Class R Notes in respect of which it holds insufficient funds to effect such repurchase in accordance with Condition 8(h)(ii), if such insufficiency arises as a result of the Class R Underwriters not being obliged to repurchase Class R Notes from the Issuer to finance such repurchase from holders by the Issuer, or as a result of any Class R Underwriter failing to honour its commitment under the Class R Underwriting Agreement to purchase Class R Notes from the Issuer. The Class R Notes to be repurchased on a Note Payment Date, in respect of which there are insufficient funds to effect such repurchase in full, shall be repurchased *pro rata* from the holders of the Class R Notes using such funds as are available for such purpose pursuant to the Issuer Pre-Enforcement Priority of Payments.

(iv) If, by virtue of the operation of Condition 8(h)(iii), the Issuer is not obliged to repurchase all the Class R Notes on any Note Payment Date, the Issuer shall, as soon as reasonably practicable after becoming aware that it will not be repurchasing such Class R Notes by virtue of the operation of Condition 8(h)(iii) (and, in any event, by no later than 11.00 a.m. on the Note Payment Date upon which it would otherwise have repurchased such Class R Notes), give notice to the Class R Noteholders, the Note Trustee, the Rating Agencies and the Principal Paying Agent, in accordance with the provisions of Condition 16 (*Notices*), specifying the amount of Class R Notes which will not be repurchased on such Note Payment Date.

(v) Any Class R Notes held by or on behalf of the Issuer at the close of business on the Note Payment Date falling at the end of the Underwriting Period shall be cancelled and any Class R Notes purchased by the Issuer on or after such Note Payment Date shall be cancelled immediately upon such repurchase.

(vi) *Definition of "Class R Underwriting Agreement"*

A Class R Underwriting Agreement shall mean an underwriting agreement entered into with underwriters whose short-term and long-term ratings are at least equal to the Minimum Short Term Ratings and the Minimum Long Term Ratings (each as defined in or for the purposes of the Common Terms Agreement) from each of the Rating Agencies rating the Class R Notes pursuant to which:

(A) such underwriters agree during the Underwriting Period to purchase and repurchase from the Issuer on request all or any Class R Notes then in issue on (subject to (B) below in the case of certain repurchases) such terms as are agreed between them;

(B) the only condition that may apply to the repurchase of Class R Notes by the underwriters up to a maximum aggregate nominal amount not exceeding that of all Class R Notes then in circulation shall be that no Issuer Event of Default or Potential Issuer Event of Default shall have occurred and be continuing; and

(C) if (but for any Obligor Event of Default or Potential Obligor Event of Default, as defined in the Common Terms Agreement) FinCo would be obliged under the Common Terms Agreement to refinance, in whole or in part, any ICL Loan (as defined in or for the purposes of the Common Terms Agreement) corresponding to any Class R1 Notes under the Intercompany Loan Agreement (which corresponds to any Class R1 Notes) with another ICL Loan from the Issuer (which is to be financed by the repurchase price payable by the underwriters for Class R2 Notes), the underwriters are obliged (subject only to (B) above, and notwithstanding any Obligor Event of Default or Potential Obligor Event of Default) to repurchase Class R2 Notes from the Issuer in an amount sufficient to finance the making of such ICL Loan.

(vii) *Maturity of Class R Notes*

Subject to satisfying the Ratings Test, the Class R Notes may mature on a date falling after the end of the Underwriting Period, as specified in the relevant Final Terms.

(i) *Cancellation*

In respect of all Notes redeemed by the Issuer, the Bearer Notes or the Registered Notes shall be surrendered to or to the order of the Principal Paying Agent or the Registrar, as the case may be, for cancellation and, if so surrendered, will be cancelled forthwith (together with, in the case of Bearer Notes, all unmatured Coupons and unexchanged

Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) *Subordination of principal*

In the case of principal on any Class of Notes other than the Most Senior Class of Notes, if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a) (*Default Events*), there are insufficient funds available to the Issuer in accordance with the Issuer Payment Priorities to pay such principal due, the Issuer's liability to pay such principal will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred principal on a Sub-Class of Notes shall be payable *pro rata* and *pari passu* with deferred principal on all other Sub-Classes of Notes in such Class. Interest will accrue on such deferred principal at the rate otherwise payable on unpaid principal of such Notes.

(k) *Issuer Clean-up Call Option*

Subject as provided below and if an Issuer Clean-up Call Option is specified in the relevant Final Terms, in the event that the Clean-up Call threshold in nominal amount of Notes of a Sub-Class of Notes then outstanding have been redeemed or repurchased pursuant to this Condition 8, the Issuer may, on not less than 30 or more than 60 days' notice to Noteholders (given within 30 days after the relevant redemption or repurchase date) redeem or repurchase (or procure the purchase of), at its option, the remaining Notes of such Sub-Class of Notes in whole but not in part at a price equal to the Redemption Amount thereof plus, if appropriate, interest accrued to but excluding the Note Payment Date on which such redemption, repurchase or purchase, as the case may be, occurs.

9. Payments

(a) *Bearer Notes*

Payments to the Noteholders of principal (or, as the case may be, Redemption Amounts or other amounts payable on redemption) and interest (or, as the case may be, Interest Amounts) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 9(f) (*Unmatured Coupons and Unexchanged Talons*)) or Coupons (in the case of interest, save as specified in Condition 9(f) (*Unmatured Coupons and Unexchanged Talons*)), as the case may be, at the specified office of any Paying Agent outside the United States of America by transfer to an account denominated in the currency in which such payment is due which is maintained by the payee with, or (in the case of Notes in definitive form only) a cheque payable in that currency drawn on, a bank in the Relevant Financial Centre.

(b) *Registered Notes*

Payments of principal (or, as the case may be Redemption Amounts or other amounts payable on redemption) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the fifteenth day before the due date for any such payment (the "**Record Date**"), by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with a bank in the Relevant Financial Centre upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

Payments of interest (or, as the case may be Interest Amounts) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the relevant Record Date, by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with, a bank in the Relevant Financial Centre and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

(c) *Payments in the United States of America*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

(i) the Issuer shall have appointed Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due;

(ii) payment in full of such amounts at all such offices outside the United States of America is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and

(iii) such payment is then permitted by the law of the United States of America, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws*

All payments are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment 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 any laws implementing an intergovernmental approach thereto.

(e) *Appointment of the Agents*

The Paying Agents, the Agent Bank, the Transfer Agents and the Registrar appointed by the Issuer (and their respective specified offices) are listed in the Agency Agreement. The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, provided that the Issuer will at all times maintain (i) a Principal Paying Agent (in the case of Bearer Notes), (ii) a Registrar (in the case of Registered Notes), (iii) an Agent Bank or Calculation Agent (as specified in the relevant Final Terms) (in the case of Floating Rate Notes or Indexed Notes) and (iv) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent, Transfer Agent or Registrar in any particular place, a Paying Agent, Transfer Agent and/or Registrar, as applicable, having its specified office in the place required by such listing authority, stock exchange and/or quotation system, which, while any Notes are admitted to trading on Euronext Dublin, shall be in Ireland. Notice of any such variation, termination or appointment will be given in accordance with Condition 16 (*Notices*).

(f) *Unmatured Coupons and Unexchanged Talons*

(i) Subject to the provisions of the relevant Final Terms, upon the due date for redemption of any Note which is a Bearer Note (other than a Fixed Rate Note, unless it has all unmatured Coupons attached), unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the date for redemption of any Note, any unmatured Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iii) Where any Note, which is a Bearer Note and is a Fixed Rate Note, is presented for redemption without all unmatured Coupons and any unexchanged Talons relating to it, a sum equal to the aggregate amount of the missing unmatured Coupons will be deducted from the amount of principal due for payment and redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) If the due date for redemption of any Note is not a Note Payment Date, interest accrued from the preceding Note Payment Date or the Interest Commencement Date, as the case may be, or the Interest Amount payable on such date for redemption shall only be payable against presentation (and surrender if appropriate) of the relevant Note and Coupon.

(g) *Non-Business Days*

Subject as provided in the relevant Final Terms, if any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day in the relevant place and shall not be entitled to any further interest or other payment sum in respect of such delay. In this paragraph, "**business day**" means a day which (subject to Condition 13 (*Prescription*)) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):

(A) in the case of Notes in definitive form only, in the relevant place of presentation, and

(B) in each Additional Financial Centre (other than the T2 System) specified in the applicable Final Terms;

(ii) if the T2 System is specified as an Additional Financial Centre in the applicable Final Terms, a TARGET Settlement Day; and

(iii) either (a) in relation to any sum payable in a Relevant Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the Relevant Currency or (b) in relation to any sum payable in euro, a TARGET Settlement Day.

(h) *Talons*

On or after the Note Payment Date for the final Coupon forming part of a coupon sheet issued in respect of any Note, the Talon forming part of such coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further coupon sheet (and if necessary another Talon for a further coupon sheet but excluding any Coupons which may have become void pursuant to Condition 13 (*Prescription*)).

10. Taxation

All payments in respect of the Notes and Coupons will be made (whether by the Issuer, any Paying Agent, the Registrar or the Note Trustee) without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, any Paying Agent or the Registrar or, where applicable, the Note Trustee is required by applicable law to make such a withholding or deduction. In that event, the Issuer, such Paying Agent, the Registrar or the Note Trustee, 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. None of the Issuer, any Paying Agent, the Registrar or the Note Trustee will

be obliged to make any additional payments to the Noteholders or the Couponholders in respect of such withholding or deduction.

Notwithstanding any other provision in these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes and Coupons for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

11. Issuer Events of Default

(a) *Default Events*

If an Issuer Event of Default (as defined below) occurs and is continuing, then the Note Trustee may, at its discretion, at any time (in accordance with the provisions of the Trust Deed), having certified (in the case of Condition 11(a)(ii)) in writing that in its opinion the happening of such event is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and shall, upon the Note Trustee being (i) so requested in writing by holders of at least one quarter in principal amount of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*)) of the holders of the Most Senior Class of Notes then outstanding and (ii) indemnified and/or secured to its satisfaction, give notice (a "**Note Enforcement Notice**") to the Issuer and the Noteholders declaring the Notes to be immediately due and repayable.

Each of the following will constitute an "**Issuer Event of Default**" under the Notes:

(i) if default is made for a period of six days in the payment of any sum due in respect of the Most Senior Class of Notes then outstanding (or any Sub-Class of them) (other than the payment of any Note Step-Up Amount); or

(ii) if the Issuer fails to perform or observe any of its obligations (other than payment obligations referred to in (i) above) under the Notes (including these Conditions) or the Issuer Transaction Documents and, if the Note Trustee considers that such default can be remedied, such failure continues for a period of 30 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or

(iii) if any order is made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer (or any analogous proceedings) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Note Trustee or sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding; or

(iv) if (other than as referred to in (v) below) (1) any other proceedings are initiated against the Issuer under any applicable liquidation, bankruptcy, insolvency,

composition, reorganisation, readjustment or other similar laws and such proceedings are not being disputed in good faith, (2) an administrative receiver or other receiver, administrator or other similar official is appointed in relation to the Issuer or in relation to, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer, (3) an encumbrancer (other than the Note Trustee) takes possession of, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer or (4) a distress or execution or other process is levied or enforced upon or sued out against, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases (other than in relation to the circumstances described in (2) where no grace period shall apply) such order, appointment, possession or process (as the case may be) is not discharged or stayed or does not cease to apply within 14 days; or

(v) if the Issuer or its directors (or any of them) initiates or consents to judicial proceedings relating to itself (except for the purposes of any amalgamation, merger, consolidation, reorganisation or other similar arrangement referred to in (iii) above) (including, without limitation, the giving of notice of intention to appoint an administrator or the filing of an application for administration by the Issuer or any of the directors of the Issuer) under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally; or

(vi) if the Issuer becomes unable to pay its debts as they fall due or is adjudicated or found bankrupt.

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

Upon delivery of a Note Enforcement Notice in accordance with Condition 11(a) (*Default Events*) above, all Classes of the Notes then outstanding 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 Deed of Charge.

(c) *Confirmation of no Issuer Event of Default*

The Issuer shall provide written confirmation to the Note Trustee, on an annual basis, that no Issuer Event of Default has occurred.

12. Enforcement Against Issuer

No Noteholder is entitled to take any action against the Issuer or any assets of the Issuer to enforce its rights in respect of the Notes or to enforce any of the Issuer Security. The Note Trustee will act (subject to Condition 4(e) (*Enforceable Security*)) on the instructions of the holders of the Most Senior Class of Notes then outstanding and the Note Trustee shall not be bound to take any such action unless it is indemnified and/or secured to its

satisfaction against all fees, costs, expenses, liabilities, claims and demands to which it may thereby become liable or which it may incur by so doing.

Neither the Note Trustee nor the Noteholders may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Issuer Deed of Charge and subject to the Trust Deed) or other proceeding under any similar law for so long as any Notes are outstanding or for two years and a day after the latest Maturity Date on which any Note of any Series is due to mature.

13. Prescription

Claims against the Issuer for payment in respect of the Notes or Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 6(j) (*Definitions*)) in respect thereof.

14. Replacement of Notes, Coupons and Talons

If any Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and requirements of Euronext Dublin or any other relevant exchange on which Notes are listed (in the case of listed Notes) (and each other listing authority, stock exchange and or quotation system upon which the relevant Notes have then been admitted to listing, trading and/or quotation), at the specified office of the Principal Paying Agent or, as the case may be, the Registrar 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 require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

15. Meetings of Noteholders, Modification, Waiver and Substitution

(a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of the Noteholders (in addition to a meeting of Noteholders held pursuant to Condition 8(c) (*Optional Redemption as Result of Ratings Event*)) to consider any matter affecting their interests, including the modification of the Notes, the Coupons or any of the provisions of the Trust Deed and any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement, save insofar as they relate to the Issuer) to which the Note Trustee is a party or over which it has security. Any modification may (subject to the other terms of this Condition 15(a)) be made if sanctioned by a resolution passed at a meeting or meetings of the relevant Noteholders duly convened and held in accordance with the Trust Deed and these Conditions by a majority of not less than $66^{2}/_{3}$ per cent. of the votes cast (an "**Extraordinary Resolution**") at such meeting or meetings. Such a meeting may be convened by the Note Trustee or the Issuer, and shall be convened by the Issuer upon the request in writing of the relevant

Noteholders holding not less than one-tenth in nominal amount of the relevant Notes for the time being outstanding.

The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. (or 75 per cent. in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification (as defined in the Security Trust and Intercreditor Deed) (save as regards any meeting convened by the Issuer pursuant to Condition 8(c) (*Optional Redemption as Result of Ratings Event*)) in respect of the Notes and the other Transaction Documents) in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting, one or more persons being or representing Noteholders, whatever the principal amount of the relevant Notes held or represented (or one or more persons holding or representing not less than 25 per cent. in principal amount of the relevant Notes for the time being outstanding, in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification). Any Extraordinary Resolution duly passed at any such meeting shall be binding on all of the Noteholders and Couponholders whether present or not.

In addition, (i) a resolution in writing signed by or on behalf of Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed, holding not less than $66^{2}/_{3}$ per cent. in principal amount of the relevant Notes outstanding or (ii) (in the case of Notes in the form of a Global Note or a Global Note Certificate) consent given by way of electronic consents through the relevant clearing system(s) by or on behalf of the holders of not less than $66^{2}/_{3}$ per cent. in principal amount of the relevant Notes outstanding, will take effect as if it were an Extraordinary Resolution and will be binding on all Noteholders and Couponholders whether or not they participated. A resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Note Trustee shall, if requested in writing by Noteholders holding Notes having in aggregate a Principal Amount Outstanding of at least 50% of the aggregate Principal Amount Outstanding of all the Notes, notify the Issuer of the Noteholders' desire for a meeting between the Issuer and the Noteholders to discuss the asset backing for the Notes and any issues directly relevant thereto. The Issuer shall, following receipt of such a notice from the Note Trustee, give to the Noteholders notice in accordance with Condition 16 (*Notices*) of a meeting to be held in London for such purpose falling not earlier than 30 days and not later than 60 days after receipt by it of the notice from the Note Trustee. All Noteholders shall be entitled to attend any such meeting and to raise with the Issuer's representatives present at such meeting (who shall include at least one director) any questions which relate directly to the asset backing for the Notes.

In the absence of any Obligor Event of Default or Issuer Event of Default, the Note Trustee (and the Noteholders) shall not be entitled to require the Issuer to convene more than one such meeting in any period of 12 months.

A Rating Agency may, on request, attend meetings of Noteholders at which an Extraordinary Resolution is to be considered unless the Noteholders at such meeting vote to exclude them in accordance with the Trust Deed. Any Rating Agency present at such

a meeting must leave the meeting when the Noteholders cast their votes on the relevant Extraordinary Resolution. A Rating Agency may not attend any other type of Noteholder meeting.

(b) *Debtholders' Meetings*

Pursuant to the Issuer Deed of Charge, the Issuer has assigned by way of security its interest in respect of the advances to FinCo under the Intercompany Loan Agreement and the security therefor to the Note Trustee for the benefit of, *inter alios*, the Noteholders. Accordingly the Security Trust and Intercreditor Deed provides that the relevant Qualifying Noteholders shall be entitled to instruct the Note Trustee to vote in *Debtholders' Meetings* instead of the Issuer on certain proposals relating to the Obligors and the Obligor Secured Creditors. Such proposal, if duly approved in such Debtholders' Meetings shall be a "**Secured Creditor Instruction**".

Any Noteholder who is a Qualifying Noteholder will vote at a Debtholders' Meeting solely by instructing the Note Trustee to vote on its behalf as its Representative (as defined in the Security Trust and Intercreditor Deed) in such Debtholders' Meeting. In any Debtholders' Meeting, voting shall be determined on a pound-for-pound basis by reference to the Principal Amount Outstanding owed to each of the relevant Qualifying Debtholders, so that all votes in favour of the proposal and against the proposal from the Qualifying Noteholders and the other Qualifying Debtholders (who are not Noteholders) are considered on an aggregated basis, irrespective of whether a majority of such Qualifying Noteholders are in favour of or against the proposal.

If any Noteholder is a Qualifying Noteholder, then for the purpose of voting in such Debtholders' Meeting, the Note Trustee shall convene a meeting of the Qualifying Noteholders of any relevant Class or Sub-Class in accordance with the Trust Deed to consider the proposed Secured Creditor Instruction and to instruct the Note Trustee how to vote on each Qualifying Noteholder's behalf on such proposal. After obtaining the instruction of the Qualifying Noteholders who are present at such meeting, the Note Trustee shall vote in the Debtholders' Meeting in accordance with such instructions.

The Obligor Security Trustee shall, pursuant to the Security Trust and Intercreditor Deed, request the Note Trustee to confirm that the quorum requirement for any meeting of Qualifying Noteholders had been satisfied, that is, one or more persons holding or representing at least 25 per cent. in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting of Qualifying Noteholders, one or more persons being or representing Qualifying Noteholders, whatever the principal amount of the relevant Notes held or represented.

Irrespective of the result of voting at a meeting of Noteholders in relation to a proposed Secured Creditor Instruction, any Secured Creditor Instruction duly approved at a Debtholders' Meeting shall be binding on all of the Noteholders and Couponholders.

(c) *Modification, consent and waiver*

As more fully set out in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may, without the consent of the Noteholders of any Sub-Class, concur with the Issuer and any other relevant parties in making (i) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement save insofar as they relate to the Issuer) which is of a formal, minor or technical nature or is made to correct a manifest error or an error in respect of which an English Court could reasonably be expected to make a rectification order; (ii) any other modification of and the granting of any consent under, or waiver or authorisation of any breach or proposed breach of, these Conditions, the Trust Deed or any other Issuer Transaction Document or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) which is, in the opinion of the Note Trustee, not materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding; and (iii) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Documents or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) if such modification is made for an Accepted Restructuring Purpose or pursuant to Proposed Non-UK Structural Changes (as defined in or for the purposes of the Common Terms Agreement) and no Ratings Event occurs in respect of the proposed modification. Any such modification, consent, waiver or authorisation shall be binding on all Noteholders and the holders of all relevant Coupons and, in each case, if the Note Trustee so requires, notice thereof shall be given by the Issuer to the Noteholders as soon as practicable thereafter.

No Extraordinary Resolution in respect of a Basic Terms Modification or a change in respect of the Financial Covenant shall be binding on the Note Trustee or the Noteholders (or any of them) unless the Obligor Security Trustee has confirmed to the Note Trustee that such modification has also been approved by each of the other providers of finance to the Obligors in accordance with the relevant credit facility agreements between FinCo (or any other Obligor) and the other providers of such finance.

The Note Trustee, in exercising its discretion to concur in making any modification, granting any consent under or waiver for authorisation of any breach or proposed breach of these Conditions, the Trust Deed or any other Issuer Transaction Document (other than a Basic Terms Modification or a change in respect of the Financial Covenant), shall be entitled to have regard to the Ratings Test (as defined in the Common Terms Agreement) and it may consider the Ratings Test to be an appropriate test or the only appropriate test to apply in that circumstance in exercising its discretion.

(d) *Substitution of the Issuer*

As more fully set forth in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may also agree with the Issuer, without reference to the Noteholders, to the substitution of another corporation in place of the Issuer as principal debtor in respect of the Trust Deed and the Notes of all Series.

16. Notices

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the date of posting. Other notices to Noteholders will be valid if published in a leading daily newspaper having general circulation in Ireland (which is expected to be the *Irish Times*). The Issuer shall also ensure that all notices are duly published in a manner that complies with the rules and regulations of Euronext Dublin and any other listing authority, stock exchange and/or quotation system on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice (other than to holders of Registered Notes as specified above) 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 date of the first publication in all required newspapers. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

The Note Trustee will also provide a Rating Agency, at its request from time to time, with all notices, written information and reports that the Note Trustee sends or makes available to all Noteholders of any Class or Sub-Class except to the extent that such notices, information or reports contain information confidential to third parties.

17. Miscellaneous

(a) *Governing Law*

The Trust Deed, the Issuer Deed of Charge (except in respect of certain terms that may relate to the creation, subsistence or enforcement of security in assets governed by law other than English law), the Notes, the Coupons, the Talons (if any) and the other Issuer Transaction Documents are, and all non-contractual obligations arising out of or in connection with such documents shall be, governed by English law.

(b) *Third Party Rights*

No person shall have any right to enforce any term or condition of the Notes or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

6. Sub-Class A18 Notes and Sub-Class A19 Notes: 2023 Terms and Conditions (to be read as amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

Chapter 13
Terms and Conditions of the Notes

Contents

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Land Securities Capital Markets PLC (the "**Issuer**") has established a multicurrency programme (the "**Programme**") for the issuance of up to £7,000,000,000 Notes (the "**Notes**"). Notes issued under the Programme on a particular Issue Date comprise a Series (a "**Series**"), and each Series comprises one or more Classes of Notes (each a "**Class**"). Each Class may comprise one or more sub-classes (each a "**Sub-Class**").

A Class designation denotes priority ranking in point of security. First ranking Notes will be designated as "**Class A Notes**" or (if issued pursuant to a Class R Underwriting Agreement) as Class R1 Notes ("**Class R1 Notes**" and, together with the Class A Notes, the "**Priority 1 Notes**"), second ranking Notes will be designated as "**Class B Notes**" or (if issued pursuant to a Class R

Underwriting Agreement) as Class R2 Notes ("**Class R2 Notes**" and, together with the Class R1 Notes, the "**Class R Notes**", and the Class B Notes together with the Class R2 Notes, the "**Priority 2 Notes**") and any Notes issued in any Class or Classes of Notes designated as ranking below the Priority 2 Notes will be designated as the "**Subordinated Notes**".

A Sub-Class of Notes may have economic terms that differ from the other Sub-Class(es) of Notes in the same Class and each Sub-Class may therefore be denominated in a different currency or have different interest rates and/or interest payment dates, maturity dates or other terms. Notes of any Sub-Class may be zero coupon Notes ("**Zero Coupon Notes**"), fixed rate Notes ("**Fixed Rate Notes**"), floating rate Notes ("**Floating Rate Notes**"), index-linked Notes ("**Indexed Notes**"), or any other type of Note issued by the Issuer from time to time and may be denominated in sterling, euro, U.S. dollars or in other currencies subject to compliance with applicable law.

The terms and conditions applicable to any particular Sub-Class of Notes are these terms and conditions ("**Conditions**") as completed by a final terms relating to such Sub-Class substantially in the form of the *pro forma* final terms set out in the base prospectus as revised, supplemented or amended from time to time ("**Base Prospectus**") for the Notes ("**Final Terms**") or, in the case of Notes issued before 1 July 2005, a pricing supplement in which case, where the context requires or permits, a reference in these Conditions to Final Terms shall be a reference to such pricing supplement. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

The Final Terms for this Note complete these Conditions. Reference to "**Final Terms**" is to the Final Terms annexed to this Note.

The Notes are subject to and have the benefit of a trust deed dated 3 November 2004 (the "**Exchange Date**") (the "**Principal Trust Deed**"), such Principal Trust Deed and any subsequent supplemental trust deeds, the last dated 8 August 2023 (the "**Eleventh Supplemental Trust Deed**" and, together with the Principal Trust Deed and any subsequent supplemental trust deeds, the "**Trust Deed**", as amended, supplemented, restated and/or novated from time to time) between the Issuer and Deutsche Trustee Company Limited as trustee for the Noteholders (the "**Note Trustee**", which expression includes the trustee or trustees of the Trust Deed from time to time).

The Notes have the benefit (to the extent applicable) of an amended and restated agency agreement (as amended, supplemented and/or restated from time to time, the "**Agency Agreement**") dated 20 July 2022 between the Issuer, the Note Trustee, the Principal Paying Agent, the other Paying Agents, the Transfer Agents and the Registrar. As used herein, each of "**Principal Paying Agent**", "**Paying Agents**", "**Agent Bank**", "**Transfer Agents**" and/or "**Registrar**" means, in relation to the Notes, the persons specified in the Agency Agreement as the Principal Paying Agent, Paying Agents, Agent Bank, Transfer Agents and/or Registrar respectively and, in each case, any successor to such person in such capacity. The Notes may also have the benefit (to the extent applicable) of a calculation agency agreement (in the form or substantially in the form of Schedule 1 to the Agency Agreement, the "**Calculation Agency Agreement**") between, *inter alios*, the Issuer and any calculation agent appointed by the Issuer as calculation agent (the "**Calculation Agent**"). In these Conditions, "**Agents**" means the Principal Paying Agent, the Paying Agents, the Agent Bank, the Transfer Agents, the Registrar and any Calculation Agent and "**Agent**" means any of them.

On the Exchange Date, the Issuer entered into a loan agreement (the "**Intercompany Loan Agreement**") with LS Property Finance Company Limited ("**FinCo**") pursuant to which the Issuer will make loan advances to FinCo with the proceeds of any issue of Notes under the Programme. The obligation of FinCo to pay interest and/or repay principal under the Intercompany Loan Agreement will exclusively support the Issuer's obligations in respect of the Notes and will be secured pursuant to the Obligor Security Documents.

On the Exchange Date, the Issuer entered into an account bank and cash management agreement (the "**Account Bank and Cash Management Agreement**") with Lloyds Bank plc (the "**Account Bank**", which term shall include the successors or assignees thereof), Land Securities (Finance) Limited (the "**Cash Manager**"), FinCo, the Obligors, the Obligor Security Trustee (each as defined below) and the Note Trustee.

On the Exchange Date, the Issuer entered into a deed of charge (the "**Issuer Deed of Charge**") with, among others, the Note Trustee in its capacity as trustee for the Issuer Secured Creditors (as defined below), pursuant to which the Issuer grants fixed and floating charge security over all its assets and undertakings (the "**Issuer Security**") to the Note Trustee for itself and on behalf of the Noteholders, any receiver appointed under the Issuer Deed of Charge, each Agent, the Account Bank and any Replacement Cash Manager and any other creditors who accede to the Issuer Deed of Charge from time to time in accordance with the terms thereof (together, the "**Issuer Secured Creditors**").

On the Exchange Date, the Issuer entered into a security trust and intercreditor deed (the "**Security Trust and Intercreditor Deed**") with the Note Trustee, Deutsche Trustee Company Limited as security trustee for the Issuer and the other Obligor Secured Creditors (as defined in the Security Trust and Intercreditor Deed) (the "**Obligor Security Trustee**"), the Obligors (as defined in the Security Trust and Intercreditor Deed) and the other Obligor Secured Creditors, pursuant to which the Obligor Security Trustee holds the Obligor Security on trust for the Obligor Secured Creditors (including, save as regards the floating charges contained in the Security Trust and Intercreditor Deed, the Issuer) and the Obligor Secured Creditors (including the Issuer) agree to certain intercreditor arrangements.

On the Exchange Date, the Issuer entered into a floating charge agreement (the "**Obligor Floating Charge Agreement**") with the Note Trustee, the Obligor Security Trustee and the Obligors, pursuant to which the Issuer has the benefit of a first ranking floating charge over the whole of each Obligor's undertaking, assets, property and rights whatsoever and wheresoever, present and future.

On the Exchange Date, the Issuer entered into a common terms agreement (the "**Common Terms Agreement**") with the Note Trustee, the Obligor Security Trustee, the Obligors and the other Obligor Secured Creditors pursuant to which the Issuer has the benefit of certain representations, warranties and covenants made by the Obligors.

On the Exchange Date, certain Obligors granted standard securities (the "**Standard Securities**") over their real estate properties in Scotland, the benefit of which are held on trust in accordance with the Security Trust and Intercreditor Deed.

The Security Trust and Intercreditor Deed, the Obligor Floating Charge Agreement and the Standard Securities secure (*inter alia*) the obligations of FinCo under the Intercompany Loan Agreement, which (by virtue of the Issuer Deed of Charge) means that the Notes are indirectly secured by all the assets over which such security is created. The Issuer Deed of Charge enables the Note Trustee to exercise all of the Issuer's rights in respect of the Intercompany Loan Agreement and the security documents referred to above.

The Obligors (who have granted such security) will be affiliates of the Issuer, including in particular FinCo and Land Securities PLC.

On or around the date of this Prospectus, the Issuer entered into an amended and restated dealership agreement (as amended, supplemented and/or restated from time to time, the "**Dealership Agreement**") with the Obligors and the dealers named therein (the "**Dealers**") in respect of the Programme, pursuant to which any of the Dealers may enter into subscription agreements in relation to Classes or Sub-Classes of Notes (other than any Class R Notes) issued by the Issuer, and pursuant to which the Dealers agree to subscribe for the relevant Classes or Sub-Classes of Notes.

The Issuer may enter into an underwriting agreement (a "**Class R Underwriting Agreement**") with the underwriters named therein (the "**Class R Underwriters**"), pursuant to which the Class R Underwriters will agree to underwrite the issue and sale of Class R Notes.

On the Exchange Date, the Issuer entered into a deed of covenant (the "**Tax Deed of Covenant**") with the Note Trustee, the Obligor Security Trustee, the Obligors and Land Securities Group PLC.

The Trust Deed, the Notes (including the relevant Final Terms), the Agency Agreement, the Issuer Deed of Charge, the Security Trust and Intercreditor Deed, the Intercompany Loan Agreement, the Obligor Floating Charge Agreement, the Common Terms Agreement, the Account Bank and Cash Management Agreement and the Tax Deed of Covenant are together referred to as the "**Issuer Transaction Documents**".

Terms not defined in these Conditions have the meaning set out in the Trust Deed.

Certain statements in these Conditions are summaries of, and are subject to, the detailed provisions appearing in the Trust Deed, the Issuer Deed of Charge, the Agency Agreement, any Class R Underwriting Agreement, the Dealership Agreement or the other Issuer Transaction Documents. Copies of, *inter alia*, the Issuer Transaction Documents are available for inspection during normal business hours at the specified offices of the Paying Agents (in the case of Bearer Notes) or the specified offices of the Transfer Agents and the Registrar (in the case of Registered Notes) (each as defined below), save that, if this Note is an unlisted Note of any Sub-Class, the relevant Final Terms will only be obtainable by a Noteholder holding one or more unlisted Notes of that Sub-Class and such Noteholder must provide evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity.

The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the relevant Final Terms and the provisions of the Agency Agreement applicable to them. In addition, the Noteholders are entitled to the benefit of, are bound by, and will be deemed to have notice of the provisions of the Issuer

Deed of Charge, the Intercompany Loan Agreement, the Common Terms Agreement and the other Issuer Transaction Documents applicable to them.

Any reference in these Conditions to a matter being "**specified**" means as the same may be specified in the relevant Final Terms.

1. Form, Denomination, Title

(a) *Form and Denomination*

The Notes will be issued either (i) in bearer form ("**Bearer Notes**"), serially numbered in a Specified Denomination (as specified in the Final Terms) or (ii) in registered form ("**Registered Notes**") serially numbered in the Specified Denomination or an integral multiple thereof. References in these Conditions to "**Notes**" include Bearer Notes and Registered Notes and all Sub-Classes, Classes and Series of Notes.

Interest bearing Bearer Notes (other than Class R Notes) are issued with Coupons (as defined below) and, where appropriate, a Talon (as defined below) attached. After all the Coupons attached to, or issued in respect of, any Bearer Note which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and (if necessary) one further Talon will be issued against presentation of the relevant Talon at the specified office of any Paying Agent.

(b) *Title*

Title to Bearer Notes, Coupons and Talons (if any) passes by delivery. Title to Registered Notes passes by registration in the register (the "**Register**"), which the Issuer shall procure will be kept by the Registrar.

In these Conditions, subject as provided below, each "**Noteholder**", "**holder**" and "**Holder**" (in relation to a Note) means (i) in relation to a Bearer Note, the bearer of any Bearer Note and (ii) in relation to a Registered Note, the person in whose name a Registered Note is registered. The expressions "**Noteholder**", "**holder**" and "**Holder**" also include the holders of the Coupons (which, in relation to Class A Notes, will be "**Class A Coupons**", in relation to Class B Notes, "**Class B Coupons**", in relation to the Subordinated Notes, "**Subordinated Coupons**" and, together, the "**Coupons**") (if any) appertaining to interest bearing Bearer Notes (the "**Couponholders**") and the expression Couponholders includes the bearers of Talons in relation to Coupons (which, in relation to Class A Notes, will be "**Class A Talons**", in relation to Class B Notes, "**Class B Talons**", in relation to the Subordinated Notes, "**Subordinated Talons**" and together, the "**Talons**") (if any) for further Coupons attached to such Notes (the "**Talonholders**").

The bearer of any Bearer Note, Coupon or Talon and the registered holder of any Registered Note will (except as otherwise required by law) be deemed and treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the relevant Note, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Registered Note, a duly executed transfer of such Note in the form endorsed on the Note Certificate in respect thereof) and no person will be liable for so treating the holder.

(c) *Fungible Issues of Notes comprising a Sub-Class*

A Sub-Class of Notes may comprise a number of issues of Notes of such Sub-Classes in addition to the initial issue of such Sub-Class, each of which will be issued on identical

terms and conditions save for the first Note Payment Date, the Issue Date and the Issue Price. Such further issues of the same Sub-Class will be consolidated with and form a single series with the prior issues of Notes of that Sub-Class.

2. Exchanges of Notes and Transfers of Registered Notes

(a) *Exchange of Notes*

Registered Notes may not be exchanged for Bearer Notes and vice versa.

(b) *Transfer of Registered Notes*

A Registered Note may upon the terms and subject to the conditions of the Agency Agreement be transferred upon the surrender of the relevant Individual Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of any Transfer Agent or the Registrar. However, a Registered Note may not be transferred unless (i) the principal amount of Registered Notes to be transferred and (ii) the remaining principal amount of the Registered Notes (if any) to be retained by the relevant transferor are, in each case, Specified Denominations. In the case of a transfer of part only of a holding of Registered Notes represented by an Individual Note Certificate, a new Individual Note Certificate in respect of the balance not transferred will be issued to the transferor within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer.

(c) *Delivery of New Individual Note Certificates*

Each new Individual Note Certificate to be issued upon transfer of Registered Notes will, within three Business Days (in the place of the specified office of the Transfer Agent or the Registrar) of receipt of such form of transfer, be available for delivery at the specified office of the Transfer Agent or the Registrar stipulated in the form of transfer, or be mailed at the risk of the Noteholder entitled to the Individual Note Certificate to such address as may be specified in such form of transfer. For these purposes, a form of transfer received by the Registrar after the Record Date (as defined in Condition 9(b) below) in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar until the business day (as defined in Condition 9(g) below) following the due date for such payment.

(d) *No Charge*

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(e) *Closed Periods*

No transfer of a Registered Note may be registered during the period of 15 days ending on the due date for any payment of principal, interest, Interest Amount or Redemption Amount on that Note.

3. Status of Notes

(a) *Status of Class A Notes and Class R1 Notes*

This Condition 3(a) is applicable only in relation to Notes that are specified as being a Sub-Class of Class A Notes or Class R1 Notes in the relevant Final Terms.

The Class A Notes, Class A Coupons, Class A Talons and the Class R1 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and rank *pari passu* and *pro rata* without any preference among themselves.

(b) *Status of Class B Notes and Class R2 Notes*

This Condition 3(b) is applicable only in relation to Notes that are specified as being a Sub-Class of Class B Notes or Class R2 Notes in the relevant Final Terms.

Any Class B Notes, Class B Coupons, Class B Talons and the Class R2 Notes will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class A Notes, Class A Coupons, Class A Talons and the Class R1 Notes and rank *pari passu* and *pro rata* without any preference among themselves.

(c) *Status of Subordinated Notes*

This Condition 3(c) is applicable only in relation to Notes that are specified as being a Sub-Class of Subordinated Notes in the relevant Final Terms.

Any Subordinated Notes, Subordinated Coupons and Subordinated Talons will be direct and unconditional obligations of the Issuer, secured in the manner described in Condition 4 (*Security and Relationship with Issuer Secured Creditors*) and subordinated to the Class B Notes, Class B Coupons, Class B Talons and the Class R2 Notes and rank *pari passu* and *pro rata* without any preference among themselves. The precise ranking of the Subordinated Notes *vis-à-vis* any other Class of Subordinated Notes issued by the Issuer is as specified in the Final Terms.

The Issuer may after the Issue Date issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to, *pari passu* and *pro rata* with, or subordinate to, the Subordinated Notes existing at the time of such issue provided that the Issuer may only issue further Classes or Sub-Classes of Subordinated Notes which rank in priority to Subordinated Notes existing at the time of such issue if such issue has been approved by an Extraordinary Resolution of the Noteholders of any Affected Class.

In these Conditions "**Affected Class**" means:

(i) in relation to the proposed introduction or change of any Secondary Debt Rank or Primary Debt Rank, each Sub-Class of Notes which corresponds to an ICL Loan which, as a result of such introduction or change, will become subordinated in point of security to any other Subordinated ICL Loan or Subordinated ACF Loan to which it is not then subordinated;

(ii) in relation to the proposed incurrence of any Subordinated Debt after a Subordinated Debt Split, each Sub-Class of Notes which corresponds to a Subordinated ICL Loan that will be subordinate in point of security to the Subordinated Debt proposed to be drawn;

(iii) in relation to the proposed change of the Primary Debt Rank of any ICL Loan, the Sub-Class of Notes which corresponds to such Loan; and

(iv) in relation to any proposal to use funds standing to the credit of a DCA Ledger in respect of an ICL Loan to Prepay any Loan other than such ICL Loan, the Sub-Class of Notes which corresponds to such ICL Loan.

(d) *Note Trustee not responsible for monitoring compliance*

The Note Trustee shall not be responsible for monitoring compliance by the Issuer with any of its obligations under the Issuer Transaction Documents except by means of receipt of a certificate from the Issuer which will state, among other things, that no Issuer Event of Default is outstanding. The Note Trustee shall be entitled to rely on such certificates absolutely. The Note Trustee is not responsible for monitoring compliance by any of the parties with their respective obligations under the Issuer Transaction Documents. The Note Trustee may call for and is at liberty to accept as sufficient evidence a certificate signed by any two Authorised Signatories of the Issuer, the Obligors (or any of them) or any other party to any Issuer Transaction Document to the effect that any particular dealing, transaction, step or thing is in the opinion of the persons so certifying suitable or expedient or as to any other fact or matter upon which the Note Trustee may require to be satisfied. The Note Trustee is in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such certificate although the same may contain some error or is not authentic. The Note Trustee is entitled to rely upon any certificate believed by it to be genuine and will not be liable for so acting.

4. Security and Relationship with Issuer Secured Creditors

(a) *Security*

As far as permitted by and subject to compliance with any applicable law and as continuing security for the payment and discharge of the Issuer's obligations in respect of the Notes and Coupons and in respect of the other Issuer Secured Creditors under the Issuer Transaction Documents (including the remuneration, fees, expenses and other claims of the Note Trustee under the Trust Deed, and of the Note Trustee and any Receiver appointed under the Issuer Deed of Charge, to any Replacement Cash Manager

and the Account Bank under the Account Bank and Cash Management Agreement and to the Agents under the Agency Agreement) (the "**Issuer Secured Liabilities**") the Issuer created the following security (the "**Issuer Security**") in favour of the Note Trustee for itself and on behalf of the other Issuer Secured Creditors (including, without limitation, the Note Trustee on behalf of the Noteholders) by execution of the Issuer Deed of Charge on the Exchange Date:

(i) a first fixed charge over the Issuer Accounts;

(ii) an assignment and assignation by way of security of the interest of the Issuer under each Issuer Transaction Document (other than the Trust Deed and the Issuer Deed of Charge);

(iii) an assignment by way of security of the beneficial interest of the Issuer under the Obligor Transaction Documents; and

(iv) a first floating charge over the whole of the Issuer's undertaking, assets, property and rights whatsoever and wheresoever, present and future, including its uncalled capital,

all as more particularly set out in the Issuer Deed of Charge.

All Notes issued by the Issuer under the Programme share in the Issuer Security as more particularly set out in the Issuer Deed of Charge.

(b) *Relationship among Noteholders and with other Issuer Secured Creditors*

Except where expressly provided otherwise in the Trust Deed and/or these Conditions, including Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*), 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, 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 then outstanding if, in the Note Trustee's opinion, there is a conflict between the interests of the holders of such Class and any other Class of Notes then outstanding.

So long as any of the Notes remain outstanding, in the exercise of its rights, authorities and discretions under the Trust Deed, the Note Trustee is only required to have regard to the interests of the Noteholders or, as the case may be, the holders of the Most Senior Class of Notes then outstanding and not to the interests of the other Issuer Secured Creditors.

The Trust Deed and these Conditions contain provisions limiting the powers of the holders of any Class of Notes other than the Most Senior Class of Notes, *inter alia*, to request or direct the Note Trustee to take any action or to pass an effective Extraordinary Resolution which may affect the interests of the holders of each of the other Classes of Notes ranking equally with or senior to such Class. Except in certain circumstances set out in the Trust Deed and these Conditions (including Condition 15 (*Meetings of Noteholders,*

Modification, Waiver and Substitution)), the Trust Deed contains no such limitation on the powers of the holders of the Most Senior Class of Notes, the exercise of which will be binding on all such holders, irrespective of the effect thereof on their interests.

In exercising its rights, powers, trusts, authorities, duties and discretions in accordance with this Condition 4, the Note Trustee shall disregard any Step-Up Amounts for the purposes of determining whether there are any Notes of a particular Class outstanding.

In these Conditions, "**Most Senior Class of Notes**" means (i) any outstanding Class A Notes and Class R1 Notes, or (ii) if no Class A Notes or Class R1 Notes are then outstanding, any outstanding Class B Notes and Class R2 Notes, or (iii) if no Class A Notes, Class R1 Notes, Class B Notes or Class R2 Notes are then outstanding, the most senior outstanding Class of the Subordinated Notes, in each case, if instructing, directing or requesting the Note Trustee on any matter, acting together whether by means of an Extraordinary Resolution or a written instruction, direction or request of the holders of at least one quarter of the principal amount of the relevant Class of Notes then outstanding.

(c) *Relationship with Obligor Secured Creditors*

The Security Trust and Intercreditor Deed will include provisions relating to the holding of meetings between the providers of secured finance to the Obligors and Noteholders and voting on certain issues concerning the Obligors.

(i) *Debtholders' Meetings*: On issues relating to the enforcement of the security interests granted by the Obligors, the acceleration of secured obligations owed by the Obligors, the removal of the Obligor Security Trustee and the appointment of any successor thereof, and the modification or waiver of the Financial Covenant (as defined in the Common Terms Agreement), the Obligor Security Trustee shall, in accordance with the Security Trust and Intercreditor Deed, hold a Debtholders' Meeting, at which certain Class(es) or Sub-Class(es) of Noteholders who are Qualifying Debtholders for the purpose of such Debtholders' Meeting ("**Qualifying Noteholders**") are eligible to vote (the composition of the Qualifying Debtholders (and hence Qualifying Noteholders) in respect of a Debtholders' Meeting being prescribed in the Security Trust and Intercreditor Deed). At any Debtholders' Meeting, the Note Trustee shall act as the Representative (as defined in the Security Trust and Intercreditor Deed) of such Qualifying Noteholders. The Note Trustee will vote on behalf of such Qualifying Noteholders in accordance with Condition 15(b) (*Debtholders' Meetings*) below, and any decision reached at a Debtholders' Meeting shall bind all Classes of Noteholders.

(ii) *Extraordinary Resolutions*: On issues relating to the modification of, the consents under, or the waivers in respect of breaches or potential breaches of, the Obligor Transaction Documents (including any Basic Terms Modification, the creation or modification of Primary Debt Ranks or Secondary Debt Ranks, consent for the Obligors to incur Subordinated Debt (as defined in the Common Terms Agreement) which rank prior to, or *pari passu* with, any Subordinated Notes), the Obligor Security Trustee may, in accordance with the Security Trust and

Intercreditor Deed, seek confirmation from the Note Trustee that the holders of the Most Senior Class of Notes then outstanding (or, in the case of a Basic Terms Modification, the holders of each Sub-Class of Notes, or in the case of the modification of Primary Ranks or the creation or modification of Secondary Debt Ranks, the holders of Notes comprised in any Affected Class) have passed an Extraordinary Resolution approving such modification, consent or waiver, in accordance with Condition 15(a) (*Meetings of Noteholders*). Any such Extraordinary Resolution shall bind all Noteholders.

(d) *Application Prior to Enforcement*

Prior to enforcement of the Issuer Security by the Note Trustee, the Cash Manager, on behalf of the Issuer, is required to apply funds available to the Issuer in accordance with the Issuer Pre-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(e) *Enforceable Security*

In the event of the Issuer Security becoming enforceable as provided in Condition 11(b) (*Consequences of Notes becoming Due and Payable and Delivery of Note Enforcement Notice*) below, the Note Trustee may, at its discretion and without further notice, institute such proceedings as it thinks fit to enforce its rights with respect to the Issuer Security, but it shall not be bound to do so unless instructed by the holders of the Most Senior Class of Notes then outstanding, and without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any particular Noteholder, provided that the Note Trustee shall not be obliged to take any action unless it is indemnified and/or secured to its satisfaction.

Although the Issuer holds certain floating charges granted by the Obligors under the Obligor Floating Charge Agreement (and the Note Trustee is an assignee by way of security of such floating charges pursuant to the Issuer Deed of Charge), the Issuer and the Note Trustee have agreed with the Obligor Security Trustee in the Obligor Floating Charge Agreement that any proceeds from the enforcement of the security contained in the Obligor Floating Charge Agreement shall be shared between the Issuer and the other Obligor Secured Creditors, by applying such proceeds towards the applicable priority of payments as set out in the Security Trust and Intercreditor Deed.

The Obligor Floating Charge Agreement also provides that the Note Trustee (as the assignee by way of security of the floating charges contained therein) is required to appoint an administrative receiver in respect of any Obligor if the Note Trustee has actual notice of an application for the appointment of an administrator or of the giving of notice of intention to appoint an administrator in respect of such Obligor, such appointment to take effect upon the final day by which the appointment must be made in order to prevent an administration from proceeding or (where an Obligor or the directors of an Obligor have initiated its administration) not later than that final day (and the Obligor Floating Charge Agreement provides that the Note Trustee shall agree that it is adequately indemnified and secured in respect of its making such appointment by virtue of its indemnification rights against the Issuer under the Issuer Deed of Charge and against

the Obligors under the Obligor Floating Charge Agreement, and the security it has in respect of those rights).

(f) *Application After Enforcement*

After enforcement of the Issuer Security in accordance with Condition 4(e) (*Enforceable Security*), the Note Trustee shall (to the extent that such funds are available) use all monies received or recovered by it under the Issuer Deed of Charge (except proceeds in respect of the floating charge contained in the Obligor Floating Charge Agreement) to make payments in accordance with the Issuer Post-Enforcement Priority of Payments (as set out in the Issuer Deed of Charge).

(g) *Note Trustee not liable for security*

The Note Trustee will not be liable for any failure to make the usual investigations or any investigations which might be made by a security holder in relation to the property which is the subject of the Issuer Security, and shall not be bound to enquire into or be liable for any defect or failure in the right or title of the Issuer to the Issuer Security, whether such defect or failure was known to the Note Trustee or might have been discovered upon examination or enquiry or whether capable of remedy or not, nor will it have any liability for the enforceability of the Issuer Security whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting such Issuer Security. The Note Trustee has no responsibility for the value of any Issuer Security.

5. Issuer Covenants

So long as any of the Notes remain outstanding, the Issuer has agreed to comply with the covenants set out in the Issuer Deed of Charge.

The Note Trustee shall be entitled to rely absolutely on a certificate signed by two directors of the Issuer in relation to any matter relating to such covenants and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter stated in such certificate.

6. Interest and other Calculations

(a) *Interest Rate and Accrual*

Each Note other than (i) Zero Coupon Notes and (ii) any Class R Note for so long as it is held by the Issuer bears interest on its Principal Amount Outstanding (as defined below) from the Interest Commencement Date (as defined below) at the Interest Rate (as defined below), such interest being payable in arrear on each Note Payment Date (as defined below).

Interest will cease to accrue on each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event

interest will continue to accrue (both before and after judgment) at the Interest Rate in the manner provided in this Condition 6 to the Relevant Date (as defined below).

In the case of accrued interest on any Class of Notes other than the Most Senior Class of Notes (as defined in Condition 4(b) (*Relationship among Noteholders and with other Issuer Secured Creditors*) above) (or any accrued Note Step-Up Amount relating to the Most Senior Class of Notes), if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a) (*Default Events*), there are insufficient funds available to the Issuer to pay such accrued interest or such accrued Note Step-Up Amount, the Issuer's liability to pay such accrued interest or accrued Note Step-Up Amount will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred interest on a Sub-Class of Notes shall be payable *pari passu* and *pro rata* with deferred interest on all other Sub-Classes of Notes in that Class. Interest will accrue on such deferred interest at the rate otherwise payable on unpaid principal of such Notes.

In this Condition 6, "**Note Step-Up Amount**" means, in relation to any Sub-Class of Notes, the amount of the interest payable in respect thereof which represents either (i) an increase in Margin equal to the Note Step-Up Rate (where Condition 6(f)(i) (*Interest Rate Step-Up*) applies), or (ii) the Note Step Up Rate (where Condition 6(f)(ii) (*Interest Rate Step-Up*) applies), from a specific date, as specified in the relevant Final Terms; and "**Note Step-Up Rate**" means the rate specified in the relevant Final Terms as such.

(b) *Business Day Convention*

If any date referred to in these Conditions or the relevant Final Terms is specified to be subject to adjustment in accordance with a Business Day Convention and would otherwise fall on a day that is not a Business Day (as defined below), then if the Business Day Convention specified in the relevant Final Terms is:

(i) the "**Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day;

(ii) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(iii) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day.

(c) *Floating Rate Notes*

Subject to Condition 6(f) (*Interest Rate Step-Up*) this Condition 6(c) is applicable only if the relevant Final Terms specifies the Notes as Floating Rate Notes.

Screen Rate Determination (EURIBOR)

If "**Screen Rate Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Notes for each Note Interest Period will, subject as provided in Condition 6(n) (*Benchmark Replacement*) below, be (other than in respect of Notes for which SONIA is specified as the Relevant Rate in the relevant Final Terms) determined by the Agent Bank (or the Calculation Agent, if applicable) on the following basis:

(i) if the Relevant Screen Page (as defined below) displays a rate which is a composite quotation or customarily supplied by one entity, the Agent Bank (or the Calculation Agent, if applicable) will determine the Relevant Rate (as defined in Condition 6(j) (*Definitions*) below);

(ii) in any other case, the Agent Bank (or the Calculation Agent, if applicable) will determine the arithmetic mean of the Relevant Rates (as defined in Condition 6(j) (*Definitions*) below) which appear on the Relevant Screen Page as of the Relevant Time (as defined in Condition 6(j) (*Definitions*) below) on the relevant Interest Determination Date; and

(iii) if, in the case of (i) above, such rate does not appear on that Relevant Screen Page or, in the case of (ii) above, fewer than two such rates appear on that Relevant Screen Page or if, in either case, the Relevant Screen Page is unavailable the Interest Rate applicable to the Notes during such Note Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Note Interest Period.

Screen Rate Determination (SONIA)

If "**Screen Rate Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined and the Relevant Rate specified in the relevant Final Terms is SONIA, the Interest Rate applicable to the Notes for each Note Interest Period will, subject as provided in Condition 6(n) (*Benchmark Replacement*) below, be Compounded Daily SONIA plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Agent Bank (or the Calculation Agent, if applicable).

In this Condition 6(c):

"**Compounded Daily SONIA**", with respect to a Note Interest Period, will be calculated by the Agent Bank (or the Calculation Agent, if applicable) on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Note Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**d_o**" means the number of London Banking Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Note Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to do, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Note Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last London Banking Day in such period;

"**Interest Determination Date**" means, where the Relevant Rate specified in the relevant Final Terms is SONIA, in respect of any Note Interest Period, the date falling "p" London Banking Days prior to the Note Payment Date for such Note Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes are due and payable);

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n_i**" for any London Banking Day "**i**", in the relevant Note Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"**Observation Period**" means, in respect of an Note Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Note Interest Period (and the first Note Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is "p" London Banking Days prior to the Note Payment Date for such Note Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Note Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or if no such period is specified, five London Banking Days;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

"**SONIAi**" means the SONIA Reference Rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant London Banking Day "i";

If, in respect of any London Banking Day in the relevant Note Interest Period or Observation Period (as applicable), the Agent Bank (or the Calculation Agent, if applicable) determines that the SONIA Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 6(n) (*Benchmark Replacement*), be:

(i) the sum of (a) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; and (b) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or

(ii) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, (a) the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (b) if this is more recent, the latest determined rate under (A).

Subject to Condition 6(n) (*Benchmark Replacement*), if the Interest Rate cannot be determined in accordance with the foregoing provisions of this Condition 6(c), the Interest Rate shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Note Interest

Period from that which applied to the last preceding Note Interest Period, the Margin relating to the relevant Note Interest Period, in place of the Margin relating to that last preceding Note Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Note Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Note Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Note Interest Period).

Notwithstanding the foregoing, but subject to Condition 6(n) (*Benchmark Replacement*) in the event of the Bank of England publishing guidance as to (i) how the SONIA reference is to be determined or (ii) any rate that is to replace the SONIA reference rate, the Agent Bank (or the Calculation Agent if applicable), as applicable, shall subject to receiving written instructions from the Issuer and to the extent reasonably practicable, follow such guidance to determine SONIA reference rate for so long as the SONIA reference rate is not available or has not been published by the authorised distributors.

ISDA Determination

If "**ISDA Determination**" is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate(s) applicable to the Notes for each Note Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Note Interest Period means a rate equal to the Floating Rate (as defined in Condition 6(j) (*Definitions*) below) that would be determined by the Agent Bank (or the Calculation Agent, if applicable) under an interest rate swap transaction if the Agent Bank (or the Calculation Agent, if applicable) were acting as calculation agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(iii) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

(A) the Floating Rate Option is as specified in the relevant Final Terms;

(B) the Designated Maturity is the Specified Duration (as defined in Condition 6(j) (*Definitions*) below); and

(C) the relevant Reset Date unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions;

(D) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Final Terms and:

(1) if Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Final Terms;

(2) if Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or

(3) if Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms; and

(E) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Final Terms and:

(1) if Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days specified in relevant Final Terms;

(2) if Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms then (a) Averaging with Overnight Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or

(3) if Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;

(iv) references in the ISDA Definitions to:

(A) "**Confirmation**" shall be references to the relevant Final Terms;

(B) "**Calculation Period**" shall be references to the relevant Note Interest Period;

(C) "**Termination Date**" shall be references to the Maturity Date;

(D) "**Effective Date**" shall be references to the Interest Commencement Date; and

(v) if the Final Terms specify "2021 ISDA Definitions" as being applicable:

(A) "Administrator/Benchmark Event" shall be disapplied;

(B) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate"; and

(C) unless otherwise defined, capitalised terms used in this Condition 6(c) shall have the meaning ascribed to them in the ISDA Definitions.

No interest shall be payable on any Class R Notes while held by the Issuer.

(d) *Fixed Rate Notes*

Subject to Condition 6(f) (*Interest Rate Step-Up*), this Condition 6(d) is applicable only if the relevant Final Terms specifies the Notes as Fixed Rate Notes.

The Interest Rate applicable to the Notes for each Note Interest Period will be the fixed rate specified in the relevant Final Terms.

If the Notes are in definitive form, except as provided in the relevant Final Terms, the amount of interest payable on each Note Payment Date in respect of the Note Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of Interest on any Note Payment Date will, if so specified in the relevant Final Terms, amount to the Broken Amount so specified.

(e) *Indexed Notes*

Subject to Condition 6(f) (*Interest Rate Step-Up*), this Condition 6(e) is applicable only if the relevant Final Terms specifies the Notes as Indexed Notes.

Payments of principal on, and the interest payable in respect of, the Notes will be subject to adjustment for indexation as set out in Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(iii) (*Application of the Index Ratio*), as applicable. The Interest Rate applicable to the Notes for each Note Interest Period will be at the rate specified in the relevant Final Terms.

(f) *Interest Rate Step-Up*

(i) This Condition 6(f)(i) is applicable only if the relevant Final Terms specifies the Floating Rate Step-Up as applicable.

(a) From and including the Note Step-Up Date specified in the relevant Final Terms, the Interest Rate in respect of any Sub-Class of Notes that are specified in the Final Terms as Fixed Rate Notes, Indexed Notes or Zero Coupon Notes will be determined in accordance with the terms of Condition 6(c) (*Floating Rate Notes*), save that the Margin shall be increased by the Note Step-Up Rate specified in the Final Terms.

(b) From and including the Note Step-Up Date specified in the relevant Final Terms, the Margin shall be increased by the Note Step-Up Rate specified in the Final Terms in respect of any Sub-Class of Notes that are specified in the Final Terms as Floating Rate Notes.

(ii) This Condition 6(f)(ii) is applicable only if the relevant Final Terms specifies the Fixed Rate Step-Up as applicable. From and including the Note Step-Up Date specified in the relevant Final Terms, the Interest Rate in respect of any Sub-Class of Notes that are specified in the Final Terms as Fixed Rate Notes, Indexed Notes or Zero Coupon Notes will be the rate specified in the relevant Final Terms (or, in the case of Zero Coupon Notes, the Accrual Yield specified in the relevant Final Terms) plus the Note Step-Up Rate specified in the Final Terms.

(g) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in the Final Terms):

(i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);

(ii) all figures will be rounded according to market convention; and

(iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes, "**unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(h) *Calculations*

Unless an Interest Amount is otherwise specified in respect of such period in the relevant Final Terms, in which case the amount of interest payable in respect of such Note for such Note Interest Period will equal such Interest Amount, the amount of interest payable

in respect of the Notes for each Note Interest Period shall be calculated by multiplying the product of the Interest Rate and:

(i)

(a) in the case of Notes which are represented by a Global Note, the Principal Amount Outstanding of the Notes represented by such Global Note during that Note Interest Period; or

(b) in the case of Notes in definitive form where there is no Fixed Coupon Amount or Broken Amount specified in the applicable Final Terms, the Specified Denomination of such Note; and

(ii) the Day Count Fraction (as defined below),

and in the case of Indexed Notes only, adjusted according to the indexation set out in Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable).

(i) *Determination and Publication of Interest Rates, Interest Amounts and Redemption Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Cash Manager or the Agent Bank (or the Calculation Agent, if applicable), as applicable, may be required to calculate any Redemption Amount, in the case of the Cash Manager, or obtain any quote or make any determination or calculation, in the case of the Agent Bank (or the Calculation Agent, if applicable), the Agent Bank (or the Calculation Agent, if applicable) will determine the Interest Rate and calculate the amount of interest payable (the "**Interest Amounts**") for the relevant Note Interest Period (including, for the avoidance of doubt, any applicable Index Ratio to be calculated in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) and obtain such quote or make such determination or calculation, as the case may be, and the Cash Manager shall calculate the Redemption Amount.

The Agent Bank will cause the Interest Rate and the Interest Amounts for each Note Interest Period and the relevant Note Payment Date and, if required to be calculated, the Redemption Amount, or any Principal Amount Outstanding to be notified to, in the case of Bearer Notes, the Paying Agents or, in the case of Registered Notes, the Registrar and, in each case, the Note Trustee, the Issuer, the Noteholders and the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") and each other listing authority, stock exchange and/or quotation system by which the relevant Notes have then been admitted to listing, trading and/or quotation as soon as possible after its determination but in no event later than (i) (in case of notification to Euronext Dublin and each other listing authority, stock exchange and/or quotation system on which the relevant Notes have then been admitted to listing, trading and/or quotation) the commencement of the relevant Note Interest Period, if determined prior to such time, in

the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination.

The Interest Amounts and the Note Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Note Interest Period. Any such amendment will be promptly notified to Euronext Dublin and each other listing authority, stock exchange and/or quotation system on which the relevant Sub-Class or Class of Notes are for the time being listed, traded and/or quoted or by which they have been admitted to listing, trading and/or quotation and to the Noteholders in accordance with Condition 16 (*Notices*). If the Notes become due and payable under Condition 11 (*Issuer Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously provided in accordance with this Condition 6 but no publication of the Interest Rate or the Interest Amount so calculated need be made unless otherwise required by the Note Trustee. The determination of each Interest Rate, Interest Amount and Redemption Amount, the obtaining of each quote and the making of each determination or calculation by the Agent Bank (or the Calculation Agent, if applicable), the Cash Manager or, as the case may be, the Note Trustee pursuant to this Condition 6 or Condition 7 (*Indexation*), shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Definitions*

In these Conditions and in the relevant Final Terms, unless the context otherwise requires, the following defined terms shall have the meanings set out below.

"**Business Day**" means a day which is:

(i) A day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre (other than the T2 System) specified in the applicable Final Terms;

(ii) If T2 System is specified as an Additional Business Centre in the applicable Final Terms, a TARGET Settlement Day; and

(iii) either (a) in relation to any sum payable in a Relevant Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the Relevant Currency or (b) in relation to any sum payable in euro, a TARGET Settlement Day;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting a Note Interest Period, the "**Calculation Period**"):

(i) if "Actual/Actual (ICMA)" is specified:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods that would occur in one calendar year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods that would occur in one calendar year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods that would occur in one calendar year,

where:

"**Determination Period**" means the period from and including a Determination Date in any year but excluding the next Determination Date; and

"**Determination Date**" means the date specified as such in the Final Terms or, if none is so specified, the Note Payment Date;

(i) if "**Actual/365**" or "**Actual/Actual**" is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366, and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "Actual/365 (Fixed)" is specified, the actual number of days in the Calculation Period divided by 365;

(iii) if "Actual/360" is specified, the actual number of days in the Calculation Period divided by 360;

(iv) if "30/360", "360/360" or "Bond Basis" is specified, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(vi) if "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30;

"**euro**" means the lawful currency of the Participating Member States;

"**Interest Commencement Date**" means, in respect of any Sub-Class of Notes, the Issue Date or such other date as may be specified in the relevant Final Terms;

"**Interest Determination Date**" means, with respect to an Interest Rate and a Note Interest Period in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms or, if none is so specified, the day falling two Business Days in London prior to the first day of such Note Interest Period (or if the relevant currency is sterling the first day of such Note Interest Period) (as adjusted in accordance with any Business Day Convention (as defined above) specified in the relevant Final Terms);

"**Interest Rate**" means, in respect of any Sub-Class of Notes, the rate of interest payable from time to time in respect of such Notes and which is either specified as such in, or calculated in accordance with the provisions of, these Conditions and/or the relevant Final Terms;

"**ISDA Definitions**" means the 2000 ISDA Definitions (as amended and updated as at the date of issue of the first Series of Notes of the relevant Sub-Class as published by the International Swaps and Derivatives Association, Inc.);

"**Issue Date**" means, in respect of any Sub-Class of Notes, the date specified as such in the relevant Final Terms;

"**Margin**" means, in respect of any Sub-Class of Floating Rate Notes, the rate per annum (or otherwise as specified in the relevant Final Terms) (expressed as a percentage) specified as such in item 15(xi) of the relevant Final Terms and, for the purposes of Condition 6(f) (*Interest Rate Step-Up*), means the rate specified as such in item 16 of the relevant Final Terms;

"**Maturity Date**" means, in respect of any Sub-Class of Notes, the date specified in the relevant Final Terms as the final date on which the full principal amount of the Note is due and payable;

"**Note Interest Period**" means, in respect of any Sub-Class of Notes, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Note Payment Date and each successive period beginning on (and including) a Note Payment Date and ending on (but excluding) the next succeeding Note Payment Date;

"**Note Payment Dates**" means, in respect of any Sub-Class of Notes, the dates specified as such in the relevant Final Terms;

"**Participating Member State**" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty establishing the European Communities (as amended), and "**Participating Member States**" means all of them;

"**Principal Amount Outstanding**" means, at any date (a) in relation to a Note, the principal amount of that Note upon issue less any repayment of principal made to the Holder(s) thereof and (b) in relation to any Sub-Class or Class, the aggregate principal amount of all Notes in such Sub-Class or Class less any repayment of principal made to the Holder(s) thereof, provided that, in the case of (b) for the purposes of Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*) only, it shall exclude those Notes (if any) which are for the time being held by (1) the Issuer, any Obligor or any Non-Restricted Group Entity, (2) any person for the benefit of the Issuer or any of its subsidiaries or holding companies or any subsidiaries of any of its holding companies or (3) any person who has failed to surrender for repurchase any Class R Note on any Note Payment Date (other than where the Issuer was not obliged to repurchase the same);

"**Redemption Amount**" means, in respect of any Sub-Class of Notes, the amount provided under Condition 8 (*Redemption, Purchase and Cancellation*);

"**Reference Banks**" means the institutions specified as such or, if none, four major banks selected by the Issuer (or a third party agent appointed by the Issuer) in the interbank market (or, if appropriate, money market) which is most closely connected with the Relevant Rate;

"**Relevant Currency**" means the currency specified as such or, if none is specified, the currency in which such Notes are denominated;

"**Relevant Date**" means, in respect of any Sub-Class of Notes, the earlier of (a) the date on which all amounts in respect of such Notes have been paid, and (b) five days after the date on which all of the Principal Amount Outstanding (adjusted in the case of Indexed Notes in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*);

"**Relevant Financial Centre**" means, with respect to any Sub-Class of Notes, the financial centre specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the Relevant Rate is most closely connected as determined by the Agent Bank (or the Calculation Agent, if applicable);

"**Relevant Rate**" means (i) SONIA or (ii) EURIBOR, in each case for a Representative Amount of the Relevant Currency for a period (if applicable) equal to the Specified Duration, as specified in the relevant Final Terms;

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms, or such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Representative Amount**" means, with respect to any rate to be determined on an Interest Determination Date, the amount specified in the relevant Final Terms as such or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

"**Specified Duration**" means, with respect to any Floating Rate (as defined in the ISDA Definitions) to be determined on an Interest Determination Date, the period or duration specified as such in the relevant Final Terms or, if none is specified, a period of time equal to the relative Note Interest Period;

"**TARGET Settlement Day**" means any day on which the T2 System is open; and

"**T2 System**" means the real time gross settlement system operated by the Eurosystem or any successor system.

(k) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of a Note Interest Period in the applicable Final Terms, the Interest Rate for such Note Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Relevant Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Note Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Note Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"Designated Maturity" means, in relation to Screen Rate Determination, the period of time designated in the Relevant Rate.

(l) *Agent Bank, Calculation Agent and Reference Banks*

The Issuer will procure that there shall at all times be an Agent Bank (and a Calculation Agent, if applicable) and four Reference Banks selected by the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) with offices in the Relevant Financial Centre if provision is made for them in these Conditions applicable to this Note and for so long as it is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer acting through the Agent Bank (or the Calculation Agent, if applicable) will select another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Agent Bank (or the Calculation Agent, if applicable) is unable or unwilling to act as such or if the Agent Bank (or the Calculation Agent, if applicable) fails duly to establish the Interest Rate for any Note Interest Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint a successor to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

(m) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6, whether by the Principal Paying Agent, the Agent Bank (or the Calculation Agent, the Note Trustee or the Cash Manager, if applicable), shall (in the absence of wilful default, negligence, bad faith or manifest error) be binding on the Issuer, the Agent Bank, the Note Trustee, the Cash Manager, the Principal Paying Agent, the other Agents and all Noteholders, Couponholders and other Issuer Secured Creditors and (in the absence as aforesaid) no liability to the Issuer, the Note Trustee, the Noteholders or the Couponholders shall attach to the Principal Paying Agent, the Cash Manager, the Agent

Bank or, if applicable, any Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(n) *Benchmark Replacement*

Notwithstanding the provisions above in Condition 6(c) (*Floating Rate Notes*) if the Issuer determines that the relevant Relevant Rate specified in the relevant Final Terms has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered when any Interest Rate (or the relevant component part thereof) remains to be determined by such Relevant Rate (a "**Benchmark Event**"), then the following provisions shall apply:

(i) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner), no later than 5 Business Days prior to the relevant Interest Determination Date relating to the next succeeding Note Interest Period (the "**IA Determination Cut-off Date**"), a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Interest Rate (or the relevant component part thereof) applicable to the Notes;

(ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;

(iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Relevant Rate for each of the future Note Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 6(n) (*Benchmark Replacement*)); provided, however, that if sub-paragraph (ii) applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Interest Determination Date, the Interest Rate applicable to the next succeeding Note Interest Period shall be equal to the Interest Rate last determined in relation to the Notes in respect of a preceding Note Interest Period (subject, where applicable, to substituting the Margin that applied to such preceding Note Interest Period for the Margin that is to be applied to the relevant Note Interest Period or Reset Period (as applicable)); for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Note Interest Period only and any subsequent Note Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 6(n) (*Benchmark Replacement*));

(iv) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may

also specify amendments to these Conditions, the Trust Deed or the Agency Agreement (such amendments being "**Benchmark Amendments**", which for the avoidance of doubt shall not be treated as being within the scope of the Basic Terms Modifications), including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Relevant Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable), determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. Noteholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Trustee or the Agents (if required);

(v) At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two Directors of the Issuer (i) confirming that a Benchmark Event has occurred, and (ii) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate or Alternative Reference Rate, as the case may be, the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed and these Conditions), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way. For the avoidance of doubt, any Benchmark Amendments which would impose more onerous obligations upon an Agent or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agency Agreement shall require such Agent's written consent; and

(vi) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable), give notice thereof to the Trustee, the Principal Paying Agent and the Noteholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any consequential Benchmark Amendments.

For the purposes of this Condition 6(n) (*Benchmark Replacement*):

"**Adjustment Spread**" means a spread (which may be positive or negative or zero) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders and Couponholders as a result of the replacement of the Relevant Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Relevant Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Relevant Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or

(iii) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

"**Alternative Reference Rate**" means the rate that the Independent Adviser or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable) determines has replaced the relevant Relevant Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Relevant Currency and of a comparable duration to the relevant Note Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the relevant Relevant Rate;

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense;

"**Relevant Nominating Body**" means, in respect of a relevant rate:

(i) the central bank for the currency to which the relevant rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the relevant rate; or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the relevant rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the relevant rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means the rate that the Independent Adviser or the Issuer (acting in good faith and in a commercially reasonable manner) (as applicable) determines is a successor to or replacement of the Relevant Rate which is formally recommended by any Relevant Nominating Body.

7. Indexation

(a) *Indexation of RPI Indexed Notes*

This Condition 7(a) is applicable only if the relevant Final Terms specifies (i) that the Notes are Indexed Notes and (ii) that the applicable Index is RPI (such Notes, the "**RPI Indexed Notes**").

(i) *Definitions*

"**Base Index Figure**" means (subject to Condition 7(a)(iii)(A) (*Change in base*)) the base index figure as specified in the relevant Final Terms;

"**Index**" or "**Index Figure**" means, subject as provided in Condition 7(a)(iii)(A) (*Change in base*), the UK Retail Prices Index ("**RPI**") (for all items) published by the Office for National Statistics (January 1987 — 100) or any comparable index which may replace the UK Retail Prices Index for the purpose of calculating the amount payable on repayment of the Reference Gilt. Any reference in these Conditions and/or the relevant Final Terms to the "**Index Figure applicable**" to a month or date shall, subject in each case as provided in Condition 7(a)(iii) (*Changes in Circumstances Affecting the Index*) and 7(a)(v) (*Cessation of or Fundamental Changes to the Index*):

(A) if the relevant Final Terms specify the Index Figure applicable to a particular month, be construed as a reference to the Index Figure published in the seventh month prior to that particular month and relating to the month before that of publication; or

(B) if the relevant Final Terms specify the Index Figure applicable to the first calendar day of any month, be construed as a reference to the Index

Figure published in the second month prior to that particular month and relating to the month before that of publication; or

(C) if the relevant Final Terms specify the Index Figure applicable to any other day in any month, be calculated by linear interpolation between (x) the Index Figure applicable to the first calendar day of the month in which the specified day falls, calculated as described in sub-paragraph (B) above, and (y) the Index Figure applicable to the first calendar day of the month following the month in which the specified day falls, calculated as described in sub-paragraph (B) above;

"**Index Ratio**" applicable to any month or date, as the case may be, means the Index Figure applicable to such month or date, as the case may be, divided by the Base Index Figure and rounded to the nearest fifth decimal place (0.000005 being rounded upwards);

"**Limited Index Ratio**" means (a) in respect of any month or date, as the case may be, prior to the relevant Issue Date (as defined in Condition 6(j) (*Definitions*)), the Index Ratio for that month or date, as the case may be; (b) in respect of any Limited Indexation Month or Limited Indexation Date after the relevant Issue Date, the product of the Limited Indexation Factor for that month or date, as the case may be, and the Limited Index Ratio as previously calculated in respect of the month or date, as the case may be, 12 months prior thereto; and (c) in respect of any other month, or date, as the case may be, the Limited Index Ratio as previously calculated in respect of the most recent Limited Indexation Month or Limited Indexation Date;

"**Limited Indexation Date**" means any date falling during the period specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

"**Limited Indexation Factor**" means, in respect of a Limited Indexation Month or Limited Indexation Date, as the case may be, the ratio of the Index Figure applicable to that month or date, as the case may be, divided by the Index Figure applicable to the month or date, as the case may be, 12 months prior thereto, **provided that** (a) if such ratio is greater than the Maximum Indexation Factor (if any) specified in the relevant Final Terms, it shall be deemed to be equal to such Maximum Indexation Factor and (b) if such ratio is less than the Minimum Indexation Factor (if any) specified in the relevant Final Terms, it shall be deemed to be equal to such Minimum Indexation Factor;

"**Limited Indexation Month**" means any month specified in the relevant Final Terms for which a Limited Indexation Factor is to be calculated;

"**Limited Indexed Notes**" means RPI Indexed Notes to which a Maximum Indexation Factor and/or a Minimum Indexation Factor (as specified in the relevant Final Terms) applies; and

"**Reference Gilt**" means the index-linked Treasury Stock specified as such in the relevant Final Terms for so long as such stock is in issue, and thereafter such issue of index-linked Treasury Stock determined to be appropriate by a gilt-edged market maker or other adviser selected by the Issuer (an "**Indexation Adviser**").

(ii) *Application of the Index Ratio*

Each payment of interest and principal in respect of the RPI Indexed Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month or date, as the case may be, in or on which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(iii) *Changes in Circumstances Affecting the Index*

(A) *Change in base*: If at any time and from time to time the Index is changed by the substitution of a new base therefor, then with effect from the month from and including that in which such substitution takes effect or the first date from and including that on which such substitution takes effect, as the case may be,(I) the definition of "**Index**" and "**Index Figure**" in Condition 7(a)(i) (*Definitions*) shall be deemed to refer to the new date or month in substitution for January 1987 (or, as the case may be, to such other date or month as may have been substituted therefor), and (II) the new Base Index Figure shall be the product of the existing Base Index Figure (specified in the relevant Final Terms) and the Index Figure immediately following such substitution, divided by the Index Figure immediately prior to such substitution.

(B) *Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*: If the Index Figure which is normally published in the seventh month and which relates to the eighth month (the "**relevant month**") before the month in which a payment is due to be made is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable to the month in which the date for payment falls shall be (I) such substitute index figure (if any) as the Issuer considers (acting solely on the advice of the Indexation Adviser) to have been published by the United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser or (II) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(a)(iii)(A) (*Change in base*)) before the date for payment.

(C) *Delay in publication of Index if sub-paragraph (B) and/or (C) of the definition of Index Figure is applicable*: If the Index Figure relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Figure for any date is not published on or before the fourteenth business day before the date on which such payment is due (the "**date for payment**"), the Index Figure applicable for the relevant calculation month shall be (I) such substitute index figure (if any) as the Issuer considers (acting solely on the advice of the Indexation Adviser) to have been published by the

United Kingdom Debt Management Office or the Bank of England, as the case may be, for the purposes of indexation of payments on the Reference Gilt or, failing such publication, on any one or more issues of index-linked Treasury Stock selected by an Indexation Adviser or (II) if no such determination is made by such Indexation Adviser within seven days, the Index Figure last published (or, if later, the substitute index figure last determined pursuant to Condition 7(a)(iii)(A) (*Change in base*)) before the date for payment;

(iv) *Application of Changes*

Where the provisions of Condition 7(a)(iii)(B) (*Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*) or Condition 7(a)(iii)(C) (*Delay in publication of Index if sub-paragraph (B) and/or (C) of the definition of Index Figure is applicable*) apply, the determination of the Indexation Adviser as to the Index Figure applicable to the month in which the date for payment falls or the date for payment, as the case may be, shall be conclusive and binding. If, where an Index Figure has been applied pursuant to Condition 7(a)(iii)(B)(II) or Condition 7(a)(iii)(C)(II), as applicable, the Index Figure relating to the relevant month or relevant calculation month, as the case may be, is subsequently published while a Note is still outstanding, then:

(A) in relation to a payment of principal or interest in respect of such Note other than upon final redemption of such Note, the principal or interest (as the case may be) next payable after the date of such subsequent publication shall be increased or reduced by an amount equal to (respectively) the shortfall or excess of the amount of the relevant payment made on the basis of the Index Figure applicable by virtue of Condition 7(a)(iii)(B)(II) or Condition 7(a)(iii)(C)(II), below or above the amount of the relevant payment that would have been due if the Index Figure subsequently published had been published on or before the fourteenth business day before the date for payment; and

(B) in relation to a payment of principal or interest upon final redemption, no subsequent adjustment to amounts paid will be made.

(v) *Cessation of or Fundamental Changes to the Index*

(A) If (I) the Note Trustee has been notified by the Agent Bank (or the Calculation Agent, if applicable) that the Index has ceased to be published or (II) any change is made to the coverage or the basic calculation of the Index which constitutes a fundamental change which would, in the opinion of the Note Trustee acting solely on the advice of the Indexation Adviser, be materially prejudicial to the interests of the relevant Noteholders, the Note Trustee will give written notice of such occurrence to the Issuer, and the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) together shall seek to agree for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that

the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made.

(B) If the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) fail to reach agreement as mentioned above within 20 business days following the giving of notice as mentioned in paragraph (A), a bank or other person in London shall be appointed by the Issuer and the Note Trustee or, failing agreement on the making of such appointment within 20 business days following the expiry of the 20-business-day period referred to above, by the Note Trustee (acting solely on the advice of the Indexation Adviser) (in each case, such bank or other person so appointed being referred to as the "**Expert**"), to determine for the purpose of the Notes one or more adjustments to the Index or a substitute index (with or without adjustments) with the intention that the same should leave the Issuer and the relevant Noteholders in no better and no worse position than they would have been had the Index not ceased to be published or the relevant fundamental change not been made. Any Expert so appointed shall act as an expert and not as an arbitrator and all fees, costs and expenses of the Expert and of any Indexation Adviser and of any of the Issuer and the Note Trustee in connection with such appointment shall be borne by the Issuer.

(C) The Index shall be adjusted or replaced by a substitute index as agreed by the Issuer and the Note Trustee (acting solely on the advice of the Indexation Adviser) or as determined by the Expert pursuant to the foregoing paragraphs, as the case may be, and references in these Conditions to the Index and to any Index Figure shall be deemed amended in such manner as the Note Trustee and the Issuer agree are appropriate to give effect to such adjustment or replacement. Such amendments shall be effective from the date of such notification and binding upon the Issuer, the other Issuer Secured Creditors, the Note Trustee and the Noteholders, and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (*Notices*) of such amendments as promptly as practicable following such notification.

(b) *Indexation of HICP Indexed Notes*

This Condition 7(b) is applicable only if the relevant Final Terms specifies (i) that the Notes are Indexed Notes and (ii) that the applicable Index is HICP (such Notes, the "**HICP Indexed Notes**" and, together with the RPI Indexed Notes, "**Indexed Notes**").

(i) *Definitions*

"**Base Index Figure**" means the Base Index Figure specified in the relevant Final Terms;

"**Index**" or "**Index Level**" means, subject as provided in Condition 7(b)(iii), the Non-revised Index of Consumer Prices excluding tobacco or relevant Successor Index (as defined in Condition 7(b)(iii)(C)), measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by Eurostat (the "**HICP**"). The first publication or announcement of a level of such index for a calculation month (as defined in Condition 7(b)(iii)(B)) shall be final and conclusive and later revisions to the level for such calculation month will not be used in any calculations. Any reference in these Conditions to the "**Index Level applicable**" to any day ("**d**") in any month ("**m**") shall, subject as provided in Condition 7(b)(iii), be calculated as follows:

$$I_d = HICP_{m-3} + \frac{nbd}{q_m} \times (HICP_{m-2} - HICP_{m-3})$$

where:

"**I_d**" is the Index Level for the day d;

"**$HICP_{m-2}$**" is the level of HICP for month m-2;

"**$HICP_{m-3}$**" is the level of HICP for month m-3;

"**nbd**" is the actual number of days from and excluding the first day of month m to but including day d; and

"**q_m**" is the actual number of days in month m;

"**Index Business Day**" means a day on which the T2 System is open;

"**Index Determination Date**" means, in respect of any date for which the Index Level is required to be determined, the fifth Index Business Day prior to such date;

"**Index Ratio**" applicable to any date means the Index Level applicable to the relevant Index Determination Date divided by the Base Index Figure and rounded to the nearest fifth decimal place (0.000005 being rounded upwards); and

"**Related Instrument**" means an inflation-linked note selected by the Agent Bank (or the Calculation Agent, if applicable) that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union with a maturity date which falls on (A) the same day as the Maturity Date, (B) the next longest maturity date after the Maturity Date if there is no such note maturing on the Maturity Date, or (C) the next shortest maturity before the Maturity Date if no note defined in (A) or (B) is selected by the Agent Bank (or the Calculation Agent, if applicable). The Agent Bank (or the Calculation Agent, if applicable) will select the Related Instrument from such of those inflation linked notes issued on or before the relevant Issue Date and, if there is more than one such inflation-linked note maturing on the same date, the Related Instrument shall be selected by the Agent Bank (or the Calculation Agent, if applicable) from such of those inflation linked notes. If the Related Instrument is

redeemed the Agent Bank (or the Calculation Agent, if applicable) will select a new Related Instrument on the same basis, but selected from all eligible notes in issue at the time the originally selected Related Instrument is redeemed (including any note for which the redeemed originally selected Related Instrument is exchanged).

(ii) *Application of the Index Ratio*

Each payment of interest and principal in respect of the HICP Indexed Notes shall be the amount provided in, or determined in accordance with, these Conditions, multiplied by the Index Ratio applicable to the date on which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*).

(iii) *Changes in Circumstances Affecting the Index*

(A) *Rebasing of the Index*: If the Agent Bank (or the Calculation Agent, if applicable) determines that the Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for the purposes of determining the Index Level applicable to any date falling on or after the date of such rebasing; provided, however, that the Agent Bank (or the Calculation Agent, if applicable) shall make such adjustments as are made by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made.

(B) Delay in publication of Index:

(I) If the Index Level relating to any month (the "**calculation month**") which is required to be taken into account for the purposes of the determination of the Index Level applicable to any date (the "**Relevant Level**") has not been published or announced by the day that is five Business Days before the date on which the relevant payment is due (the "**Affected Payment Date**"), the Agent Bank (or the Calculation Agent, if applicable) shall determine a substitute Index Level (the "**Substitute Index Level**"), to be used in place of the Relevant Level for the relevant calculation month, by using the following methodology:

(1) if applicable, the Agent Bank (or the Calculation Agent, if applicable) will take the same action to determine the Substitute Index Level for the Affected Payment Date as that taken by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument;

(2) if (1) above does not result in a Substitute Index Level for the Affected Payment Date for any reason, then the Agent Bank (or the Calculation Agent, if applicable) shall determine the Substitute Index Level as follows:

Substitute Index Level = Base Level x (Latest Level / Reference Level)

where:

"**Base Level**" means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined;

"**Latest Level**" means the latest level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) prior to the month for which the Substitute Index Level is being determined; and

"**Reference Level**" means the level of the Index (excluding any flash estimates) published or announced by Eurostat (or any successor entity which publishes such index) in respect of the month that is 12 calendar months prior to the month in respect of which the Latest Level was published or announced.

(II) If a Relevant Level is published or announced at any time on or after the day that is five Business Days prior to the Affected Payment Date, such Relevant Level will not be used in any calculations to be made pursuant to this Condition 7(b), and the Substitute Index Level determined pursuant to this Condition 7(b)(iii)(A) will be the definitive Index Level for the relevant calculation month.

(C) *Cessation of publication:*

(I) If the Index Level has not been published or announced for two consecutive months or Eurostat announces that it will no longer continue to publish or announce the Index then the Agent Bank (or the Calculation Agent, if applicable) shall determine a successor index (the "**Successor Index**") in lieu of any previously applicable Index by using the following methodology:

(1) if at any time (other than after an Early Termination Event (as defined below) has occurred pursuant to Condition 7(b)(iii)(C)(II) below) a successor index has been designated by the calculation agent (or any other party performing the function of a calculation agent (whatever such party's title)) pursuant to the terms and conditions of the Related Instrument, such successor index shall be the Successor Index for the purposes of all subsequent payments of interest and/or principal in respect of

the Notes, notwithstanding that any other Successor Index may previously have been determined under paragraphs (2), (3) or (4) below; or

(2) if a Successor Index has not been determined under paragraph (1) above (and no Early Termination Event has occurred pursuant to Condition 7(b)(iii)(C)(II) below), and a notice has been given or an announcement has been made by Eurostat (or any successor entity which publishes the Index) specifying that the Index will be superseded by a replacement index specified by Eurostat (or any such successor), and the Agent Bank (or the Calculation Agent, if applicable) determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be the Successor Index from the date that such replacement index comes into effect; or

(3) if a Successor Index has not been determined under paragraphs (1) or (2) above (and no Early Termination Event has occurred pursuant to Condition 7(b)(iii)(C)(II) below), the Agent Bank (or the Calculation Agent, if applicable) shall ask five leading independent dealers to state what the replacement index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the Successor Index. If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the Successor Index. If fewer than three responses are received, the Agent Bank (or the Calculation Agent, if applicable) will proceed to paragraph (4) below;

(4) if no Successor Index has been determined under paragraphs (1), (2) or (3) above on or before the fifth Index Business Day prior to the next Affected Payment Date the Agent Bank (or the Calculation Agent, if applicable) will determine an appropriate alternative index for such Affected Payment Date, and such index will be the Successor Index.

(II) If the Agent Bank (or the Calculation Agent, if applicable) determines that there is no appropriate alternative index as referred to in Condition 7(b)(iii)(C)(I)(4), the Issuer and the Note Trustee shall, in conjunction with the Agent Bank (or the Calculation Agent, if applicable), determine an appropriate alternative index and, if the Issuer and the Note Trustee, in conjunction with the Agent Bank (or the Calculation Agent, if applicable), do not reach agreement on an appropriate

alternative index within a period of ten Business Days, then an "**Early Termination Event**" will be deemed to have occurred and the Issuer will redeem the Notes in accordance with Condition 8(d).

(A) *Material Modification Prior to Note Payment Date*: If, on or prior to the day that is five Business Days before a Note Payment Date, Eurostat announces that it will make a material change to the Index then the Agent Bank (or the Calculation Agent, if applicable) shall make any such adjustments to the Index consistent with adjustments made to the Related Instrument.

(B) *Manifest Error in Publication*: If, within thirty days of publication, the Agent Bank (or the Calculation Agent, if applicable) determines that Eurostat (or any successor entity which publishes the Index) has corrected the level of the Index to remedy a manifest error in its original publication, the Agent Bank (or the Calculation Agent, if applicable) will notify the Issuer and the Note Trustee of (1) that correction, (2) the amount that is payable as a result of that correction and (3) take such other action as it may deem necessary to give effect to such correction.

Any amendments to the Index made pursuant to this Condition 7(b)(iii) shall be binding on the Issuer Secured Creditors, the Note Trustee, the Noteholders and the Issuer shall give notice to the Noteholders in accordance with Condition 16 (Notices) of such amendments as promptly as practicable following their determination

8. Redemption, Purchase and Cancellation

(a) *Scheduled Partial and Final Redemption*

Unless previously redeemed, or purchased and cancelled as provided below, each Note will be redeemed at its Principal Amount Outstanding (in the case of Indexed Notes as adjusted in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) on the date or dates (or, in the case of *Floating Rate Notes*, on the Note Payment Date(s)) specified in the relevant Final Terms plus accrued but unpaid interest (other than in the case of Zero Coupon Notes) and, in the case of Indexed Notes, as adjusted in accordance with Condition 7(a)(ii) (*Application of the Index Ratio* or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable).

(b) *Optional Redemption*

Subject as provided below and if an Issuer Call Option is specified in the relevant Final Terms, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee

and all of the Noteholders in accordance with Condition 16 (*Notices*), the Issuer may (prior to the Maturity Date) redeem any Sub-Class of the Notes in whole or in part (but on a *pro rata* and *pari passu* basis only) on any Optional Redemption Date at their Redemption Amount (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Final Terms) as follows:

(i) in respect of Fixed Rate Notes:

(A) if Swap Mid Curve Amount is specified in the relevant Final Terms as the Redemption Amount then, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount will be an amount equal to the higher of (i) the Principal Amount Outstanding of the Notes or the relevant portion thereof to be redeemed and (ii) an amount calculated with reference to the remaining Duration of the Notes by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by the Financial Adviser (and rounded to three decimal places (0.0005 being rounded upwards))) at which the Gross Redemption Yield on the Notes on the Relevant Date (as defined below) is equal to the Redemption Rate (as defined below).

For the purposes of this Condition 8(b)(i)(A):

"**Duration**" means, in relation to the relevant Notes, the remaining period (expressed in years) between the date of redemption for such Notes pursuant to this Condition 8(b)(i)(A) and the Maturity Date, or in any case where Condition 6(f) (*Interest Rate Step-Up*) applies, the Note Step-Up Date, in each case determined by reference to the remaining days in such period divided by 365 (rounded to three decimal places);

"**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute and Faculty of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Note Trustee may approve;

"**Interpolated Rate**" is the rate that will be determined by the Mid-Swap Financial Adviser to be used as the Relevant Mid-Swap Rate:

(1) by way of reference to the mid-swap rate on the Mid-Swaps Screen Page for the tenor that exactly matches the Duration of the Notes (the "**Exact Quotation**"); or

(2) if the Interpolated Rate cannot be determined in accordance with paragraph (1) above, by way of reference to:

(A) the mid-swap rate on the Mid-Swaps Screen Page for the tenor most closely matched to the Duration of the Notes which is shorter than such Duration or, in the case where Notes have a Duration of less than 1 year, zero (such shorter tenor (expressed in years) referred to as the "**Lower Duration**" (which, for the avoidance of doubt, shall be zero where the Duration in relation to the Notes is less than 1 year)) (the "**Lower Quotation**"); and

(B) the mid-swap rate on the Mid-Swaps Screen Page for the tenor most closely matched to the remaining Duration of the Notes which is longer than such Duration (such longer tenor (expressed in years) referred to as the "**Higher Duration**") (the "**Higher Quotation**").

The Mid-Swap Financial Adviser will then calculate the Interpolated Rate by:

(i) subtracting the Lower Quotation in sub-paragraph (A) above from the Higher Quotation in sub-paragraph (B) above and multiplying the result of that subtraction by the Maturity Weight; and

(ii) adding the result of (i) to the Lower Quotation;

"**Maturity Weight**" means the amount, expressed as a percentage (and rounded to three decimal places), calculated as:

(i) the Duration minus the Lower Duration, divided by

(ii) the Higher Duration, minus the Lower Duration;

"**Mid-Swap Financial Adviser**" means an independent financial institution of international repute, or other independent financial adviser experienced in the international debt capital markets, nominated by the Issuer and approved by the Note Trustee which has been appointed at the Issuer's cost; *provided that* none of the Agents nor the Note Trustee shall be obliged to perform such role;

"**Mid-Swaps Screen Page**" means:

(i) the page on which rates for sterling mid-swap rates (specifically being the mid-rate for a pound sterling fixed-for-floating interest rate swap where the floating leg pays overnight SONIA compounded in arrears for twelve months annually and the fixed leg pays a fixed rate annually) appear, as published by ICE Benchmark Administration Limited (or any successor) ("**ICE**") on

the Relevant Date and displayed as at 2.00 p.m. (London time) on such Relevant Date on such Bloomberg or Reuters page or the web-site maintained by ICE or, as the case may be, such other information service that may replace Bloomberg or Reuters, in each case as may be nominated by ICE Benchmark Administration Limited; or

(ii) where the published sterling mid-swap rates for the Exact Quotation, failing which, Lower Quotation (except where the Duration is less than 12 months) and/or Higher Quotation are not available for the Relevant Date in accordance with paragraph (i) above, the sterling mid-swap rates of TP ICAP (specifically being the mid-rate for a pound sterling fixed-for-floating interest rate swap where the floating leg pays overnight SONIA compounded in arrears for twelve months annually and the fixed leg pays a fixed rate annually), as published on the Bloomberg <ICAB> page as at 2.00 p.m. (London time) on the Relevant Date; or

(iii) in the event neither (i) nor (ii) is available, any alternative or successor provider for the publication of such rate as is in customary market usage in the international debt capital markets as determined by the Mid-Swap Financial Adviser;

"**Redemption Rate**" means the aggregate of the Relevant Mid-Swap Rate and (where specified in the relevant Final Terms) the Redemption Margin;

"**Relevant Date**" means the date which is two Business Days prior to the publication or dispatch of the notice of redemption under this Condition 8(b); and

"**Relevant Mid-Swap Rate**" shall be the Interpolated Rate (converted to a semi-annual rate in accordance with market convention), as determined by the Mid-Swap Financial Adviser or, if a Mid-Swap Replacement Event (as defined in Condition 8(b)(i)(E) below) has occurred and is continuing at such time on the Relevant Date, the replacement rate determined in accordance with Condition 8(b)(i)(E) below, which replacement rate shall be converted (if applicable) to a semi-annual rate by the Mid-Swap Financial Adviser in accordance with market convention.

(B) If Spens Amount is specified in the relevant Final Terms as the Redemption Amount then, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount will be an amount equal to the higher of (i) the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price

(as reported in writing to the Issuer and the Note Trustee by a Financial Adviser) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Spens Gross Redemption Yield on the Notes on the Reference Date is equal to the Spens Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time specified in the applicable Final Terms on the Reference Date of the Reference Bond, plus the Redemption Margin, all as determined by a Financial Adviser.

(C) If Make-Whole Amount is specified in the relevant Final Terms as the Redemption Amount then, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount will be an amount calculated by the Agent Bank (or Calculation Agent, if applicable) equal to the higher of (i) the Principal Amount Outstanding of the Notes or the relevant portion thereof to be redeemed and (ii) the sum of the present values of the Principal Amount Outstanding of the relevant Notes to be redeemed and the Remaining Term Interest on such Note (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on an annual basis at the Reference Bond Rate, plus the Redemption Margin.

For the purposes of Condition 8(b)(i)(A), Condition 8(b)(i)(B) and Condition 8(b)(i)(C):

"**Financial Adviser**" means any financial adviser appointed by the Issuer;

"**FA Selected Bond**" means a government security or securities selected by a Financial Adviser as having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

"**Redemption Margin**" shall be as set out in the relevant Final Terms;

"**Reference Bond**" shall be as set out in the relevant Final Terms or the FA Selected Bond;

"**Reference Bond Price**" means, with respect to any date of redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

"**Reference Bond Rate**" means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

"**Reference Date**" will be set out in the relevant notice of redemption;

"**Reference Government Bond Dealer**" means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

"**Reference Government Bond Dealer Quotations**" means, with respect to each Reference Government Bond Dealer and any date for redemption, the arithmetic average, as determined by the Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the relevant Final Terms on the Reference Date quoted in writing to the Agent by such Reference Government Bond Dealer;

"**Remaining Term Interest**" means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term of such Note determined on the basis of the rate of interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer pursuant to this Condition 8(b); and

"**Spens Gross Redemption Yield**" means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by a Financial Adviser on the basis set out by the United Kingdom Debt Management Office in the paper "*Formulae for Calculating Gilt Prices from Yields*", page 5, 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 and updated on 15 January 2002 and 16 March 2005, and as further amended or updated from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or on such other basis as the Issuer may determine (acting solely on the advice of a Financial Adviser).

(D) If Fixed Amount is specified in the relevant Final Terms as the Redemption Amount then, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount will be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Final Terms).

(E) If Swap Mid-Curve Amount is specified in the relevant Final Terms as the Redemption Amount, subject as provided below where there is a date specified as the Par Redemption Date in the relevant Final Terms, and a Mid-Swap Replacement Event has occurred and is continuing at any time when the Redemption Amount falls to be calculated in accordance with Condition 8(b)(i)(A), this Condition 8(b)(i)(E) shall apply.

Terms defined in Condition 8(b)(i)(A) shall have the same meanings when used in this Condition 8(b)(i)(E).

(1) *Independent Adviser*

The Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner), a Successor Mid-Swap Rate,

failing which an Alternative Mid-Swap Rate for purposes of determining the Redemption Rate.

(2) *Redemption Rate Adjustment Spread*

If the Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) determines that a Redemption Rate Adjustment Spread is required to be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, the Interpolated Rate, the Relevant Mid-Swap Rate and/or the Redemption Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Redemption Rate Adjustment Spread, then such Redemption Rate Adjustment Spread shall be applied to the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate, the Interpolated Rate, the Relevant Mid-Swap Rate and/or the Redemption Rate (as applicable).

If the Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) is unable to determine the quantum of, or a formula or methodology for determining, such Redemption Rate Adjustment Spread, then such Successor Mid-Swap Rate, Alternative Mid-Swap Rate, Interpolated Rate, Relevant Mid-Swap Rate and/or Redemption Rate (as applicable) will apply without a Redemption Rate Adjustment Spread.

(3) *Mid-Swap Amendments*

If the Independent Adviser or the Issuer (as applicable) determines a Successor Mid-Swap Rate or, failing which, an Alternative Mid-Swap Rate and/or Redemption Rate Adjustment Spread (as applicable) in accordance with the above provisions, and the Independent Adviser or the Issuer (as applicable) acting in good faith determines (i) that amendments to these Conditions, the Trust Deed or the Agency Agreement are necessary to ensure the proper operation of such Successor Mid-Swap Rate, Alternative Mid-Swap Rate and/or Redemption Rate Adjustment Spread (such amendments being "**Mid-Swap Amendments**", which for the avoidance of doubt shall not be treated as being within the scope of the Basic Terms Modifications), and (ii) the terms of the Mid-Swap Amendments (including, but not limited to, the definitions of "Interpolated Rate", "Redemption Rate", "Mid-Swaps Screen Page", "Gross Redemption Yield", "Relevant Date" and/or the "Relevant Mid-Swap Rate") applicable to the Notes, and the method for determining the Redemption Amount in relation to the Notes, in order to follow market practice in relation to the Successor Mid-

Swap Rate or the Alternative Mid-Swap Rate (as applicable), then the Issuer shall, subject to the provisions of the paragraph below and to giving notice thereof in accordance with Condition 8(b)(i)(E)(4), without any requirement for the consent or approval of Noteholders, vary these Conditions, the Trust Deed or the Agency Agreement, as the case may be, to give effect to such Mid-Swap Amendments with effect from the date specified in such notice.

Subject to the other provisions of this Condition 8(b)(i)(E) and the receipt by the Note Trustee of a certificate signed by two Directors of the Issuer (i) confirming that a Mid-Swap Replacement Event has occurred, and (ii) certifying that the Mid-Swap Amendments are necessary to ensure the proper operation of such Successor Mid-Swap Rate or Alternative Mid-Swap Rate, as the case may be, the Note Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Mid-Swap Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed and these Conditions), provided that neither the Note Trustee nor the Agents shall be obliged so to concur if in the opinion of the Note Trustee or the Agents doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Note Trustee or the Agents in these Conditions, the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) or the Agency Agreement in any way. For the avoidance of doubt, any Mid-Swap Amendments which would impose more onerous obligations upon an Agent or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agency Agreement shall require such Agent's written consent.

(4) *Notices*

The Issuer shall promptly, following the determination of any Successor Mid-Swap Rate or Alternative Mid-Swap Rate (as applicable), give notice thereof to the Note Trustee, the Agents and the Noteholders, which shall specify the effective date(s) for such Successor Mid-Swap Rate or Alternative Mid-Swap Rate (as applicable) and any consequential Mid-Swap Amendments.

(5) *Fallbacks*

If the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a

Successor Mid-Swap Rate or an Alternative Mid-Swap Rate, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Mid-Swap Rate or, failing which, an Alternative Mid-Swap Rate, as well as the appropriate Redemption Rate Adjustment Spread (if applicable).

For the purposes of this Condition 8(b)(i)(E):

"**Alternative Mid-Swap Rate**" means the rate that the Independent Adviser or the Issuer (as applicable) (in each case acting in good faith and in a commercially reasonable manner) determines has replaced the Relevant Mid-Swap Rate (or any relevant components thereof) in customary market usage in the derivatives markets, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the Relevant Mid-Swap Rate (or any relevant components thereof);

"**Independent Adviser**" means, for the purpose of this Condition 8(b)(i)(E), an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, an Independent Adviser appointed pursuant to this Condition 8(b)(i)(E), shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Note Trustee, the Agent Bank (or the Calculation Agent if applicable), the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 8(b)(i)(E);

"**Mid-Swap Replacement Event**" means:

(a) the relevant rates used to derive the Relevant Mid-Swap Rate do not appear on the Mid-Swaps Screen Page or cease to exist or if such rates have ceased to be published on the Mid-Swaps Screen Page as a result of such rates (or any component thereof) ceasing to be calculated or administered; or

(b) the later of (i) the making of a public statement by the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that it will, on or before a specified date, cease publishing such rates permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such rates) and (ii) the date falling six months prior to the date specified in (b)(i) above; or

(c) the making of a public statement by the supervisor of the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that such rates have been permanently or indefinitely discontinued; or

(d) the later of (i) the making of a public statement by the supervisor of the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that such rates will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (d)(i) above;

(e) the later of (i) the making of a public statement by the supervisor of the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that means such rates will be prohibited from being used or that their use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (ii) the date falling six months prior to the specified date referred to in (e)(i) above;

(f) it has or will prior to the date specified for redemption become unlawful (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011 and/or Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, if applicable) for any Paying Agent, the Agent Bank, the Calculation Agent, the Note Trustee, the Mid-Swap Financial Adviser, the Issuer or other party to calculate any payments due to be made to any Noteholder or Couponholder using the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof); or

(g) the later of (i) the making of a public statement by the supervisor of the administrator of the relevant rates used to derive the Relevant Mid-Swap Rate (including any components thereof) that in the view of such supervisor, such rates are or will on or before a specified date, be no longer representative of an underlying market and (ii) the date falling six months prior to the specified date referred to in (g)(i) above.

"**Redemption Rate Adjustment Spread**" means a spread (which may be positive or negative or zero) or formula or methodology for calculating a spread, which the Independent Adviser or the Issuer (as applicable) (in each case acting in good faith and in a commercially reasonable manner) determines is required to be applied to the Successor Mid-Swap Rate, the Alternative Mid-Swap Rate, the Interpolated Rate, the Relevant Mid-Swap Rate and/or the Mid-Swap Redemption Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the

circumstances, any economic prejudice or benefit (as applicable) to Noteholders and Couponholders as a result of the replacement of the Relevant Mid-Swap Rate (or any component thereof) with the Successor Swap Rate or the Alternative Swap Rate (as applicable) and is the spread, formula or methodology which:

(a) in the case of a Successor Mid-Swap Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Relevant Mid-Swap Rate (or the relevant component thereof) with the Successor Mid-Swap Rate by any Relevant Nominating Body; or

(b) in the case of a Successor Mid-Swap Rate for which no such recommendation or option has been made (or made available) or in the case of an Alternative Mid-Swap Rate, the Independent Adviser or the Issuer (as applicable) (in each case acting in good faith and in a commercially reasonable manner) determines is recognised or acknowledged as being in customary market usage in derivatives transactions which reference the Relevant Mid-Swap Rate (or any relevant component thereof), where such rate has been replaced by the Successor Mid-Swap Rate or the Alternative Mid-Swap Rate (as applicable); or

(c) if no such determination regarding customary market usage is made, the Independent Adviser or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate (as applicable) relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof;

"**Successor Mid-Swap Rate**" means the rate that the Independent Adviser or the Issuer (as applicable) (in each case acting in good faith and in a commercially reasonable manner) determines is a successor to or replacement of the Relevant Mid-Swap Rate (or any components thereof) which is formally recommended, or formally provided as an option for parties to adopt, by any Relevant Nominating Body.

Notwithstanding the above, in respect of Fixed Rate Notes:

(i) the Redemption Amount will also include accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption; and

(ii) from and including the date (if any) specified as the Par Redemption Date in the relevant Final Terms, the Redemption Amount shall be equal to the Principal Amount Outstanding of the relevant Notes or the relevant portion thereof to be redeemed plus accrued but unpaid interest on such amount to (but excluding) the date of redemption.

(A) in respect of Floating Rate Notes, the Redemption Amount will be the Principal Amount Outstanding of the relevant Notes (plus any premium for early redemption specified in the relevant Final Terms) plus any accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption;

(B) in respect of Indexed Notes, the Redemption Amount will be the amount determined in accordance with Condition 8(b)(i) or Condition 8(b)(ii), as the case may be, multiplied by the Index Ratio or (in the case of Limited Indexed Notes) the Limited Index Ratio applicable to the month in which such payment falls to be made and rounded in accordance with Condition 6(g) (*Rounding*); and

(C) in respect of Zero Coupon Notes, the Redemption Amount will be an amount equal to the sum of:

(1) the Reference Price; and

(2) the product of the Accrual Yield (compounded annually) and the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption,

and where such calculation is to be made for a period which is less than a full year, such calculation shall be made on the basis of the Day Count Fraction specified in the Final Terms for the purposes of this Condition 8(b)(iv) or, if none is so specified, a Day Count Fraction of 30/360, plus accrued but unpaid interest on the Principal Amount Outstanding of the relevant Notes to (but excluding) the date of redemption.

In this Condition 8(b)(iv), "**Accrual Yield**" and "**Reference Price**" have the meanings given to them in the relevant Final Terms.

In any such case:

(I) prior to giving any notice of redemption under this Condition 8(b), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer that it will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date; and

(II) where Condition 6(f) (*Interest Rate Step-Up*) applies, any date of redemption falling on or after the Note Step-Up Date shall be required to be a Note Payment Date.

(c) *Optional Redemption as Result of Ratings Event*

Following the satisfaction of all conditions precedent in respect of a Ratings Event, the Issuer may seek to exercise its option to redeem the Notes by notifying the holders of each Sub-Class of Notes in accordance with Condition 16 (*Notices*) of the occurrence of such Ratings Event and its intention to redeem the Notes if a Noteholders' Affirmation (as defined below) is passed. The Issuer shall also convene a meeting of each such Sub-Class to take place at least 21 days following such notification. If at such meeting 75% or more by Principal Amount Outstanding of the Noteholders of the relevant Sub-Class of Notes vote in favour of such redemption on a specified date (a "**Noteholders' Affirmation**"), then the Issuer shall redeem such Sub-Class of Notes in whole (but not in part) on the Optional Redemption Date (provided that Floating Rate Notes may not be redeemed before the date (if any) specified in the relevant Final Terms). If at such meeting, less than 75% of the Noteholders of the relevant Sub-Class vote in favour of such redemption, then the Issuer shall not redeem any of the Notes of such Sub-Class.

Any redemption under this Condition 8(c) will be made (I) if the Notes are not Fixed Rate Notes, at the Redemption Amount determined in accordance with Condition 8(b)(ii), (iii) or (iv) or (II) if the Notes are Fixed Rate Notes, at a Redemption Amount equal to the higher of (i) their Principal Amount Outstanding and (ii) an amount calculated by multiplying the Principal Amount Outstanding of such Notes by that price (expressed as a percentage) (as reported in writing to the Issuer and the Note Trustee by a financial adviser selected by the Issuer) (and rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield (as defined below) on such Notes on the Reference Date (as defined below) is equal to the sum of (a) Gross Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt (as defined below) and (b) the Issue Spread for the relevant Notes (as per the relevant Final Terms), in each case plus accrued but unpaid interest on the Principal Amount Outstanding to (but excluding) the date of redemption.

Before giving any notification under this Condition 8(c), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(c) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem

the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

For the purposes of this Condition 8(c): the "**Issue Spread**" shall be the spread on the relevant Class of Notes as specified in the relevant Final Terms; "**Gross Redemption Yield**" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute of Actuaries, as reported in the Journal of the Institute of Actuaries, Volume 105, Part 1, 1978, page 18 or such other basis as the Issuer may select (acting solely on the advice of a Financial Adviser); "**Reference Date**" means the date which is two Business Days prior to the dispatch of the notice of redemption under this Condition 8(c); and "**Reference Gilt**" means the Treasury Stock specified in the relevant Final Terms while that stock is in issue, and thereafter such UK government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market (selected by the Issuer), determine to be appropriate.

(d) *Optional Redemption for Index Event or Taxation Reasons*

(i) *Optional Redemption for Index Events:*

(A) *RPI Indexed Notes:* In the case of RPI Indexed Notes, upon the occurrence of any Index Event (as defined below), the Issuer may, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on the Optional Redemption Date at the Redemption Amount, together with accrued but unpaid interest on the Principal Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs (such interest subject, in the case of Index Linked Interest Notes, to adjustment in accordance with Condition 7(a)(ii) or Condition 7(b)(ii), as applicable).

For the purposes of this Condition 8(d)(i)(A), **"Index Event"** means (i) if the Index Figure for three consecutive months is to be determined on the basis of an Index Figure previously published as provided in Condition 7(a)(iii)(B) (*Delay in publication of Index if sub-paragraph (A) of the definition of Index Figure is applicable*) or Condition 7(c)(iii), as applicable, and the Issuer has been notified by the Principal Paying Agent that publication of the Index has ceased or (ii) notice is published by Her Majesty's Treasury, or on its behalf, following a change in relation to the Index, offering a right of redemption to the holders of the Reference Gilt (as defined in Condition 7(a)(i) (*Definitions*) above), and (in either case) no amendment or substitution of the Index has been advised by the Indexation Adviser to the Issuer and such circumstances are continuing.

(B) *HCIP Indexed Notes:* In the case of HICP Indexed Notes, upon the occurrence of an Early Termination Event pursuant to Condition 7(b)(iii)(C)(II), the Issuer will, upon giving not more than 60 nor less than 30 days' notice to the Note Trustee and the holders of the Indexed Notes in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Indexed Notes of all Sub-Classes on any day at the Redemption Amount together with accrued but unpaid interest on the Principal

Amount Outstanding of such Notes up to (but excluding) the date on which such redemption occurs (such interest subject, in the case of Index Linked Interest Notes, to adjustment in accordance with Condition 7(a)(ii) or Condition 7(b)(ii), as applicable).

Before giving any notice of redemption under this Condition 8(d)(i), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d)(i) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(ii) *Optional Redemption for Taxation Reasons*: If (a) the Issuer would, on the next Note Payment Date, be obliged to deduct or withhold from any payment of interest or principal in respect of the Notes (other than in respect of default interest), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) or (b) FinCo would, on or about the next interest payment date under the Intercompany Loan Agreement, be obliged to increase any sum payable by it to the Issuer under the Intercompany Loan Agreement as a result of FinCo being required to deduct or withhold any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the United Kingdom or any political subdivision thereof, or any other authority thereof by reason of any change in tax law (or the application or official interpretation thereof) from that payment, then the Issuer may, upon giving not more than 60 days nor less than 30 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all (but not some only) of the Notes on the Optional Redemption Date at their Principal Amount Outstanding plus accrued but unpaid interest thereon to (but excluding) the date of redemption (adjusted, in the case of Indexed Notes, in accordance with Condition 7(a)(ii) (*Application of the Index Ratio*) or Condition 7(b)(ii) (*Application of the Index Ratio*), as applicable) without premium or penalty. Before giving any notice of redemption under this Condition 8(d)(ii), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer (a) stating that the Issuer is entitled to effect such redemption under this Condition 8(d)(ii) and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied and (b) confirming that the Issuer will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Notes as aforesaid and to pay any other amounts ranking in priority to such Notes on the relevant redemption date.

(e) *Mandatory Redemption on Prepayment or Acceleration under the Security Trust and Intercreditor Deed*

If the Issuer receives (or is to receive) any monies (a) pursuant to the Security Group Post-Enforcement (Pre-Acceleration) Priority of Payments or the Security Group Post-Enforcement (Post-Acceleration) Priority of Payments, (b) pursuant to the exercise of the P1 ICL Call Option (as defined in the Security Trust and Intercreditor Deed) or (c) other than in accordance with Condition 8(b) (*Optional Redemption*), 8(c) (*Optional Redemption as Result of Ratings Event*) or 8(d) (*Optional Redemption for Index Event or Taxation Reasons*) above, in Prepayment of all or any ICL Loan under the Intercompany Loan Agreement, the Issuer shall, upon giving not more than 30 nor less than 10 days' notice to the Note Trustee and the Noteholders in accordance with Condition 16 (*Notices*), redeem all of the Notes of the relevant Sub-Class of Notes on their next respective Note Payment Dates at their Principal Amount Outstanding plus accrued but unpaid interest to (but excluding) the date of redemption or (where part only of such ICL Loan has been Prepaid) the proportion of the relevant Sub-Class of Notes which the prepayment amount bears to the amount of the relevant ICL Loan. Before giving any notice of redemption under this Condition 8(e), the Issuer shall provide to the Note Trustee a certificate signed by two directors of the Issuer stating that the Issuer is required to effect such redemption under this Condition 8(e) and setting forth a statement of facts showing that the conditions precedent to the obligation of the Issuer so to redeem have been satisfied.

(f) *Purchase of Notes (other than Class R Notes) by the Issuer*

The Issuer may not at any time purchase any of the Notes (other than Class R Notes in accordance with Condition 8(h) (*Issue, repurchases and resales of Class R Notes by Issuer*)).

(g) *Purchase of Notes by FinCo and other Obligors*

FinCo and any of the other Obligors (provided that such Obligor is ordinarily resident in the United Kingdom for United Kingdom tax purposes) may at any time purchase Notes of any Class in accordance with applicable law and the provisions of the Common Terms Agreement. Any Notes purchased by FinCo may, at the option of FinCo, be surrendered to the Issuer. Upon surrender of any such Note (other than a Class R Note), the Note will be cancelled.

If not all the Registered Notes are to be purchased, upon surrender of the existing Individual Note Certificate, the Registrar shall forthwith upon the written request of the Noteholder concerned issue a new Individual Note Certificate in respect of the Notes which are not to be purchased and despatch such Individual Note Certificate to the Noteholder (at the risk of the Noteholder and to such address as the Noteholder may specify in such request).

(h) *Issue, repurchases and resales of Class R Notes by Issuer*

(i) The Issuer may enter into a Class R Underwriting Agreement (as defined below) and issue Class R1 Notes and Class R2 Notes, in which case it may use the

proceeds from the issue of the Class R Notes immediately to repurchase (but not cancel) such Class R Notes. The Issuer may only issue Class R Notes if it enters into a Class R Underwriting Agreement and if the aggregate nominal amount of Class R1 Notes issued is equal to the aggregate nominal amount of Class R2 Notes issued.

(ii) The Issuer will (save to the extent that Condition 8(h)(iii) applies and save where an Issuer Event of Default or a Potential Issuer Event of Default is outstanding) on any Note Payment Date falling on or prior to the Note Payment Date falling on or before the last day of the period agreed as being the period throughout which the underwriters will be bound to repurchase from the Issuer any Class R Notes (the "**Underwriting Period**") repurchase all Class R Notes outstanding on each Note Payment Date at a price which is equal to their Principal Amount Outstanding, plus accrued but unpaid interest to (but excluding) the date of repurchase. The Issuer may at its option cancel, hold or resell all or any of the Class R Notes so purchased (or purchased by FinCo and surrendered to the Issuer pursuant to Condition 8(g) (*Purchase of Notes by FinCo and other Obligors*) above) provided that it shall not on any Note Payment Date resell, or procure the resale of, more than 50 per cent. of the aggregate Principal Amount Outstanding of the Class R Notes or cancel Class R Notes such that the aggregate nominal amount of Class R1 Notes then outstanding and the aggregate nominal amount of Class R2 Notes then outstanding is unequal.

(iii) Notwithstanding the provisions of Condition 8(h)(ii), the Issuer shall not, during the Underwriting Period, be obliged to repurchase from holders any Class R Notes in respect of which it holds insufficient funds to effect such repurchase in accordance with Condition 8(h)(ii), if such insufficiency arises as a result of the Class R Underwriters not being obliged to repurchase Class R Notes from the Issuer to finance such repurchase from holders by the Issuer, or as a result of any Class R Underwriter failing to honour its commitment under the Class R Underwriting Agreement to purchase Class R Notes from the Issuer. The Class R Notes to be repurchased on a Note Payment Date, in respect of which there are insufficient funds to effect such repurchase in full, shall be repurchased *pro rata* from the holders of the Class R Notes using such funds as are available for such purpose pursuant to the Issuer Pre-Enforcement Priority of Payments.

(iv) If, by virtue of the operation of Condition 8(h)(iii), the Issuer is not obliged to repurchase all the Class R Notes on any Note Payment Date, the Issuer shall, as soon as reasonably practicable after becoming aware that it will not be repurchasing such Class R Notes by virtue of the operation of Condition 8(h)(iii) (and, in any event, by no later than 11.00 a.m. on the Note Payment Date upon which it would otherwise have repurchased such Class R Notes), give notice to the Class R Noteholders, the Note Trustee, the Rating Agencies and the Principal Paying Agent, in accordance with the provisions of Condition 16 (*Notices*), specifying the amount of Class R Notes which will not be repurchased on such Note Payment Date.

(v) Any Class R Notes held by or on behalf of the Issuer at the close of business on the Note Payment Date falling at the end of the Underwriting Period shall be cancelled and any Class R Notes purchased by the Issuer on or after such Note Payment Date shall be cancelled immediately upon such repurchase.

(vi) *Definition of "Class R Underwriting Agreement"*

A Class R Underwriting Agreement shall mean an underwriting agreement entered into with underwriters whose short-term and long-term ratings are at least equal to the Minimum Short Term Ratings and the Minimum Long Term Ratings (each as defined in or for the purposes of the Common Terms Agreement) from each of the Rating Agencies rating the Class R Notes pursuant to which:

(A) such underwriters agree during the Underwriting Period to purchase and repurchase from the Issuer on request all or any Class R Notes then in issue on (subject to (B) below in the case of certain repurchases) such terms as are agreed between them;

(B) the only condition that may apply to the repurchase of Class R Notes by the underwriters up to a maximum aggregate nominal amount not exceeding that of all Class R Notes then in circulation shall be that no Issuer Event of Default or Potential Issuer Event of Default shall have occurred and be continuing; and

(C) if (but for any Obligor Event of Default or Potential Obligor Event of Default, as defined in the Common Terms Agreement) FinCo would be obliged under the Common Terms Agreement to refinance, in whole or in part, any ICL Loan (as defined in or for the purposes of the Common Terms Agreement) corresponding to any Class R1 Notes under the Intercompany Loan Agreement (which corresponds to any Class R1 Notes) with another ICL Loan from the Issuer (which is to be financed by the repurchase price payable by the underwriters for Class R2 Notes), the underwriters are obliged (subject only to (B) above, and notwithstanding any Obligor Event of Default or Potential Obligor Event of Default) to repurchase Class R2 Notes from the Issuer in an amount sufficient to finance the making of such ICL Loan.

(vii) *Maturity of Class R Notes*

Subject to satisfying the Ratings Test, the Class R Notes may mature on a date falling after the end of the Underwriting Period, as specified in the relevant Final Terms.

(i) *Cancellation*

In respect of all Notes redeemed by the Issuer, the Bearer Notes or the Registered Notes shall be surrendered to or to the order of the Principal Paying Agent or the Registrar, as the case may be, for cancellation and, if so surrendered, will be cancelled forthwith (together with, in the case of Bearer Notes, all unmatured Coupons and unexchanged

Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) *Subordination of principal*

In the case of principal on any Class of Notes other than the Most Senior Class of Notes, if, on any Note Payment Date prior to the delivery of a Note Enforcement Notice under Condition 11(a) (*Default Events*), there are insufficient funds available to the Issuer in accordance with the Issuer Payment Priorities to pay such principal due, the Issuer's liability to pay such principal will be treated as not having fallen due and will be deferred until the earlier of: (i) the next following Note Payment Date on which the Issuer has, in accordance with the Issuer Pre-Enforcement Priority of Payments, sufficient funds available to pay such deferred amounts (including any interest accrued thereon); and (ii) the Note Payment Date following the full and final repayment of all Notes which rank in priority to such Notes. Any deferred principal on a Sub-Class of Notes shall be payable *pro rata* and *pari passu* with deferred principal on all other Sub-Classes of Notes in such Class. Interest will accrue on such deferred principal at the rate otherwise payable on unpaid principal of such Notes.

(k) *Issuer Clean-up Call Option*

Subject as provided below and if an Issuer Clean-up Call Option is specified in the relevant Final Terms, in the event that the Clean-up Call threshold in nominal amount of Notes of a Sub-Class of Notes then outstanding have been redeemed or repurchased pursuant to this Condition 8, the Issuer may, on not less than 30 or more than 60 days' notice to Noteholders (given within 30 days after the relevant redemption or repurchase date) redeem or repurchase (or procure the purchase of), at its option, the remaining Notes of such Sub-Class of Notes in whole but not in part at a price equal to the Redemption Amount thereof plus, if appropriate, interest accrued to but excluding the Note Payment Date on which such redemption, repurchase or purchase, as the case may be, occurs.

9. Payments

(a) *Bearer Notes*

Payments to the Noteholders of principal (or, as the case may be, Redemption Amounts or other amounts payable on redemption) and interest (or, as the case may be, Interest Amounts) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 9(f) (*Unmatured Coupons and Unexchanged Talons*)) or Coupons (in the case of interest, save as specified in Condition 9(f) (*Unmatured Coupons and Unexchanged Talons*)), as the case may be, at the specified office of any Paying Agent outside the United States of America by transfer to an account denominated in the currency in which such payment is due which is maintained by the payee with, or (in the case of Notes in definitive form only) a cheque payable in that currency drawn on, a bank in the Relevant Financial Centre.

(b) *Registered Notes*

Payments of principal (or, as the case may be Redemption Amounts or other amounts payable on redemption) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the fifteenth day before the due date for any such payment (the "**Record Date**"), by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with a bank in the Relevant Financial Centre upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

Payments of interest (or, as the case may be Interest Amounts) in respect of any Registered Note shall be made by cheque (denominated in the currency in which such payment is due) drawn on, or, upon application by a holder (or the first named of joint holders) of such Registered Note to the specified office of the Registrar not later than the relevant Record Date, by transfer to an account (denominated in the currency in which such payment is due) maintained by the payee with, a bank in the Relevant Financial Centre and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the specified office of the Registrar.

(c) *Payments in the United States of America*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

(i) the Issuer shall have appointed Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due;

(ii) payment in full of such amounts at all such offices outside the United States of America is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and

(iii) such payment is then permitted by the law of the United States of America, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws*

All payments are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment 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 any laws implementing an intergovernmental approach thereto.

(e) *Appointment of the Agents*

The Paying Agents, the Agent Bank, the Transfer Agents and the Registrar appointed by the Issuer (and their respective specified offices) are listed in the Agency Agreement. The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, provided that the Issuer will at all times maintain (i) a Principal Paying Agent (in the case of Bearer Notes), (ii) a Registrar (in the case of Registered Notes), (iii) an Agent Bank or Calculation Agent (as specified in the relevant Final Terms) (in the case of Floating Rate Notes or Indexed Notes) and (iv) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent, Transfer Agent or Registrar in any particular place, a Paying Agent, Transfer Agent and/or Registrar, as applicable, having its specified office in the place required by such listing authority, stock exchange and/or quotation system, which, while any Notes are admitted to trading on Euronext Dublin, shall be in Ireland. Notice of any such variation, termination or appointment will be given in accordance with Condition 16 (*Notices*).

(f) *Unmatured Coupons and Unexchanged Talons*

(i) Subject to the provisions of the relevant Final Terms, upon the due date for redemption of any Note which is a Bearer Note (other than a Fixed Rate Note, unless it has all unmatured Coupons attached), unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the date for redemption of any Note, any unmatured Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iii) Where any Note, which is a Bearer Note and is a Fixed Rate Note, is presented for redemption without all unmatured Coupons and any unexchanged Talons relating to it, a sum equal to the aggregate amount of the missing unmatured Coupons will be deducted from the amount of principal due for payment and redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) If the due date for redemption of any Note is not a Note Payment Date, interest accrued from the preceding Note Payment Date or the Interest Commencement Date, as the case may be, or the Interest Amount payable on such date for redemption shall only be payable against presentation (and surrender if appropriate) of the relevant Note and Coupon.

(g) *Non-Business Days*

Subject as provided in the relevant Final Terms, if any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day in the relevant place and shall not be entitled to any further interest or other payment sum in respect of such delay. In this paragraph, "**business day**" means a day which (subject to Condition 13 (*Prescription*)) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):

(A) in the case of Notes in definitive form only, in the relevant place of presentation, and

(B) in each Additional Financial Centre (other than the T2 System) specified in the applicable Final Terms;

(ii) if the T2 System is specified as an Additional Financial Centre in the applicable Final Terms, a TARGET Settlement Day; and

(iii) either (a) in relation to any sum payable in a Relevant Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the Relevant Currency or (b) in relation to any sum payable in euro, a TARGET Settlement Day.

(h) *Talons*

On or after the Note Payment Date for the final Coupon forming part of a coupon sheet issued in respect of any Note, the Talon forming part of such coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further coupon sheet (and if necessary another Talon for a further coupon sheet but excluding any Coupons which may have become void pursuant to Condition 13 (*Prescription*)).

10. Taxation

All payments in respect of the Notes and Coupons will be made (whether by the Issuer, any Paying Agent, the Registrar or the Note Trustee) without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, any Paying Agent or the Registrar or, where applicable, the Note Trustee is required by applicable law to make such a withholding or deduction. In that event, the Issuer, such Paying Agent, the Registrar or the Note Trustee, 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. None of the Issuer, any Paying Agent, the Registrar or the Note Trustee will

be obliged to make any additional payments to the Noteholders or the Couponholders in respect of such withholding or deduction.

Notwithstanding any other provision in these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes and Coupons for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

11. Issuer Events of Default

(a) *Default Events*

If an Issuer Event of Default (as defined below) occurs and is continuing, then the Note Trustee may, at its discretion, at any time (in accordance with the provisions of the Trust Deed), having certified (in the case of Condition 11(a)(ii)) in writing that in its opinion the happening of such event is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and shall, upon the Note Trustee being (i) so requested in writing by holders of at least one quarter in principal amount of the Most Senior Class of Notes then outstanding or if so directed by an Extraordinary Resolution (as defined in Condition 15 (*Meetings of Noteholders, Modification, Waiver and Substitution*)) of the holders of the Most Senior Class of Notes then outstanding and (ii) indemnified and/or secured to its satisfaction, give notice (a "**Note Enforcement Notice**") to the Issuer and the Noteholders declaring the Notes to be immediately due and repayable.

Each of the following will constitute an "**Issuer Event of Default**" under the Notes:

(i) if default is made for a period of six days in the payment of any sum due in respect of the Most Senior Class of Notes then outstanding (or any Sub-Class of them) (other than the payment of any Note Step-Up Amount); or

(ii) if the Issuer fails to perform or observe any of its obligations (other than payment obligations referred to in (i) above) under the Notes (including these Conditions) or the Issuer Transaction Documents and, if the Note Trustee considers that such default can be remedied, such failure continues for a period of 30 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or

(iii) if any order is made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer (or any analogous proceedings) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Note Trustee or sanctioned by an Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding; or

(iv) if (other than as referred to in (v) below) (1) any other proceedings are initiated against the Issuer under any applicable liquidation, bankruptcy, insolvency,

composition, reorganisation, readjustment or other similar laws and such proceedings are not being disputed in good faith, (2) an administrative receiver or other receiver, administrator or other similar official is appointed in relation to the Issuer or in relation to, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer, (3) an encumbrancer (other than the Note Trustee) takes possession of, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer or (4) a distress or execution or other process is levied or enforced upon or sued out against, in the opinion of the Note Trustee, the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases (other than in relation to the circumstances described in (2) where no grace period shall apply) such order, appointment, possession or process (as the case may be) is not discharged or stayed or does not cease to apply within 14 days; or

(v) if the Issuer or its directors (or any of them) initiates or consents to judicial proceedings relating to itself (except for the purposes of any amalgamation, merger, consolidation, reorganisation or other similar arrangement referred to in (iii) above) (including, without limitation, the giving of notice of intention to appoint an administrator or the filing of an application for administration by the Issuer or any of the directors of the Issuer) under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally; or

(vi) if the Issuer becomes unable to pay its debts as they fall due or is adjudicated or found bankrupt.

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

Upon delivery of a Note Enforcement Notice in accordance with Condition 11(a) (*Default Events*) above, all Classes of the Notes then outstanding 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 Deed of Charge.

(c) *Confirmation of no Issuer Event of Default*

The Issuer shall provide written confirmation to the Note Trustee, on an annual basis, that no Issuer Event of Default has occurred.

12. Enforcement Against Issuer

No Noteholder is entitled to take any action against the Issuer or any assets of the Issuer to enforce its rights in respect of the Notes or to enforce any of the Issuer Security. The Note Trustee will act (subject to Condition 4(e) (*Enforceable Security*)) on the instructions of the holders of the Most Senior Class of Notes then outstanding and the Note Trustee shall not be bound to take any such action unless it is indemnified and/or secured to its

satisfaction against all fees, costs, expenses, liabilities, claims and demands to which it may thereby become liable or which it may incur by so doing.

Neither the Note Trustee nor the Noteholders may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Issuer Deed of Charge and subject to the Trust Deed) or other proceeding under any similar law for so long as any Notes are outstanding or for two years and a day after the latest Maturity Date on which any Note of any Series is due to mature.

13. Prescription

Claims against the Issuer for payment in respect of the Notes or Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 6(j) (*Definitions*)) in respect thereof.

14. Replacement of Notes, Coupons and Talons

If any Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and requirements of Euronext Dublin or any other relevant exchange on which Notes are listed (in the case of listed Notes) (and each other listing authority, stock exchange and or quotation system upon which the relevant Notes have then been admitted to listing, trading and/or quotation), at the specified office of the Principal Paying Agent or, as the case may be, the Registrar 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 require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

15. Meetings of Noteholders, Modification, Waiver and Substitution

(a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of the Noteholders (in addition to a meeting of Noteholders held pursuant to Condition 8(c) (*Optional Redemption as Result of Ratings Event*)) to consider any matter affecting their interests, including the modification of the Notes, the Coupons or any of the provisions of the Trust Deed and any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement, save insofar as they relate to the Issuer) to which the Note Trustee is a party or over which it has security. Any modification may (subject to the other terms of this Condition 15(a)) be made if sanctioned by a resolution passed at a meeting or meetings of the relevant Noteholders duly convened and held in accordance with the Trust Deed and these Conditions by a majority of not less than $66^{2}/_{3}$ per cent. of the votes cast (an "**Extraordinary Resolution**") at such meeting or meetings. Such a meeting may be convened by the Note Trustee or the Issuer, and shall be convened by the Issuer upon the request in writing of the relevant

Noteholders holding not less than one-tenth in nominal amount of the relevant Notes for the time being outstanding.

The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. (or 75 per cent. in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification (as defined in the Security Trust and Intercreditor Deed) (save as regards any meeting convened by the Issuer pursuant to Condition 8(c) (*Optional Redemption as Result of Ratings Event*)) in respect of the Notes and the other Transaction Documents) in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting, one or more persons being or representing Noteholders, whatever the principal amount of the relevant Notes held or represented (or one or more persons holding or representing not less than 25 per cent. in principal amount of the relevant Notes for the time being outstanding, in the case of a meeting of Noteholders convened to vote on an Extraordinary Resolution in relation to a Basic Terms Modification). Any Extraordinary Resolution duly passed at any such meeting shall be binding on all of the Noteholders and Couponholders whether present or not.

In addition, (i) a resolution in writing signed by or on behalf of Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed, holding not less than $66^{2}/_{3}$ per cent. in principal amount of the relevant Notes outstanding or (ii) (in the case of Notes in the form of a Global Note or a Global Note Certificate) consent given by way of electronic consents through the relevant clearing system(s) by or on behalf of the holders of not less than $66^{2}/_{3}$ per cent. in principal amount of the relevant Notes outstanding, will take effect as if it were an Extraordinary Resolution and will be binding on all Noteholders and Couponholders whether or not they participated. A resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The Note Trustee shall, if requested in writing by Noteholders holding Notes having in aggregate a Principal Amount Outstanding of at least 50% of the aggregate Principal Amount Outstanding of all the Notes, notify the Issuer of the Noteholders' desire for a meeting between the Issuer and the Noteholders to discuss the asset backing for the Notes and any issues directly relevant thereto. The Issuer shall, following receipt of such a notice from the Note Trustee, give to the Noteholders notice in accordance with Condition 16 (*Notices*) of a meeting to be held in London for such purpose falling not earlier than 30 days and not later than 60 days after receipt by it of the notice from the Note Trustee. All Noteholders shall be entitled to attend any such meeting and to raise with the Issuer's representatives present at such meeting (who shall include at least one director) any questions which relate directly to the asset backing for the Notes.

In the absence of any Obligor Event of Default or Issuer Event of Default, the Note Trustee (and the Noteholders) shall not be entitled to require the Issuer to convene more than one such meeting in any period of 12 months.

A Rating Agency may, on request, attend meetings of Noteholders at which an Extraordinary Resolution is to be considered unless the Noteholders at such meeting vote to exclude them in accordance with the Trust Deed. Any Rating Agency present at such

a meeting must leave the meeting when the Noteholders cast their votes on the relevant Extraordinary Resolution. A Rating Agency may not attend any other type of Noteholder meeting.

(b) *Debtholders' Meetings*

Pursuant to the Issuer Deed of Charge, the Issuer has assigned by way of security its interest in respect of the advances to FinCo under the Intercompany Loan Agreement and the security therefor to the Note Trustee for the benefit of, *inter alios*, the Noteholders. Accordingly the Security Trust and Intercreditor Deed provides that the relevant Qualifying Noteholders shall be entitled to instruct the Note Trustee to vote in *Debtholders' Meetings* instead of the Issuer on certain proposals relating to the Obligors and the Obligor Secured Creditors. Such proposal, if duly approved in such Debtholders' Meetings shall be a "**Secured Creditor Instruction**".

Any Noteholder who is a Qualifying Noteholder will vote at a Debtholders' Meeting solely by instructing the Note Trustee to vote on its behalf as its Representative (as defined in the Security Trust and Intercreditor Deed) in such Debtholders' Meeting. In any Debtholders' Meeting, voting shall be determined on a pound-for-pound basis by reference to the Principal Amount Outstanding owed to each of the relevant Qualifying Debtholders, so that all votes in favour of the proposal and against the proposal from the Qualifying Noteholders and the other Qualifying Debtholders (who are not Noteholders) are considered on an aggregated basis, irrespective of whether a majority of such Qualifying Noteholders are in favour of or against the proposal.

If any Noteholder is a Qualifying Noteholder, then for the purpose of voting in such Debtholders' Meeting, the Note Trustee shall convene a meeting of the Qualifying Noteholders of any relevant Class or Sub-Class in accordance with the Trust Deed to consider the proposed Secured Creditor Instruction and to instruct the Note Trustee how to vote on each Qualifying Noteholder's behalf on such proposal. After obtaining the instruction of the Qualifying Noteholders who are present at such meeting, the Note Trustee shall vote in the Debtholders' Meeting in accordance with such instructions.

The Obligor Security Trustee shall, pursuant to the Security Trust and Intercreditor Deed, request the Note Trustee to confirm that the quorum requirement for any meeting of Qualifying Noteholders had been satisfied, that is, one or more persons holding or representing at least 25 per cent. in principal amount of the relevant Notes for the time being outstanding or, at any adjourned meeting of Qualifying Noteholders, one or more persons being or representing Qualifying Noteholders, whatever the principal amount of the relevant Notes held or represented.

Irrespective of the result of voting at a meeting of Noteholders in relation to a proposed Secured Creditor Instruction, any Secured Creditor Instruction duly approved at a Debtholders' Meeting shall be binding on all of the Noteholders and Couponholders.

(c) *Modification, consent and waiver*

As more fully set out in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may, without the consent of the Noteholders of any Sub-Class, concur with the Issuer and any other relevant parties in making (i) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Document (excluding the Account Bank and Cash Management Agreement and the Servicing Agreement save insofar as they relate to the Issuer) which is of a formal, minor or technical nature or is made to correct a manifest error or an error in respect of which an English Court could reasonably be expected to make a rectification order; (ii) any other modification of and the granting of any consent under, or waiver or authorisation of any breach or proposed breach of, these Conditions, the Trust Deed or any other Issuer Transaction Document or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) which is, in the opinion of the Note Trustee, not materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding; and (iii) any modification of these Conditions, the Trust Deed or any other Issuer Transaction Documents or other document (other than a Basic Terms Modification or a change in respect of the Financial Covenant) if such modification is made for an Accepted Restructuring Purpose or pursuant to Proposed Non-UK Structural Changes (as defined in or for the purposes of the Common Terms Agreement) and no Ratings Event occurs in respect of the proposed modification. Any such modification, consent, waiver or authorisation shall be binding on all Noteholders and the holders of all relevant Coupons and, in each case, if the Note Trustee so requires, notice thereof shall be given by the Issuer to the Noteholders as soon as practicable thereafter.

No Extraordinary Resolution in respect of a Basic Terms Modification or a change in respect of the Financial Covenant shall be binding on the Note Trustee or the Noteholders (or any of them) unless the Obligor Security Trustee has confirmed to the Note Trustee that such modification has also been approved by each of the other providers of finance to the Obligors in accordance with the relevant credit facility agreements between FinCo (or any other Obligor) and the other providers of such finance.

The Note Trustee, in exercising its discretion to concur in making any modification, granting any consent under or waiver for authorisation of any breach or proposed breach of these Conditions, the Trust Deed or any other Issuer Transaction Document (other than a Basic Terms Modification or a change in respect of the Financial Covenant), shall be entitled to have regard to the Ratings Test (as defined in the Common Terms Agreement) and it may consider the Ratings Test to be an appropriate test or the only appropriate test to apply in that circumstance in exercising its discretion.

(d) *Substitution of the Issuer*

As more fully set forth in the Trust Deed (and subject to the conditions and qualifications therein), the Note Trustee may also agree with the Issuer, without reference to the Noteholders, to the substitution of another corporation in place of the Issuer as principal debtor in respect of the Trust Deed and the Notes of all Series.

16. Notices

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the date of posting. Other notices to Noteholders will be valid if published in a leading daily newspaper having general circulation in Ireland (which is expected to be the *Irish Times*). The Issuer shall also ensure that all notices are duly published in a manner that complies with the rules and regulations of Euronext Dublin and any other listing authority, stock exchange and/or quotation system on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice (other than to holders of Registered Notes as specified above) 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 date of the first publication in all required newspapers. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

The Note Trustee will also provide a Rating Agency, at its request from time to time, with all notices, written information and reports that the Note Trustee sends or makes available to all Noteholders of any Class or Sub-Class except to the extent that such notices, information or reports contain information confidential to third parties.

17. Miscellaneous

(a) *Governing Law*

The Trust Deed, the Issuer Deed of Charge (except in respect of certain terms that may relate to the creation, subsistence or enforcement of security in assets governed by law other than English law), the Notes, the Coupons, the Talons (if any) and the other Issuer Transaction Documents are, and all non-contractual obligations arising out of or in connection with such documents shall be, governed by English law.

(b) *Third Party Rights*

No person shall have any right to enforce any term or condition of the Notes or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

PART B
PRICING AND ADDITIONAL TERMS

1. Sub-Class A6 Pricing Supplement (registered tranche) (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

EXECUTION COPY

Pricing Supplement dated 2 November 2004

Land Securities Capital Markets PLC
Note Issuance Programme in the amount of £4,000,000,000 (the "Programme")

Issue of £317,960,000 5.376 per cent. Class A6 Notes due 30 September 2029 (the "**Class A6 Notes**")

This document constitutes the Pricing Supplement relating to the issue of Class A6 Notes described herein to be issued on the date hereof pursuant to the Programme. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (as amended from time to time) set forth in the Offering Circular dated 2 November 2004 2004 (as supplemented from time to time, the "**Offering Circular**"). This Pricing Supplement must be read in conjunction with the Offering Circular.

1.	Issuer:		Land Securities Capital Markets PLC
2.	(i)	Series Number:	1
	(ii)	Sub-Class Number:	A6
3.	Relevant Currency or Currencies:		Sterling
4.	Aggregate Nominal Amount:		
	(i)	Series:	£2,298,288,000
	(ii)	Sub-Class:	£317,960,000
5.	(i)	Issue Price:	100 per cent. of the Aggregate Nominal Amount
	(ii)	Net proceeds:	Not Applicable
6.	Specified Denominations:		£1,000
	(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made). Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).		
7.	(i)	Issue Date:	3 November 2004
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
8.	Maturity Date:		30 September 2029
9.	Instalment Date:		Not Applicable
10.	Interest Basis:		5.376 per cent. Fixed Rate
11.	Redemption/Payment Basis:		Redemption at par
12.	Put/Call Options:		Issuer Call Option (further particulars specified below)
13.	Status and Ranking:		PRIORITY 1 DEBT/Condition 3(a) applies
14.	Listing:		Application has been made for the Notes to be listed on the Irish Stock Exchange
15.	Method of distribution:		Non-syndicated

16.	Other relevant provisions:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17.	**Fixed Rate Note Provisions**	Applicable
(i)	Interest Rate:	5.376 per cent. per annum payable semi-annually in arrear
(ii)	Issue Spread:	0.79 per cent. per annum
(iii)	Interest Determination Date:	30 September and 30 March in each year, not adjusted, with the exception of the Interest Determination Date in respect of the initial Note Interest Period, which will be 3 November 2004, not adjusted
(iv)	Note Payment Date(s):	30 September and 30 March in each year, not adjusted.
(v)	First Note Payment Date:	30 March 2005
(vi)	Fixed Coupon Amount(s):	£26.88 per Note of £1,000 in Nominal Amount
(vii)	Broken Amount(s):	There will be a short initial Note Interest Period from, and including, the Issue Date to, but excluding, the First Note Payment Date. In respect of the initial Note Interest Period only, the Fixed Coupon Amount will be £21.83 per Note of £1,000 in Nominal Amount
(viii)	Day Count Fraction:	Actual/Actual (ISMA)
(ix)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
(x)	Reference Gilt:	6 per cent. UK Treasury Gilt due June 2028
18.	**Floating Rate Note Provisions**	Applicable in accordance with Condition 6(f)
(i)	Note Payment Dates:	Interest will be paid quarterly in arrear on 30 December, 30 March, 30 June and 30 September in each year commencing with the Note Payment Date falling in December 2027, subject to adjustment in accordance with the Business Day Convention specified below
(ii)	Business Day Convention:	Modified Following Business Day Convention
(iii)	Manner in which Interest Rate to be determined:	Screen Rate Determination
(iv)	Party responsible for calculating the Interest Rates and Interest Amounts (if not the Agent Bank):	Not Applicable
(v)	Screen Rate Determination:	
	- Reference Rate:	3-month GBP LIBOR
	- Interest Determination Date(s):	The first day of each Note Interest Period, commencing (in respect of the first Note Interest Period) on 30 September 2027
	- Relevant Screen Page:	Reuters page LIBOR01

(vi)	ISDA Determination:		
		- Floating Rate Option:	Not Applicable
		- Designated Maturity:	Not Applicable
		- Reset Date:	Not Applicable
(vii)	Margin(s):		As set out in item 19, below.
(viii)	Minimum Interest Rate:		Not Applicable
(ix)	Maximum Interest Rate:		Not Applicable
(x)	Day Count Fraction:		Actual/Actual (ISMA)
(xi)	Additional Business Centre(s):		Not Applicable
(xii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating the Interest Rate, if different from those set out in the Conditions:		Not Applicable
(xiii)	Relevant Financial Centre:		London
(xiv)	Relevant Time:		11.00 a.m.
(xv)	Specified Duration:		Not Applicable
(xvi)	Representative Amount:		£1,000

19. **Floating Rate Step-Up (Condition 6(f))** Applicable

(i)	Note Step-Up Rate	0.702 per cent.
(ii)	Note Step-Up Date	30 September 2027
(iii)	Margin (for the purposes of Condition 6(f))	0.468 per cent.

20. **Zero Coupon Note Provisions** Not Applicable

21. **Indexed Note Provisions** Not Applicable

22. **Dual Currency Note Provisions** Not Applicable

23. **Other Note Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

24. **Issuer Call Option** Applicable

(i)	Optional Redemption Date(s):		As set out in Conditions 8(b), (c), (d) and (e)
(ii)	Redemption Amount(s) and method, if any, of calculation of such amount(s):		As set out in Conditions 8(b), (c), (d) and (e)
(iii)	If redeemable in part:		
	(a)	Minimum Redemption Amount:	Not Applicable
	(b)	Maximum Redemption Amount:	Aggregate Nominal Amount
(iv)	Notice period (if other than as set out in the Conditions):		As set out in Conditions 8(b), (c), (d) and (e)

25. **Final Redemption Amount** Par

26. **Zero Coupon Notes/Indexed Notes**

(i)	Accrual Yield/Reference Price on redemption under Condition 8(b)(iv):	Not Applicable
(ii)	Redemption Amount(s) payable in relation to Indexed Notes on redemption under Condition 8(e):	Not Applicable

27. **Additional Redemption Provisions:** Not Applicable

STATUS AND RANKING OF THE NOTES

28. Class: Class A Notes
29. Priority: Priority 1 Notes
30. If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes: Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

31. Form of Notes: Registered

(i)	If issued in Bearer form:	Not Applicable
(ii)	If issued in Registered form:	Individual Note Certificates

32. Additional Financial Centre(s) or other special provisions relating to Note Payment Dates: Not Applicable
33. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): Not Applicable
34. Details relating to Partly Paid Notes (amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment): Not Applicable
35. Details relating to Instalment Notes: Not Applicable
36. Redenomination, renominalisation and reconventioning provisions: Not Applicable
37. Consolidation provisions: The provisions in Condition 1(c) apply
38. Other terms or special conditions: Not Applicable
39. TEFRA rules: TEFRA D

ICL LOAN TERMS

40. Interest rate on relevant ICL Loan: 5.386 per cent. (exceeding the rate payable on the Notes which are the subject of this Pricing Supplement by a margin of 0.01% per annum)
41. Term of relevant ICL Loan: 30 September 2029
42. Other relevant provisions (including as to priority ranking and ICL Loan Payment Dates): ICL Loan Payment Dates are the Note Payment Dates set out in item 17(iv) above

DISTRIBUTION

43.	(i)	If syndicated, names of Managers:	Not Applicable
	(ii)	Stabilising Manager (if any):	Not Applicable
44.	If non-syndicated, name of Dealer:		Not Applicable
45.	Selling restrictions:		The selling restrictions set out in the Offering Circular apply
46.	Additional selling restrictions:		Not Applicable

OPERATIONAL INFORMATION

47.	ISIN Code:	XS0204737117
48.	Common Code:	020473711
49.	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable
50.	Delivery:	Delivery free of payment
51.	Additional Paying Agent(s) (if any):	Not Applicable

LISTING APPLICATION

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the Programme for the issuance of Notes by Land Securities Capital Markets PLC.

RESPONSIBILITY

Land Securities Capital Markets PLC accepts responsibility for the information contained in this Pricing Supplement.

Signed on [redacted] Securities Capital Markets PLC:

By: .....[redacted].....

Duly authorised

2. Sub-Class A6 Pricing Supplement (bearer tranche) (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

EXECUTION COPY

Pricing Supplement dated 2 November 2004

Land Securities Capital Markets PLC
Note Issuance Programme in the amount of £4,000,000,000 (the "Programme")

Issue of £317,960,000 5.376 per cent. Class A6 Notes due 30 September 2029 (the "**Class A6 Notes**")

This document constitutes the Pricing Supplement relating to the issue of Class A6 Notes described herein to be issued on the date hereof pursuant to the Programme. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (as amended from time to time) set forth in the Offering Circular dated 2 November 2004 2004 (as supplemented from time to time, the "**Offering Circular**"). This Pricing Supplement must be read in conjunction with the Offering Circular.

1.	Issuer:		Land Securities Capital Markets PLC
2.	(i)	Series Number:	1
	(ii)	Sub-Class Number:	A6
3.	Relevant Currency or Currencies:		Sterling
4.	Aggregate Nominal Amount:		
	(i)	Series:	£2,298,288,000
	(ii)	Sub-Class:	£317,960,000
5.	(i)	Issue Price:	100 per cent. of the Aggregate Nominal Amount
	(ii)	Net proceeds:	Not Applicable
6.	Specified Denominations:		£1,000
	(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made). Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).		
7.	(i)	Issue Date:	3 November 2004
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
8.	Maturity Date:		30 September 2029
9.	Instalment Date:		Not Applicable
10.	Interest Basis:		5.376 per cent. Fixed Rate
11.	Redemption/Payment Basis:		Redemption at par
12.	Put/Call Options:		Issuer Call Option (further particulars specified below)
13.	Status and Ranking:		PRIORITY 1 DEBT/Condition 3(a) applies
14.	Listing:		Application has been made for the Notes to be listed on the Irish Stock Exchange
15.	Method of distribution:		Non-syndicated

16. Other relevant provisions:		Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17. **Fixed Rate Note Provisions**		Applicable
(i)	Interest Rate:	5.376 per cent. per annum payable semi-annually in arrear
(ii)	Issue Spread:	0.79 per cent. per annum
(iii)	Interest Determination Date:	30 September and 30 March in each year, not adjusted, with the exception of the Interest Determination Date in respect of the initial Note Interest Period, which will be 3 November 2004, not adjusted
(iv)	Note Payment Date(s):	30 September and 30 March in each year, not adjusted.
(v)	First Note Payment Date:	30 March 2005
(vi)	Fixed Coupon Amount(s):	£26.88 per Note of £1,000 in Nominal Amount
(vii)	Broken Amount(s):	There will be a short initial Note Interest Period from, and including, the Issue Date to, but excluding, the First Note Payment Date. In respect of the initial Note Interest Period only, the Fixed Coupon Amount will be £21.83 per Note of £1,000 in Nominal Amount
(viii)	Day Count Fraction:	Actual/Actual (ISMA)
(ix)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
(x)	Reference Gilt:	6 per cent. UK Treasury Gilt due June 2028
18. **Floating Rate Note Provisions**		Applicable in accordance with Condition 6(f)
(i)	Note Payment Dates:	Interest will be paid quarterly in arrear on 30 December, 30 March, 30 June and 30 September in each year commencing with the Note Payment Date falling in December 2027, subject to adjustment in accordance with the Business Day Convention specified below
(ii)	Business Day Convention:	Modified Following Business Day Convention
(iii)	Manner in which Interest Rate to be determined:	Screen Rate Determination
(iv)	Party responsible for calculating the Interest Rates and Interest Amounts (if not the Agent Bank):	Not Applicable
(v)	Screen Rate Determination:	
	- Reference Rate:	3-month GBP LIBOR
	- Interest Determination Date(s):	The first day of each Note Interest Period, commencing (in respect of the first Note Interest Period) on 30 September 2027
	- Relevant Screen Page:	Reuters page LIBOR01

(vi)	ISDA Determination:		
		- Floating Rate Option:	Not Applicable
		- Designated Maturity:	Not Applicable
		- Reset Date:	Not Applicable
(vii)	Margin(s):		As set out in item 19, below.
(viii)	Minimum Interest Rate:		Not Applicable
(ix)	Maximum Interest Rate:		Not Applicable
(x)	Day Count Fraction:		Actual/Actual (ISMA)
(xi)	Additional Business Centre(s):		Not Applicable
(xii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating the Interest Rate, if different from those set out in the Conditions:		Not Applicable
(xiii)	Relevant Financial Centre:		London
(xiv)	Relevant Time:		11.00 a.m.
(xv)	Specified Duration:		Not Applicable
(xvi)	Representative Amount:		£1,000
19. **Floating Rate Step-Up (Condition 6(f))**			Applicable
(i)	Note Step-Up Rate		0.702 per cent.
(ii)	Note Step-Up Date		30 September 2027
(iii)	Margin (for the purposes of Condition 6(f))		0.468 per cent.
20. **Zero Coupon Note Provisions**			Not Applicable
21. **Indexed Note Provisions**			Not Applicable
22. **Dual Currency Note Provisions**			Not Applicable
23. **Other Note Provisions**			Not Applicable

PROVISIONS RELATING TO REDEMPTION

24. **Issuer Call Option**			Applicable
(i)	Optional Redemption Date(s):		As set out in Conditions 8(b), (c), (d) and (e)
(ii)	Redemption Amount(s) and method, if any, of calculation of such amount(s):		As set out in Conditions 8(b), (c), (d) and (e)
(iii)	If redeemable in part:		
	(a)	Minimum Redemption Amount:	Not Applicable
	(b)	Maximum Redemption Amount:	Aggregate Nominal Amount
(iv)	Notice period (if other than as set out in the Conditions):		As set out in Conditions 8(b), (c), (d) and (e)
25. **Final Redemption Amount**			Par

26.	**Zero Coupon Notes/Indexed Notes**	
	(i) Accrual Yield/Reference Price on redemption under Condition 8(b)(iv):	Not Applicable
	(ii) Redemption Amount(s) payable in relation to Indexed Notes on redemption under Condition 8(e):	Not Applicable
27.	**Additional Redemption Provisions:**	Not Applicable
	STATUS AND RANKING OF THE NOTES	
28.	Class:	Class A Notes
29.	Priority:	Priority 1 Notes
30.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:	Not Applicable
	GENERAL PROVISIONS APPLICABLE TO THE NOTES	
31.	Form of Notes:	Bearer
	(i) If issued in Bearer form:	Temporary Global Note exchangeable for Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
	(ii) If issued in Registered form:	Not Applicable
32.	Additional Financial Centre(s) or other special provisions relating to Note Payment Dates:	Not Applicable
33.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	Not Applicable
34.	Details relating to Partly Paid Notes (amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment):	Not Applicable
35.	Details relating to Instalment Notes:	Not Applicable
36.	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
37.	Consolidation provisions:	The provisions in Condition 1(c) apply
38.	Other terms or special conditions:	Not Applicable
39.	TEFRA rules:	TEFRA D
	ICL LOAN TERMS	
40.	Interest rate on relevant ICL Loan:	5.386 per cent. (exceeding the rate payable on the Notes which are the subject of this Pricing Supplement by a margin of 0.01% per annum)
41.	Term of relevant ICL Loan:	30 September 2029
42.	Other relevant provisions (including as to priority	ICL Loan Payment Dates are the Note

	ranking and ICL Loan Payment Dates):	Payment Dates set out in item 17(iv) above

DISTRIBUTION

43.	(i)	If syndicated, names of Managers:	Not Applicable
	(ii)	Stabilising Manager (if any):	Not Applicable
44.		If non-syndicated, name of Dealer:	Not Applicable
45.		Selling restrictions:	The selling restrictions set out in the Offering Circular apply
46.		Additional selling restrictions:	Not Applicable

OPERATIONAL INFORMATION

47.	ISIN Code:	XS0204780125
48.	Common Code:	020478012
49.	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable
50.	Delivery:	Delivery free of payment
51.	Additional Paying Agent(s) (if any):	Not Applicable

LISTING APPLICATION

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the Programme for the issuance of Notes by Land Securities Capital Markets PLC.

RESPONSIBILITY

Land Securities Capital Markets PLC accepts responsibility for the information contained in this Pricing Supplement.

Signed o[redacted]d Securities Capital Markets PLC:

By: .....[redacted].....

Duly [redacted]

3. Sub-Class A7 Pricing Supplement (registered tranche) (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

EXECUTION COPY

Pricing Supplement dated 2 November 2004

Land Securities Capital Markets PLC
Note Issuance Programme in the amount of £4,000,000,000 (the "Programme")
Issue of £323,410,000 5.396 per cent. Class A7 Notes due 31 July 2032 (the "**Class A7 Notes**")

This document constitutes the Pricing Supplement relating to the issue of Class A7 Notes described herein to be issued on the date hereof pursuant to the Programme. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (as amended from time to time) set forth in the Offering Circular dated 2 November 2004 (as supplemented from time to time, the "**Offering Circular**"). This Pricing Supplement must be read in conjunction with the Offering Circular.

1.	Issuer:		Land Securities Capital Markets PLC
2.	(i)	Series number:	1
	(ii)	Sub-Class Number:	A7
3.	Relevant Currency or Currencies:		Sterling
4.	Aggregate Nominal Amount:		
	(i)	Series:	£2,298,288,000
	(ii)	Sub-Class:	£323,410,000
5.	(i)	Issue Price:	100 per cent. of the Aggregate Nominel Amount
	(ii)	Net proceeds:	Not Applicable
6.	Specified Denominations:		£1,000
	(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made). Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).		
7.	(i)	Issue Date:	3 November 2004
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
8.	Maturity Date:		31 July 2032
9.	Instalment Date:		Not Applicable
10.	Interest Basis:		5.396 per cent. Fixed Rate
11.	Redemption/Payment Basis:		Redemption at par
12.	Put/Call Options:		Issuer Call Option (further particulars specified below)
13.	Status and Ranking:		PRIORITY 1 DEBT/Condition 3(a) applies
14.	Listing:		Application has been made for the Notes to be listed on the Irish Stock Exchange

15.	Method of distribution:	Non-syndicated
16.	Other relevant provisions:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17.	**Fixed Rate Note Provisions**	Applicable
(i)	Interest Rate:	5.396 per cent. per annum payable semi-annually in arrear
(ii)	Issue Spread:	0.81 per cent. per annum
(iii)	Interest Determination Date:	31 January and 31 July in each year, not adjusted, with the exception of the Interest Determination Date in respect of the initial Note Interest Period, which will be 3 November 2004, not adjusted
(iv)	Note Payment Date(s):	31 January and 31 July in each year, not adjusted
(v)	First Note Payment Date:	31 January 2005
(vi)	Fixed Coupon Amount(s):	£26.98 per Note of £1,000 in Nominal Amount
(vii)	Broken Amount(s):	There will be a short initial Note Interest Period from, and including, the Issue Date to, but excluding, the First Note Payment Date. In respect of the Initial Note Interest Period only, the Fixed Coupon Amount will be £13.05 per Note of £1,000 in Nominal Amount
(viii)	Day Count Fraction:	Actual/Actual (ISMA)
(ix)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
(x)	Reference Gilt:	6 per cent. UK Treasury Gilt due June 2028
18.	**Floating Rate Note Provisions**	Applicable in accordance with Condition 6(f)
(i)	Note Payment Dates:	Interest will be paid quarterly in arrear on 31 October, 31 January, 30 April and 31 July in each year commencing with the Note Payment Date falling in October 2030, subject to adjustment in accordance with the Business Day Convention specified below
(ii)	Business Day Convention:	Modified Following Business Day Convention
(iii)	Manner in which Interest Rate to be determined:	Screen Rate Determination
(iv)	Party responsible for calculating the Interest Rates and Interest Amounts (if not the Agent Bank):	Not Applicable
(v)	Screen Rate Determination:	
	- Reference Rate:	3-month GBP LIBOR
	- Interest Determination Date(s):	The first day of each Note Interest Period, commencing (in respect of the first Note Interest Period) on 31 July 2030

	- Relevant Screen Page:	Reuters page LIBOR01
(vi)	ISDA Determination:	
	- Floating Rate Option:	Not Applicable
	- Designated Maturity:	Not Applicable
	- Reset Date:	Not Applicable
(vii)	Margin(s):	As set out in item 19, below.
(viii)	Minimum Interest Rate:	Not Applicable
(ix)	Maximum Interest Rate:	Not Applicable
(x)	Day Count Fraction:	Actuel/Actual (ISMA)
(xi)	Additional Business Centre(s):	Not Applicable
(xii)	Fall back provisions, rounding provisions, denominator and any other terms releting to the method of calculating the Interest Rete, if different from those set out in the Conditions:	Not Applicable
(xiii)	Relevant Financial Centre:	London
(xiv)	Relevant Time:	11.00 a.m.
(xv)	Specified Duration:	Not Applicable
(xvi)	Representative Amount:	£1,000
19. **Floating Rate Step-Up (Condition 6(f))**		Applicable
(i)	Note Step-Up Amount	0.786 per cent.
(ii)	Note Step-Up Date	31 July 2030
(iii)	Margin (for the purposes of Condition 6(f)	0.524 per cent
20. **Zero Coupon Note Provisions**		Not Applicable
21. **Indexed Note Provieions**		Not Applicable
22. **Dual Currency Note Provisions**		Not Applicable
23. **Other Note Provisions**		Not Applicable
PROVISIONS RELATING TO REDEMPTION		
24. **Issuer Call Option**		Applicable
(i)	Optional Redemption Date(s):	As set out in Conditions 8(b), (c), (d) and (e)
(ii)	Redemption Amount(s) and method, if any, of calculation of such amount(s):	As set out in Conditions 8(b), (c), (d) and (e)
(iii)	If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Maximum Redemption Amount:	Aggregate Nominal eccount
(iv)	Notice period (if other than as set out in the Conditions):	As set out in Conditions 8(b), (c), (d) and (e)

25.	**Final Redemption Amount**	Par
26.	**Zero Coupon Notes/Indexed Notes**	
	(i) Accrual Yield/Reference Price on redemption under Condition 8(b)(iv):	Not Applicable
	(ii) Redemption Amount(s) payable in relation to Indexed Notes on redemption under Condition 8(e):	Not Applicable
27.	**Additional Redemption Provisions:**	Not Applicable
STATUS AND RANKING OF THE NOTES		
28.	Class:	Class A Notes
29.	Priority:	Priority 1 Notes
30.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:	Not Applicable
GENERAL PROVISIONS APPLICABLE TO THE NOTES		
31.	Form of Notes:	Registered
	(i) If issued in Bearer form:	Not Applicable
	(ii) If issued in Registered form:	Individual Note Certificates
32.	Additional Financial Centre(s) or other special provisions relating to Note Payment Dates:	Not Applicable
33.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	Not Applicable
34.	Details relating to Partly Paid Notes (amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment):	Not Applicable
35.	Details relating to Instalment Notes:	Not Applicable
36.	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
37.	Consolidation provisions:	The provisions in Condition 1(c) apply
38.	Other terms or special conditions:	Not Applicable
39.	TEFRA rules:	TEFRA D
ICL LOAN TERMS		
40.	Interest rate on relevant ICL Loan:	5.406 per cent. (exceeding the rate payable on the Notes which are the subject of this Pricing Supplement by a margin of 0.01% per annum)
41.	Term of relevant ICL Loan:	31 July 2032
42.	Other relevant provisions (including as to priority ranking and ICL Loan Payment Dates):	ICL Loan Payment Dates are the Note Payment Dates set out in Item 17(iv) above

DISTRIBUTION

43.	(i)	If syndicated, names of Managers:	Not Applicable
	(ii)	Stabilising Manager (if any):	Not Applicable
44.		If non-syndicated, name of Dealer:	Not Applicable
45.		Selling restrictions:	The selling restrictions set out in the Offering Circular apply
46.		Additional selling restrictions:	Not Applicable

OPERATIONAL INFORMATION

47.	ISIN Code:	XS0204737893
48.	Common Code:	020473789
49.	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable
50.	Delivery:	Delivery free of payment
51.	Additional Paying Agent(s) (if any)	Not Applicable

LISTING APPLICATION

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the Programme for the issuance of Notes by Land Securities Capital Markets PLC.

RESPONSIBILITY

Land Securities Capital Markets PLC accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of Land Securities Capital Markets PLC:

By: .....

Duly authorised

4. Sub-Class A7 Pricing Supplement (bearer tranche) (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

EXECUTION COPY

Pricing Supplement dated 2 November 2004

Land Securities Capital Markets PLC
Note Issuance Programme in the amount of £4,000,000,000 (the "Programme")
Issue of £323,410,000 5.396 per cent. Class A7 Notes due 31 July 2032 (the "**Class A7 Notes**")

This document constitutes the Pricing Supplement relating to the issue of Class A7 Notes described herein to be issued on the date hereof pursuant to the Programme. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (as amended from time to time) set forth in the Offering Circular dated 2 November 2004 (as supplemented from time to time, the "**Offering Circular**"). This Pricing Supplement must be read in conjunction with the Offering Circular.

1.	Issuer:		Land Securities Capital Markets PLC
2.	(i)	Series number:	1
	(ii)	Sub-Class Number:	A7
3.	Relevant Currency or Currencies:		Sterling
4.	Aggregate Nominal Amount:		
	(i)	Series:	£2,298,288,000
	(ii)	Sub-Class:	£323,410,000
5.	(i)	Issue Price:	100 per cent. of the Aggregate Nominal Amount
	(ii)	Net proceeds:	Not Applicable
6.	Specified Denominations:		£1,000
	(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made). Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).		
7.	(i)	Issue Date:	3 November 2004
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
8.	Maturity Date:		31 July 2032
9.	Instalment Date:		Not Applicable
10.	Interest Basis:		5.396 per cent. Fixed Rate
11.	Redemption/Payment Basis:		Redemption at par
12.	Put/Call Options:		Issuer Call Option (further particulars specified below)
13.	Status and Ranking:		PRIORITY 1 DEBT/Condition 3(a) applies
14.	Listing:		Application has been made for the Notes to be listed on the Irish Stock Exchange

15.	Method of distribution:	Non-syndicated
16.	Other relevant provisions:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17.	**Fixed Rate Note Provisions**		Applicable
	(i)	Interest Rate:	5.396 per cent. per annum payable semi-annually in arrear
	(ii)	Issue Spread:	0.81 per cent. per annum
	(iii)	Interest Determination Date:	31 January and 31 July in each year, not adjusted, with the exception of the Interest Determination Date in respect of the initial Note Interest Period, which will be 3 November 2004, not adjusted
	(iv)	Note Payment Date(s):	31 January and 31 July in each year, not adjusted
	(v)	First Note Payment Date:	31 January 2005
	(vi)	Fixed Coupon Amount(s):	£26.98 per Note of £1,000 in Nominal Amount
	(vii)	Broken Amount(s):	There will be a short initial Note Interest Period from, and including, the Issue Date to, but excluding, the First Note Payment Date. In respect of the initial Note Interest Period only, the Fixed Coupon Amount will be £13.05 per Note of £1,000 in Nominal Amount
	(viii)	Day Count Fraction:	Actual/Actual (ISMA)
	(ix)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
	(x)	Reference Gilt:	6 per cent. UK Treasury Gilt due June 2028
18.	**Floating Rate Note Provisions**		Applicable in accordance with Condition 6(f)
	(i)	Note Payment Dates:	Interest will be paid quarterly in arrear on 31 October, 31 January, 30 April and 31 July in each year commencing with the Note Payment Date falling in October 2030, subject to adjustment in accordance with the Business Day Convention specified below
	(ii)	Business Day Convention:	Modified Following Business Day Convention
	(iii)	Manner in which Interest Rate to be determined:	Screen Rate Determination
	(iv)	Party responsible for calculating the Interest Rates and Interest Amounts (if not the Agent Bank):	Not Applicable
	(v)	Screen Rate Determination:	
		- Reference Rate:	3-month GBP LIBOR
		- Interest Determination Date(s):	The first day of each Note Interest Period, commencing (in respect of the first Note Interest Period) on 31 July 2030

	- Relevant Screen Page:	Reuters page LIBOR01
(vi)	ISDA Determination:	
	- Floating Rate Option:	Not Applicable
	- Designated Maturity:	Not Applicable
	- Reset Date:	Not Applicable
(vii)	Margin(s):	As set out in item 19, below.
(viii)	Minimum Interest Rate:	Not Applicable
(ix)	Maximum Interest Rate:	Not Applicable
(x)	Day Count Fraction:	Actual/Actual (ISMA)
(xi)	Additional Business Centre(s):	Not Applicable
(xii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating the Interest Rate, if different from those set out in the Conditions:	Not Applicable
(xiii)	Relevant Financial Centre:	London
(xiv)	Relevant Time:	11.00 a.m.
(xv)	Specified Duration:	Not Applicable
(xvi)	Representative Amount:	£1,000
19. **Floating Rate Step-Up (Condition 6(f))**		Applicable
(i)	Note Step-Up Amount	0.786 per cent.
(ii)	Note Step-Up Date	31 July 2030
(iii)	Margin (for the purposes of Condition 6(f))	0.524 per cent
20. **Zero Coupon Note Provisions**		Not Applicable
21. **Indexed Note Provisions**		Not Applicable
22. **Dual Currency Note Provisions**		Not Applicable
23. **Other Note Provisions**		Not Applicable
PROVISIONS RELATING TO REDEMPTION		
24. **Issuer Call Option**		Applicable
(i)	Optional Redemption Date(s):	As set out in Conditions 8(b), (c), (d) and (e)
(ii)	Redemption Amount(s) and method, if any, of calculation of such amount(s):	As set out in Conditions 8(b), (c), (d) and (e)
(iii)	If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Maximum Redemption Amount:	Aggregate Nominal account
(iv)	Notice period (if other than as set out in the Conditions):	As set out in Conditions 8(b), (c), (d) and (e)

25.	**Final Redemption Amount**	Par
26.	**Zero Coupon Notes/Indexed Notes**	
	(i) Accrual Yield/Reference Price on redemption under Condition 8(b)(iv):	Not Applicable
	(ii) Redemption Amount(s) payable in relation to Indexed Notes on redemption under Condition 8(e):	Not Applicable
27.	**Additional Redemption Provisions:**	Not Applicable
STATUS AND RANKING OF THE NOTES		
28.	Class:	Class A Notes
29.	Priority:	Priority 1 Notes
30.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:	Not Applicable
GENERAL PROVISIONS APPLICABLE TO THE NOTES		
31.	Form of Notes:	Bearer
	(i) If issued in Bearer form:	Temporary Global Note exchangeable for Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
	(ii) If issued in Registered form:	Not Applicable
32.	Additional Financial Centre(s) or other special provisions relating to Note Payment Dates:	Not Applicable
33.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	Not Applicable
34.	Details relating to Partly Paid Notes (amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment):	Not Applicable
35.	Details relating to Instalment Notes:	Not Applicable
36.	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
37.	Consolidation provisions:	The provisions in Condition 1(c) apply
38.	Other terms or special conditions:	Not Applicable
39.	TEFRA rules:	TEFRA D
ICL LOAN TERMS		
40.	Interest rate on relevant ICL Loan:	5.406 per cent. (exceeding the rate payable on the Notes which are the subject of this Pricing Supplement by a margin of 0.01% per annum)
41.	Term of relevant ICL Loan:	31 July 2032
42.	Other relevant provisions (including as to priority ranking and ICL Loan Payment Dates):	ICL Loan Payment Dates are the Note Payment Dates set out in item 17(iv) above

DISTRIBUTION

43.	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Stabilising Manager (if any):	Not Applicable
44.	If non-syndicated, name of Dealer:	Not Applicable
45.	Selling restrictions:	The selling restrictions set out in the Offering Circular apply
46.	Additional selling restrictions:	Not Applicable

OPERATIONAL INFORMATION

47.	ISIN Code:	XS0204780554
48.	Common Code:	020478055
49.	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable
50.	Delivery:	Delivery free of payment
51.	Additional Paying Agent(s) (if any)	Not Applicable

LISTING APPLICATION

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the Programme for the issuance of Notes by Land Securities Capital Markets PLC.

RESPONSIBILITY

Land Securities Capital Markets PLC accepts responsibility for the information contained in this Pricing Supplement.

Signed o[redacted]and Securities Capital Markets PLC:

By: .....[redacted].....

Duly authorised

5. Sub-Class A11 Final Terms (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

Final Terms dated 5 February 2007

Land Securities Capital Markets PLC
Note Issuance Programme in the amount of £6,000,000,000 (the "Programme")
Issue of £500,000,000 Class A11 5.125% Notes due 7 February 2036

PART A - CONTRACTUAL TERMS

Defined terms used herein shall bear the same meanings ascribed to them in the Conditions set forth in the Base Prospectus dated 18 September 2006 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at the offices of the Irish Paying Agent at 5 Harbourmaster Place, International Financial Services Centre, North Wall Quay, Dublin 1 and copies may be obtained from the Treasury Department, Land Securities Group PLC, 5 Strand, London WC2N 5AF.

1.	Issuer:		**Land Securities Capital Markets PLC**
2.	(i)	Series Number:	5
	(ii)	Sub-Class Number:	A11
3.	Relevant Currency or Currencies:		Sterling ("£")
4.	Aggregate Nominal Amount:		
	(i)	Series:	£500,000,000
	(ii)	Sub-Class:	£500,000,000
5.	(i)	Issue Price:	99.898 per cent. of the Aggregate Nominal Amount
	(ii)	Net proceeds:	£497,490,000
6.	Yield		
	Indication of yield:		5.132 per cent. The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield
7.	Specified Denominations:		£50,000 and higher integral multiples of £1,000 So long as the Notes are represented by a temporary Global Note or permanent Global Note and the relevant clearing

			system(s) so permit, the Notes will be tradeable only in the minimum authorised denomination of £50,000 and higher integral multiples of £1,000, notwithstanding that no definitive notes will be issued with a denomination above £99,000.
8.	(i)	Issue Date:	7 February 2007
	(ii)	Interest Commencement Date (if different from the Issue Date):	Not Applicable
9.		Maturity Date:	7 February 2036
10.		Instalment Date:	Not Applicable
11.		Interest Basis:	From, and including 7 February 2007 to, but excluding, 7 February 2034 5.125 per cent. Fixed Rate. From and including 7 February 2034 to but excluding the Maturity Date: 3 month GBP LIBOR + 0.937 per cent., Floating Rate.
12.		Redemption/Payment Basis:	Redemption at par
13.		Put/Call Options:	Issuer Call Option (further particulars specified below)
14.		Status and Ranking:	Priority I Notes/ Condition 3(a) applies
15.		Method of distribution:	Syndicated
16.		Other relevant provisions:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17.		**Fixed Rate Note Provisions**	Applicable (in respect of the period from and including the Issue Date to but excluding 7 February 2034)
	(i)	Interest Rate:	5.125 per cent. per annum payable semi-annually
	(ii)	Issue Spread:	0.67 per cent. per annum over Reference Gilt
	(iii)	Interest Determination Date:	7 February and 7 August in each year, not adjusted
	(iv)	Note Payment Date(s):	7 February and 7 August in each year, not adjusted

	(v)	First Note Payment Date:	7 August 2007
	(vi)	Fixed Coupon Amount(s):	£25.625 per £1,000 in Nominal Amount
	(vii)	Broken Amount(s):	Not Applicable
	(viii)	Day Count Fraction:	Actual/Actual (ISMA)
	(ix)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
	(x)	Reference Gilt:	UK Treasury 4.25 per cent. due June 2032
18.	**Floating Rate Note Provisions**		Applicable in accordance with Condition 6(f) (in respect of the period from and including 7 February 2034 to but excluding the Maturity Date)
	(i)	Note Payment Dates:	Interest will be paid quarterly in arrear on 7 February, 7 May, 7 August and 7 November in each year commencing with the Note Payment Date falling in May 2034 subject to adjustment in accordance with the Business Day Convention specified below
	(ii)	Business Day Convention:	Modified Following Business Day Convention
	(iii)	Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
	(iv)	Party responsible for calculating the Rate(s) of Interest, Interest Amount(s) and Redemption Amount (if not the Agent Bank):	Not Applicable
	(v)	Screen Rate Determination:	
		- Relevant Rate:	3 month GBP LIBOR
		- Interest Determination Date(s):	The first day of each Note Interest Period commencing (in respect of the first Note Interest Period) on 7 February 2034
		- Relevant Screen Page:	Reuters page LIBOR01
	(vi)	ISDA Determination:	
		- Floating Rate Option:	Not Applicable
		- Designated Maturity:	Not Applicable

	-	Reset Date:	Not Applicable
	(vii)	Margin(s):	As set out in item 19, below
	(viii)	Minimum Rate of Interest:	Not Applicable
	(ix)	Maximum Rate of Interest:	Not Applicable
	(x)	Day Count Fraction:	Actual/365 (fixed)
	(xi)	Additional Business Centre(s):	Not Applicable
	(xii)	Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	Not Applicable
	(xiii)	Relevant Financial Centre:	London
	(xiv)	Relevant Time:	11.00am
	(xv)	Specified Duration:	Not Applicable
	(xvi)	Representative Amount:	£1,000
19.	**Floating Rate Step-Up (Condition 6(f))**		Applicable
	(i)	Note Step-Up Rate:	0.5622 per cent.
	(ii)	Note Step-Up Date:	7 February 2034
	(iii)	Margin (for purposes of Condition 6(f)):	0.3748 per cent.
20.	**Zero Coupon Note Provisions**		Not Applicable
21.	**Indexed Note Provisions**		Not Applicable
22.	**Dual Currency Note Provisions**		Not Applicable
23.	**Other Note Provisions**		Not Applicable

PROVISIONS RELATING TO REDEMPTION

24.	**Issuer Call Option**		Applicable
	(i)	Optional Redemption Date(s):	As set out in Conditions 8 (b), (c), (d) and (e)
	(ii)	Redemption Amount(s) and method, if any, of calculation of such amount(s):	As set out in Conditions 8 (b), (c), (d) and (e)

(iii)	If redeemable in part:		
	(a)	Minimum Redemption Amount:	Not Applicable
	(b)	Maximum Redemption Amount:	Not Applicable
(iv)	Notice period (if other than as set out in the Conditions):		As set out in Conditions 8 (b), (c), (d) and (e)
25.	**Final Redemption Amount**		Par
26.	**Zero Coupon Notes/Indexed Notes**		Not Applicable
27.	**Additional Redemption Provisions**		Not Applicable

STATUS AND RANKING OF THE NOTES

28.	Class:	Class A Notes
29.	Priority:	Priority 1 Notes
30.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

31.	Form of Notes:	Bearer
(i)	If issued in Bearer form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note Definitive Notes will in no circumstances be issued to any person holding less than £50,000 in aggregate principal amount of Notes. If Definitive Notes are issued, Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the lowest Specified Denomination may be illiquid and difficult to trade.
(ii)	If issued in Registered form:	Not Applicable
(iii)	If issued in any other form:	Not Applicable
32.	Additional Financial Centre(s) or other special item provisions relating to Note	Not Applicable

	Payment Dates:	
33.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	Not Applicable
34.	Details relating to Partly Paid Notes (amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment):	Not Applicable
35.	Details relating to Instalment Notes:	Not Applicable
36.	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
37.	Consolidation provisions:	The provisions in Condition 1(c) apply
38.	Other terms or special conditions:	Not Applicable
39.	TEFRA rules:	TEFRA D

ICL LOAN TERMS

40.	Interest rate on relevant ICL Loan:	The rate payable on the Notes which are the subject of these Final Terms plus a margin of 0.01 per cent. per annum
41.	Term of relevant ICL Loan:	7 February 2036
42.	Other relevant provisions (including as to priority ranking and ICL Loan Payment Dates):	The ICL Loan Payment Dates are each Note Payment Dates as set out in item 17(iv) above.

DISTRIBUTION

43.	(i)	If syndicated, names of Managers:	Citigroup Global Markets Limited, J.P. Morgan Securities Ltd., The Royal Bank of Scotland plc, Barclays Bank PLC, BNP Paribas, Commerzbank Aktiengesellschaft, HSBC Bank plc and Lloyds TSB Bank Plc
	(ii)	Stabilising Manager (if any):	Citigroup Global Markets Limited as Stabilising Manager may over allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time.

44.	If non-syndicated, name of Dealer:	Not Applicable
45.	Selling restrictions:	The selling restrictions set out in the Base Prospectus apply
46.	Additional selling restrictions:	Not Applicable
47.	Additional U.S. federal tax considerations:	Not Applicable

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the details required to list and have admitted to trading the issue of Notes described herein pursuant to the Programme for the issuance of Notes by Land Securities Capital Markets PLC.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: [redacted]

Duly authorised

PART B - OTHER INFORMATION

1. **LISTING**

(i)	Listing:	Irish Stock Exchange
(ii)	Admission to trading:	Application has been made to the Irish Financial Services Regulatory Authority, as competent authority under Directive 2003/71/EC, for the Final Terms to be approved. Application has been made to the Irish Stock Exchange for Notes to be admitted to the Official List and trading on its regulated market.
(iii)	Estimate of total expenses related to admission to trading:	€500.00

2. **RATINGS**

Ratings:	The Notes to be issued have been rated: S&P: AA Fitch: AA

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as discussed in Chapter 16 "*Subscription and Sale*", on page 266 of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4. **OPERATIONAL INFORMATION**

(i)	ISIN:	XS0286155071
(ii)	Common Code:	028615507
(iii)	Any clearing system other than Euroclear Bank S.A./N.V. and Clearstream Banking, Société Anonyme and the relevant identification number(s):	Not Applicable
(iv)	Delivery:	Delivery against payment
(v)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable

6. Sub-Class A13 Final Terms (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

2031 NOTES ISSUE TERMS

The terms and conditions of the 2031 Notes shall consist of the terms and conditions set out in the Chapter in the Base Prospectus entitled "*Terms and Conditions of the Notes*" (the **Base Conditions**) as amended or supplemented by the terms set out below in this section. For the purposes of the 2031 Notes, references in the Base Conditions to "Final Terms" shall be deemed to refer to the terms of the Notes substantially in the form set out below. The terms of the Notes set out below do not constitute final terms for the purposes of Article 5.4 of the Prospectus Directive.

2031 Notes Issue Terms dated 6 February 2017

Land Securities Capital Markets PLC

Note Issuance Programme in the amount of £6,000,000,000 (the "Programme")

Issue of £300,000,000 2.399 per cent. Class A13 Notes due 2031

PART A – CONTRACTUAL TERMS

Defined terms used herein shall bear the same meanings ascribed to them in the Conditions set forth in the Base Prospectus dated 15 July 2016 and the supplement to the Base Prospectus dated 23 January 2017 which together constitute a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). This document constitutes the 2031 Notes Issue Terms and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these 2031 Notes Issue Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Central Bank (www.centralbank.ie).

1.	Issuer:		**Land Securities Capital Markets PLC**
2.	(i)	Series Number:	6
	(ii)	Sub-Class Number:	A13
	(iii)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Relevant Currency or Currencies:		Sterling ("**£**")
4.	Aggregate Nominal Amount:		
	(i)	Series:	£700,000,000
	(ii)	Sub-Class:	£300,000,000
5.	Issue Price:		100 per cent. of the Aggregate Nominal Amount
6.	Yield:		

	Indication of yield:	2.399 per cent. (semi-annual) The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield
7.	Specified Denominations:	£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Notes in definitive form will be issued with a denomination above £199,000
8.	(i) Issue Date:	8 February 2017
	(ii) Interest Commencement Date (if different from the Issue Date):	Issue Date
9.	Maturity Date:	8 February 2031
10.	Interest Basis:	From and including the Issue Date to but excluding 8 February 2029, 2.399 per cent. Fixed Rate From and including 8 February 2029 to but excluding the Maturity Date, 2.399 per cent. Fixed Rate + the Note Step-Up Rate (further particulars specified below)
11.	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
12.	Call Options:	Issuer Call Option (further particulars specified below)
13.	Date Board approval for issuance of Notes obtained:	23 January 2017

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	**Fixed Rate Note Provisions**	Applicable
	(i) Interest Rate:	From and including the Issue Date to but excluding 8 February 2029, 2.399 per cent. per annum payable in arrear on each Note Payment Date (the "**Initial Interest Rate**") From and including 8 February 2029 to but excluding the Maturity Date, the sum of the Initial Interest Rate and the Note Step-Up Rate payable

		in arrear on each Note Payment Date
(ii)	Issue Spread:	0.82 per cent. per annum
(iii)	Interest Determination Date:	8 February and 8 August in each year, not adjusted
(iv)	Note Payment Date(s):	8 February and 8 August in each year, not adjusted, commencing the First Note Payment Date up to and including the Maturity Date
(v)	First Note Payment Date:	8 August 2017
(vi)	Fixed Coupon Amount(s): (*Applicable to Notes in definitive form*)	From and including the Issue Date to but excluding 8 February 2029, £12.00 per £1,000 in Nominal Amount From and including 8 February 2029 to but excluding the Maturity Date, £14.50 per £1,000 in Nominal Amount
(vii)	Broken Amount(s):	Not Applicable
(viii)	Day Count Fraction:	Actual/Actual ICMA
(ix)	Reference Gilt:	UK Treasury 6 per cent. due December 2028
15.	**Floating Rate Note Provisions**	Not Applicable
16.	**Floating Rate Step-Up (Condition 6(f))**	Applicable For the purposes of the Notes, Condition 6(f) shall be deemed to be deleted and replaced with the following: (f) *Floating Rate Step-Up* This Condition 6(f) is applicable only if the 2031 Notes Issue Terms specifies the Floating Rate Step-Up as applicable. From and including the Note Step-Up Date specified in the 2031 Notes Issue Terms, the Interest Rate in respect of the Notes will be the Initial Interest Rate plus the Note Step-Up Rate specified in the 2031 Notes Issue Terms.
(i)	Note Step-Up Rate:	0.50 per cent.
(ii)	Note Step-Up Date:	8 February 2029
(iii)	Margin (for purposes of Condition 6(f)):	0.00 per cent.

17.	**Zero Coupon Note Provisions**	Not Applicable
18.	**Indexed Note Provisions**	Not Applicable

PROVISIONS RELATING TO REDEMPTION

19.	**Issuer Call Option**	Applicable
(i)	Optional Redemption Date(s):	As set out in Conditions 8(b), (c), (d) and (e)
(ii)	Redemption Amount(s):	As calculated pursuant to Condition 8(b), the Swap Mid Curve Amount, where for the purposes of the Notes, Condition 8(b) shall be amended so that: (i) "**Redemption Rate**" shall be deemed to mean the Relevant Swap Mid Curve Rate plus the Redemption Margin or, if the Relevant Swap Mid Curve Rate is not able to be determined, such rate as may be approved by the Note Trustee plus the Redemption Margin; and (ii) "**Relevant Swap Mid Curve Rate**" shall be deemed to mean the mid-point of the bid-side and offer-side rates for the fixed leg of a hypothetical interest rate swap with a notional profile equal to the semi-annual interest that would be payable on the relevant Sub-Class of Notes to be redeemed, with the same payment dates as the relevant Notes, against a floating leg of Six Month Sterling LIBOR with no spread, where the rates for such hypothetical interest rate swap are as displayed on the Bloomberg <ICAB1> page or such other page as may replace the Bloomberg <ICAB1> page on that service for the purpose of displaying such information or, if that service ceases to display such information, the Relevant Swap Mid Curve Rate shall be determined by a financial adviser, which may be a gilt-edged market maker, (nominated by the Issuer and approved by the Note Trustee) using its standard valuation methodology as at the date of calculation) as at or about 11.00 a.m. (London time) on such Relevant Date. For Conditions 8(b), (c), (d) and (e), as set out in Conditions 8(b), (c), (d) and (e) respectively.
(iii)	Reference Bond:	Not Applicable
(iv)	Quotation Time:	Not Applicable
(v)	Redemption Margin:	0.12 per cent.

(vi)	If redeemable in part:		
	(a)	Minimum Redemption Amount:	Not Applicable
	(b)	Maximum Redemption Amount:	Not Applicable
20.	**Final Redemption Amount**		As set out in Condition 8(a), £1,000 per £1,000 Nominal Amount
21.	Early Redemption Amount payable on redemption as a result of a Ratings Event or on the occurrence of an Index Event or for tax reasons or on event of default:		As set out in Condition 8(c) (*Optional Redemption as Result of Ratings Event*), Condition 8(d)(i) (*Optional Redemption for Index Events*), Condition 8(d)(ii) (*Optional Redemption for Taxation Reasons*) and Condition 11(b) (*Issuer Event of Default*) respectively

STATUS AND RANKING OF THE NOTES

22.	Class:	Class A Notes
23.	Priority:	Priority 1 Notes
24.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25.	(a)	Form of Notes:	Bearer
		(i) If issued in Bearer form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
		(ii) If issued in Registered form:	Not Applicable
	(b)	New Global Note:	Yes
26.	Additional Financial Centre(s):		Not Applicable
27.	Talons for future Coupons to be attached to Definitive Notes:		No

ICL LOAN TERMS

28.	ICL Loan:	£300,000,000
29.	Governing law of relevant ICL Loan:	English law

30.	Interest rate on relevant ICL Loan:	(Exceeding the rate payable on the Notes which are the subject of these 2031 Notes Issue Terms by a margin of 0.01% per annum)
31.	ICL Loan Payment Dates:	3 February and 3 August in each year, commencing 3 August 2017
32.	Term of relevant ICL Loan:	8 February 2031
33.	Priority ranking of relevant ICL Loan	Priority 1
34.	Loan to value ratio:	29.70 per cent.
35.	Party responsible for calculating the rate of interest, interest amount(s) and redemption amount:	As per the Conditions
36.	Banks with which the main accounts are held:	Lloyds Bank plc
37.	Relationship between the Issuer and FinCo and details of the principle terms of that relationship:	As described in the Base Prospectus

PART B - OTHER INFORMATION

1. LISTING

(i)	Listing:	Irish Stock Exchange plc
(ii)	Admission to trading:	Application has been made to the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC, for the 2031 Notes Issue Terms to be approved. Application has been made to the Irish Stock Exchange for Notes to be admitted to the Official List and trading on its regulated market
(iii)	Estimate of total expenses related to admission to trading:	EUR 2,450

2. RATINGS

Ratings:	The Notes to be issued are expected to be rated AA by Fitch Ratings Limited ("**Fitch**") and AA by Standard & Poor's Credit Market Services Europe Limited ("**S&P**". Each of Fitch and S&P is established in the European Union and is registered under CRA Regulations

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. OPERATIONAL INFORMATION

(i)	ISIN:	XS1559392490
(ii)	Common Code:	155939249
(iii)	Any clearing system other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not applicable
(iv)	Delivery:	Delivery against payment
(v)	Names and addresses of additional Paying Agent(s) (if any):	Not applicable
(vi)	Intended to be held in a manner which would allow Eurosystem eligibility:	Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not

		necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.
5.	**DISTRIBUTION**	
(i)	Method of distribution:	Syndicated
(ii)	If syndicated, names of Managers/Class R Underwriters:	***Joint Lead Managers*** HSBC Bank plc Lloyds Bank plc ***Passive Bookrunners*** BNP Paribas The Royal Bank of Scotland plc (trading as NatWest Markets) ***Senior Co-Managers*** Citigroup Global Markets Limited Banco Santander, S.A. SMBC Nikko Capital Markets Limited Svenska Handelsbanken AB (publ)
(iii)	Stabilisation Manager(s) (if any):	Lloyds Bank plc. In connection with the issue of the Notes, Lloyds Bank plc may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time.
(iv)	If non-syndicated, name of Dealer:	Not Applicable
(v)	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D
6.	**U.S. TAX CONSIDERATIONS**	The Notes are not Specified Notes for purposes of Section 871(m).

GENERAL INFORMATION

Authorisation

The issue of the Notes has been duly authorised by a resolution of the board of directors of the Issuer passed on 23 January 2017.

Listing of Notes

This Drawdown Prospectus has been approved by the Central Bank of Ireland as a prospectus. Application has also been made to the Irish Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to trading on the Main Securities Market.

Documents Available

For the period of 12 months following the date of this Drawdown Prospectus, copies of the following documents will, when published, be available in physical form for inspection during normal business hours (upon the giving of at least 24 hours' notice) from the registered office of the Issuer:

(a) the Memorandum and Articles of Association of the Issuer;

(b) the Land Securities Group PLC Annual Report for each of the financial years ending 31 March 2015 and 31 March 2016;

(c) the Land Securities Group PLC Half-yearly Report for the six months ended 30 September 2016 ;

(d) the 2015 and 2016 audited results of the Issuer;

(e) the 2015 and 2016 audited results of FinCo;

(f) copies of the following documents:

(i) the Trust Deed;

(ii) the Agency Agreement;

(iii) the Issuer Deed of Charge;

(iv) the Intercompany Loan Agreement;

(v) the Security Trust and Intercreditor Deed;

(vi) the Obligor Floating Charge Agreement;

(vii) the Common Terms Agreement;

(viii) the Account Bank and Cash Management Agreement;

(ix) the Tax Deed of Covenant;

(x) any transfers of Mortgaged Properties owned by Obligors that are partners in UK partnerships or are incorporated in Jersey;

(xi) the Trust Agreements for each such title;

(xii) the Beneficiary Undertakings in relation to Mortgaged Properties beneficially owned by Obligors that are UK partnerships or are incorporated in Jersey; and

(xiii) the CBRE Valuation Report as at 30 September 2016;

(g) this Drawdown Prospectus (including the 2026 Notes Issue Terms and the 2031 Notes Issue Terms);

(h) the Base Prospectus; and

(i) the Supplement and any other supplements to the Base Prospectus.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg which are the entities in charge of keeping the records. The applicable Common Codes and ISINs in respect of each Sub-Class are specified in the 2026 Notes Issue Terms and 2031 Notes Issue Terms as applicable.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, *société anonyme*, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Material Contracts

Neither the Issuer nor FinCo have entered into any contracts or arrangements not being in their ordinary course of business.

Material Adverse Change in Prospectus

There has been no material adverse change in the prospects of the Issuer or FinCo since 31 March 2016, the last published audited financial statements of the Issuer and FinCo.

There has been no material adverse change in the prospects of Land Securities Group PLC since 31 March 2016, the date of its last published audited financial statements.

Significant Change in Trading or Financial Position

There has been no significant change in the trading or financial position of the Issuer or FinCo since 31 March 2016, the end of the last financial period for which the audited financial statements of Issuer and FinCo have been published.

There has been no significant change in the trading or financial position of the Land Securities Group since 30 September 2016.

Litigation

Neither the Issuer, FinCo nor Land Securities Group PLC is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Drawdown Prospectus which may have or have in such period had a significant effect on the financial position or profitability of the Issuer, FinCo or the Land Securities Group.

Auditors

Ernst & Young LLP are the independent auditors of the Issuer, FinCo and Land Securities Group PLC and have audited the accounts of each of the Issuer and FinCo for the financial years ended 31 March 2015 and 31 March 2016 and Land Securities Group PLC for each of the financial years ended 31 March 2015 and 31

March 2016 and reported thereon without qualification. Ernst & Young LLP is registered to perform audit work by the Institute of Chartered Accountants in England and Wales.

Managers Transacting with the Issuer

Certain of the Managers and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to, the Issuer and its affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Managers and their respective affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Arrangers, such Managers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

REGISTERED AND HEAD OFFICE OF THE ISSUER
Land Securities Capital Markets PLC
100 Victoria Street
London SW1E 5JL

OBLIGOR SECURITY TRUSTEE AND NOTE TRUSTEE
Deutsche Trustee Company Limited
Winchester House
1 Great Winchester Street
London EC2N 2DB

LEGAL ADVISERS

To the Issuer as to English law
Allen & Overy LLP
One Bishops Square
London E1 6AD

To the Managers as to English law
Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

AGENT BANK, PRINCIPAL PAYING AGENT AND TRANSFER AGENT
Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB

IRISH PAYING AGENT
Deutsche International Corporate Services (Ireland) Ltd
5 Harbourmaster Place Services Centre
International Financial
North Wall Quay
Dublin 1

LISTING AGENT
A&L Listing Limited
International Financial Services Centre
North Wall Quay
Dublin 1

AUDITORS TO THE ISSUER AND THE MEMBERS OF THE SECURITY GROUP
Ernst & Young LLP
1 More London Place
London SE1 2AF
United Kingdom

JOINT LEAD MANAGERS

HSBC Bank plc
8 Canada Square
London E14 5HQ

Lloyds Bank plc
10 Gresham Street
London EC2V 7AE

PASSIVE BOOKRUNNERS IN RESPECT OF THE 2026 NOTES

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Banco Santander, S.A.
Ciudad Grupo Santander
Edificio Encinar
Avenida de Cantabria
28660, Boadilla del Monte
Madrid

PASSIVE BOOKRUNNERS IN RESPECT OF THE 2031 NOTES

BNP Paribas
10 Harewood Avenue
London NW1 6AA

The Royal Bank of Scotland plc (trading as NatWest Markets)
250 Bishopsgate
London EC2M 4AA

SENIOR CO-MANAGERS IN RESPECT OF THE 2026 NOTES

BNP Paribas
10 Harewood Avenue
London NW1 6AA

The Royal Bank of Scotland plc (trading as NatWest Markets
250 Bishopsgate
London EC2M 4AA

SMBC Nikko Capital Markets Limited
One New Change
London EC4M 9AF

Svenska Handelsbanken AB (publ)
Blasieholmstorg 11
SE – 106 70 Stockholm

SENIOR CO-MANAGERS IN RESPECT OF THE 2031 NOTES

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Banco Santander, S.A.
Ciudad Grupo Santander
Edificio Encinar
Avenida de Cantabria
28660, Boadilla del Monte
Madrid

SMBC Nikko Capital Markets Limited
One New Change
London EC4M 9AF

Svenska Handelsbanken AB (publ)
Blasieholmstorg 11
SE – 106 70 Stockholm

7. Sub-Class A14 Final Terms (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

PROHIBITION OF SALES TO EEA RETAIL INVESTORS The Notes are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Final Terms dated 20 September 2017

Land Securities Capital Markets PLC

Note Issuance Programme in the amount of £6,000,000,000 (the "Programme")

Issue of £500,000,000 2.625 per cent. Class A14 Notes due 2039

PART A – CONTRACTUAL TERMS

Defined terms used herein shall bear the same meanings ascribed to them in the Conditions set forth in the Base Prospectus dated 2 August 2017 which constitutes a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Central Bank (www.centralbank.ie).

1.	Issuer:		Land Securities Capital Markets PLC
2.	(i)	Series Number:	7
	(ii)	Sub-Class Number:	A14
	(iii)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Relevant Currency or Currencies:		Sterling ("**£**")
4.	Aggregate Nominal Amount:		
	(i)	Series:	£1,000,000,000
	(ii)	Sub-Class:	£500,000,000

5.	Issue Price:		98.954 per cent. of the Aggregate Nominal Amount
6.	Yield:		
	Indication of yield:		2.693 per cent. (semi-annual) The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield
7.	Specified Denominations:		£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Notes in definitive form will be issued with a denomination above £199,000
8.	(i)	Issue Date:	22 September 2017
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
9.	Maturity Date:		22 September 2039
10.	Interest Basis:		2.625 per cent. Fixed Rate
11.	Change of Interest Basis:		Applicable (in accordance with Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
12.	Redemption Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
13.	Call Options:		Issuer Call Option (further particulars specified below)
14.	Date Board approval for issuance of Notes obtained:		5 September 2017

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions**		Applicable subject to Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
	(i)	Interest Rate:	2.625 per cent. per annum payable semi-annually in arrear on each Note Payment Date (subject to Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)

	(ii)	Issue Spread:	0.90 per cent. per annum
	(iii)	Interest Determination Date:	22 March and 22 September in each year
	(iv)	Note Payment Date(s):	22 March and 22 September in each year, not adjusted, commencing the First Note Payment Date up to and including the Maturity Date
	(v)	First Note Payment Date:	22 March 2018
	(vi)	Fixed Coupon Amount(s): (*Applicable to Notes in definitive form*)	From and including the Issue Date to but excluding the Note Step-Up Date, £13.13 per £1,000 in Nominal Amount From and including the Note Step-Up Date to but excluding the Maturity Date, £15.63 per £1,000 in Nominal Amount (in accordance with paragraph 17 below)
	(vii)	Broken Amount(s):	Not Applicable
	(viii)	Day Count Fraction:	Actual/Actual ICMA
	(ix)	Reference Gilt:	UK Treasury 4.250 per cent. due 7 March 2036
16.	**Floating Rate Note Provisions**		Not Applicable
17.	**Interest Rate Step-Up (Condition 6(f))**		Fixed Rate Step-Up Applicable
	(i)	Note Step-Up Rate:	0.50 per cent.
	(ii)	Note Step-Up Date:	22 September 2037
	(iii)	Margin (for purposes of Condition 6(f)):	Not Applicable
18.	**Zero Coupon Note Provisions**		Not Applicable
19.	**Indexed Note Provisions**		Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	**Issuer Call Option**		Applicable
	(i)	Optional Redemption Date(s):	At any time prior to the Maturity Date
	(ii)	Redemption Amount(s):	As calculated pursuant to Condition 8(b), the Swap Mid Curve Amount

	(iii)	Reference Bond:	Not Applicable
	(iv)	Quotation Time:	Not Applicable
	(v)	Redemption Margin:	0.20 per cent.
	(vi)	If redeemable in part:	
		(a) Minimum Redemption Amount:	Not Applicable
		(b) Maximum Redemption Amount:	Not Applicable
21.	**Final Redemption Amount**		As set out in Condition 8(a), £1,000 per £1,000 Nominal Amount
22.	Early Redemption Amount payable on redemption as a result of a Ratings Event or on the occurrence of an Index Event or for tax reasons or on event of default:		As set out in Condition 8(c) (*Optional Redemption as Result of Ratings Event*), Condition 8(d)(ii) (*Optional Redemption for Taxation Reasons*) and Condition 11(b) (*Issuer Event of Default*)

STATUS AND RANKING OF THE NOTES

23.	Class:	Class A Notes
24.	Priority:	Priority 1 Notes
25.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26.	(a)	Form of Notes:	Bearer
		(i) If issued in Bearer form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
		(ii) If issued in Registered form:	Not Applicable
	(b)	New Global Note:	Yes
27.	Additional Financial Centre:		TARGET2 System
28.	Talons for future Coupons to be attached to Definitive Notes:		Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on

		exchange into definitive form, more than 27 coupon payments are still to be made

ICL LOAN TERMS

29.	ICL Loan:	£500,000,000
30.	Governing law of relevant ICL Loan:	English law
31.	Interest rate on relevant ICL Loan:	(Exceeding the rate payable on the Notes which are the subject of these Final Terms by a margin of 0.01% per annum)
32.	ICL Loan Payment Dates:	15 March and 15 September in each year, commencing 15 March 2018
33.	Term of relevant ICL Loan:	22 September 2039
34.	Priority ranking of relevant ICL Loan:	Priority 1
35.	Loan to value ratio:	36.20 per cent.
36.	Party responsible for calculating the rate of interest, interest amount(s) and redemption amount:	As per the Conditions
37.	Banks with which the main accounts are held:	Lloyds Bank plc
38.	Relationship between the Issuer and FinCo and details of the principle terms of that relationship:	As described in the Base Prospectus

THIRD PARTY INFORMATION

Not Applicable

Signed on behalf of the Issuer:

By: [redacted].....
Duly authorised

PART B - OTHER INFORMATION

1. **LISTING**

(i)	Listing:	Irish Stock Exchange plc
(ii)	Admission to trading:	Application has been made to the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC, for the Final Terms to be approved. Application has been made to the Irish Stock Exchange for Notes to be admitted to the Official List and trading on its regulated market.
(iii)	Estimate of total expenses related to admission to trading:	€600.00

2. **RATINGS**

Ratings:	The Notes to be issued are expected to be rated AA by Fitch Ratings Limited ("**Fitch**") and AA Standard & Poor's Credit Market Services Europe Limited ("**S&P**") and each of Fitch and S&P is established in the European Union and is registered under CRA Regulations.

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i)	Reasons for the Offer:	General corporate purposes of the Land Securities Group (as defined in the Base Prospectus), including financing bond tender exercises and terming out short term borrowings
(ii)	Estimated net proceeds:	Not Applicable
(iii)	Estimated total expenses:	€600 (related to admission to trading)

5. **PERFORMANCE OF INDEX, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

6. **OPERATIONAL INFORMATION**

(i)	ISIN:	XS1687484698
(ii)	Common Code:	168748469
(iii)	Any clearing system other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not applicable
(iv)	Delivery:	Delivery against payment
(v)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
(vi)	Intended to be held in a manner which would allow Eurosystem eligibility:	Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

7. **DISTRIBUTION**

(i)	Method of distribution:	Syndicated
(ii)	If syndicated, names of Managers/Class R Underwriters:	***Global Co-ordinators and Joint Active Bookrunners*** BNP Paribas Citigroup Global Markets Limited ***Joint Active Bookrunner*** The Royal Bank of Scotland plc (trading as NatWest Markets)

		Passive Bookrunners Banco Santander, S.A. HSBC Bank plc Lloyds Bank plc ***Senior Co-Managers*** SMBC Nikko Capital Markets Limited Svenska Handelsbanken AB (publ)
(iii)	Stabilisation Manager(s) (if any):	In connection with the issue of the Notes, Citigroup Global Markets Limited may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time
(iv)	If non-syndicated, name of Dealer:	Not Applicable
(v)	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D
(vi)	Prohibition of Sales to EEA Retail Investors:	Not Applicable

8. Sub-Class A15 Final Terms (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

PROHIBITION OF SALES TO EEA RETAIL INVESTORS The Notes are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Final Terms dated 20 September 2017

Land Securities Capital Markets PLC

Note Issuance Programme in the amount of £6,000,000,000 (the "Programme")

Issue of £500,000,000 2.750 per cent. Class A15 Notes due 2059

PART A – CONTRACTUAL TERMS

Defined terms used herein shall bear the same meanings ascribed to them in the Conditions set forth in the Base Prospectus dated 2 August 2017 which constitutes a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Central Bank (www.centralbank.ie).

1.	Issuer:		Land Securities Capital Markets PLC
2.	(i)	Series Number:	7
	(ii)	Sub-Class Number:	A15
	(iii)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Relevant Currency or Currencies:		Sterling ("£")
4.	Aggregate Nominal Amount:		
	(i)	Series:	£1,000,000,000
	(ii)	Sub-Class:	£500,000,000

5.	Issue Price:		99.398 per cent. of the Aggregate Nominal Amount
6.	Yield:		
	Indication of yield:		2.775 per cent. (semi-annual) The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield
7.	Specified Denominations:		£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Notes in definitive form will be issued with a denomination above £199,000
8.	(i)	Issue Date:	22 September 2017
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
9.	Maturity Date:		22 September 2059
10.	Interest Basis:		2.750 per cent. Fixed Rate
11.	Change of Interest Basis:		Applicable (in accordance with Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
12.	Redemption Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
13.	Call Options:		Issuer Call Option (further particulars specified below)
14.	Date Board approval for issuance of Notes obtained:		5 September 2017

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions**		Applicable subject to Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
	(i)	Interest Rate:	2.750 per cent. per annum payable semi-annually in arrear on each Note Payment Date (subject to Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)

	(ii)	Issue Spread:	1.00 per cent. per annum
	(iii)	Interest Determination Date:	22 March and 22 September in each year
	(iv)	Note Payment Date(s):	22 March and 22 September in each year, not adjusted, commencing the First Note Payment Date up to and including the Maturity Date
	(v)	First Note Payment Date:	22 March 2018
	(vi)	Fixed Coupon Amount(s): (*Applicable to Notes in definitive form*)	From and including the Issue Date to but excluding the Note Step-Up Date, £13.75 per £1,000 in Nominal Amount From and including the Note Step-Up Date to but excluding the Maturity Date, £16.25 per £1,000 in Nominal Amount (in accordance with paragraph 17 below)
	(vii)	Broken Amount(s):	Not Applicable
	(viii)	Day Count Fraction:	Actual/Actual ICMA
	(ix)	Reference Gilt:	UK Treasury 4.250 per cent. due 7 December 2055
16.	**Floating Rate Note Provisions**		Not Applicable
17.	**Interest Rate Step-Up (Condition 6(f))**		Fixed Rate Step-Up Applicable
	(i)	Note Step-Up Rate:	0.50 per cent.
	(ii)	Note Step-Up Date:	22 September 2057
	(iii)	Margin (for purposes of Condition 6(f)):	Not Applicable
18.	**Zero Coupon Note Provisions**		Not Applicable
19.	**Indexed Note Provisions**		Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	**Issuer Call Option**		Applicable
	(i)	Optional Redemption Date(s):	At any time prior to the Maturity Date
	(ii)	Redemption Amount(s):	As calculated pursuant to Condition 8(b), the Swap Mid Curve Amount

	(iii)	Reference Bond:	Not Applicable
	(iv)	Quotation Time:	Not Applicable
	(v)	Redemption Margin:	0.20 per cent.
	(vi)	If redeemable in part:	
		(a) Minimum Redemption Amount:	Not Applicable
		(b) Maximum Redemption Amount:	Not Applicable
21.	**Final Redemption Amount**		As set out in Condition 8(a), £1,000 per £1,000 Nominal Amount
22.	Early Redemption Amount payable on redemption as a result of a Ratings Event or on the occurrence of an Index Event or for tax reasons or on event of default:		As set out in Condition 8(c) (*Optional Redemption as Result of Ratings Event*), Condition 8(d)(ii) (*Optional Redemption for Taxation Reasons*) and Condition 11(b) (*Issuer Event of Default*)

STATUS AND RANKING OF THE NOTES

23.	Class:		Class A Notes
24.	Priority:		Priority 1 Notes
25.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:		Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26.	(a)	Form of Notes:	Bearer
		(i) If issued in Bearer form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
		(ii) If issued in Registered form:	Not Applicable
	(b)	New Global Note:	Yes
27.	Additional Financial Centre(s):		TARGET2 System
28.	Talons for future Coupons to be attached to Definitive Notes:		Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on

		exchange into definitive form, more than 27 coupon payments are still to be made

ICL LOAN TERMS

29.	ICL Loan:	£500,000,000
30.	Governing law of relevant ICL Loan:	English law
31.	Interest rate on relevant ICL Loan:	(Exceeding the rate payable on the Notes which are the subject of these Final Terms by a margin of 0.01% per annum)
32.	ICL Loan Payment Dates:	15 March and 15 September in each year, commencing 15 March 2018
33.	Term of relevant ICL Loan:	22 September 2059
34.	Priority ranking of relevant ICL Loan:	Priority 1
35.	Loan to value ratio:	36.20 per cent.
36.	Party responsible for calculating the rate of interest, interest amount(s) and redemption amount:	As per the Conditions
37.	Banks with which the main accounts are held:	Lloyds Bank plc
38.	Relationship between the Issuer and FinCo and details of the principle terms of that relationship:	As described in the Base Prospectus

THIRD PARTY INFORMATION

Not Applicable

Signed on behalf of the Issuer:

By: [redacted].....

Duly authorised

PART B - OTHER INFORMATION

1. **LISTING**

(i)	Listing:	Irish Stock Exchange plc
(ii)	Admission to trading:	Application has been made to the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC, for the Final Terms to be approved. Application has been made to the Irish Stock Exchange for Notes to be admitted to the Official List and trading on its regulated market.
(iii)	Estimate of total expenses related to admission to trading:	€600.00

2. **RATINGS**

Ratings:	The Notes to be issued are expected to be rated AA by Fitch Ratings Limited ("**Fitch**") and AA Standard & Poor's Credit Market Services Europe Limited ("**S&P**"). Each of Fitch and S&P is established in the European Union and is registered under CRA Regulations.

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i)	Reasons for the Offer:	General corporate purposes of the Land Securities Group (as defined in the Base Prospectus), including financing bond tender exercises and terming out short term borrowings
(ii)	Estimated net proceeds:	Not Applicable
(iii)	Estimated total expenses:	€600.00 (related to admission to trading)

5. **PERFORMANCE OF INDEX, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

6. **OPERATIONAL INFORMATION**

(i)	ISIN:	XS1687484771
(ii)	Common Code:	168748477
(iii)	Any clearing system other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not applicable
(iv)	Delivery:	Delivery against payment
(v)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
(vi)	Intended to be held in a manner which would allow Eurosystem eligibility:	Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

7. **DISTRIBUTION**

(i)	Method of distribution:	Syndicated
(ii)	If syndicated, names of Managers/Class R Underwriters:	***Global Co-ordinators and Joint Active Bookrunners*** BNP Paribas Citigroup Global Markets Limited ***Joint Active Bookrunner*** The Royal Bank of Scotland plc (trading as NatWest Markets)

		Passive Bookrunners Banco Santander, S.A. HSBC Bank plc Lloyds Bank plc ***Senior Co-Managers*** SMBC Nikko Capital Markets Limited Svenska Handelsbanken AB (publ)
(iii)	Stabilisation Manager(s) (if any):	In connection with the issue of the Notes, Citigroup Global Markets Limited may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time
(iv)	If non-syndicated, name of Dealer:	Not Applicable
(v)	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D
(vi)	Prohibition of Sales to EEA Retail Investors:	Not Applicable

9. Sub-Class A16 Final Terms (to be read as amended and restated by the Ninth Supplemental Trust Deed and amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

PROHIBITION OF SALES TO EEA RETAIL INVESTORS The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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

Final Terms dated 27 March 2018

Land Securities Capital Markets PLC

£6,000,000,000 Multicurrency Programme for the issuance of Notes (the "Programme")

Issue of £350,000,000 2.375 per cent. Class A16 Notes due 2029

PART A – CONTRACTUAL TERMS

Defined terms used herein shall bear the same meanings ascribed to them in the Conditions set forth in the Base Prospectus dated 2 August 2017 and the supplement to the Base Prospectus dated 21 December 2017 which together constitute a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Central Bank (www.centralbank.ie).

1.	Issuer:		Land Securities Capital Markets PLC
2.	(i)	Series Number:	8
	(ii)	Sub-Class Number:	A16

	(iii)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Relevant Currency or Currencies:		Sterling ("**£**")
4.	Aggregate Nominal Amount:		
	(i)	Series:	£350,000,000
	(ii)	Sub-Class:	£350,000,000
5.	Issue Price:		99.326 per cent. of the Aggregate Nominal Amount
6.	Yield:		
	Indication of yield:		2.459 per cent. (semi-annual) The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield
7.	Specified Denominations:		£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Notes in definitive form will be issued with a denomination above £199,000
8.	(i)	Issue Date:	29 March 2018
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
9.	Maturity Date:		29 March 2029
10.	Interest Basis:		2.375 per cent. Fixed Rate
11.	Change of Interest Basis:		Applicable (in accordance with Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
12.	Redemption Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
13.	Call Options:		Issuer Call Option (further particulars specified below)
14.	Date Board approval for issuance of		15 March 2018

Notes obtained:

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions**		Applicable subject to Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
	(i)	Interest Rate:	2.375 per cent. per annum payable semi-annually in arrear on each Note Payment Date (subject to Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
	(ii)	Issue Spread:	0.97 per cent. per annum
	(iii)	Interest Determination Date:	29 March and 29 September in each year
	(iv)	Note Payment Date(s):	29 March and 29 September in each year not adjusted, commencing the First Note Payment Date up to and including the Maturity Date
	(v)	First Note Payment Date:	29 September 2018
	(vi)	Fixed Coupon Amount(s): (*Applicable to Notes in definitive form*)	From and including the Issue Date to but excluding the Note Step-Up Date, £11.88 per £1,000 in Nominal Amount From and including the Note Step-Up Date to but excluding the Maturity Date, £14.38 per £1,000 in Nominal Amount (in accordance with paragraph 17 below)
	(vii)	Broken Amount(s):	Not Applicable
	(viii)	Day Count Fraction:	Actual/Actual ICMA
	(ix)	Reference Gilt:	UK Treasury 1.25% due July 2027
16.	**Floating Rate Note Provisions**		Not Applicable
17.	**Interest Rate Step-Up (Condition 6(f))**		Fixed Rate Step-Up Applicable
	(i)	Note Step-Up Rate:	0.50 per cent.
	(ii)	Note Step-Up Date:	29 March 2027
	(iii)	Margin (for purposes of Condition 6(f)):	Not Applicable
18.	**Zero Coupon Note Provisions**		Not Applicable

19.	**Indexed Note Provisions**		Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	**Issuer Call Option**			Applicable
	(i)	Optional Redemption Date(s):		At any time prior to the Maturity Date
	(ii)	Redemption Amount(s):		As calculated pursuant to Condition 8(b), the Swap Mid Curve Amount
	(iii)	Reference Bond:		Not Applicable
	(iv)	Quotation Time:		Not Applicable
	(v)	Redemption Margin:		0.20 per cent.
	(vi)	If redeemable in part:		
		(a)	Minimum Redemption Amount:	Not Applicable
		(b)	Maximum Redemption Amount:	Not Applicable
21.	**Final Redemption Amount**			As set out in Condition 8(a), £1,000 per £1,000 Nominal Amount
22.	Early Redemption Amount payable on redemption as a result of a Ratings Event or on the occurrence of an Index Event or for tax reasons or on event of default:			As set out in Condition 8(c) (*Optional Redemption as Result of Ratings Event*), Condition 8(d)(ii) (*Optional Redemption for Taxation Reasons*) and Condition 11(b) (*Issuer Event of Default*)

STATUS AND RANKING OF THE NOTES

23.	Class:	Class A Notes
24.	Priority:	Priority 1 Notes
25.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26.	(a)	Form of Notes:		Bearer
		(i)	If issued in Bearer form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the

			Permanent Global Note
	(ii)	If issued in Registered form:	Not Applicable
(b)	New Global Note:		Yes
27.	Additional Financial Centre(s):		Not Applicable
28.	Talons for future Coupons to be attached to Definitive Notes:		No

ICL LOAN TERMS

29.	ICL Loan:	£350,000,000
30.	Governing law of relevant ICL Loan:	English law
31.	Interest rate on relevant ICL Loan:	(Exceeding the rate payable on the Notes which are the subject of these Final Terms by a margin of 0.01% per annum)
32.	ICL Loan Payment Dates:	29 March and 29 September in each year, commencing 29 September 2018
33.	Term of relevant ICL Loan:	29 March 2029
34.	Priority ranking of relevant ICL Loan:	Priority 1
35.	Loan to value ratio:	26.86 per cent.
36.	Party responsible for calculating the rate of interest, interest amount(s) and redemption amount:	As per the Conditions
37.	Banks with which the main accounts are held:	Lloyds Bank plc
38.	Relationship between the Issuer and FinCo and details of the principle terms of that relationship:	As described in the Base Prospectus

THIRD PARTY INFORMATION

Not Applicable

Signed on behalf of the Issuer:

By: [redacted] .....

Duly authorised

PART B - OTHER INFORMATION

1. **LISTING**

(i)	Listing:	Irish Stock Exchange plc
(ii)	Admission to trading:	Application has been made to the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC, for the Final Terms to be approved. Application has been made to the Irish Stock Exchange for Notes to be admitted to the Official List and trading on its regulated market.
(iii)	Estimate of total expenses related to admission to trading:	€600

2. **RATINGS**

Ratings:	The Notes to be issued are expected to be rated "AA sf" by Fitch Ratings Limited ("**Fitch**") and "AA sf" by Standard & Poor's Credit Market Services Europe Limited ("**S&P**"). Each of Fitch and S&P is established in the European Union and is registered under Regulation (EU) No 1060/2009 (as amended).

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i)	Reasons for the Offer:	General corporate purposes of the Land Securities Group (as defined in the Base Prospectus), including financing bond tender exercises
(ii)	Estimated net proceeds:	Not Applicable
(iii)	Estimated total expenses:	€600 (related to admission to trading)

5. **PERFORMANCE OF INDEX, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

6. **OPERATIONAL INFORMATION**

(i)	ISIN:	XS1801843092
(ii)	Common Code:	180184309
(iii)	Any clearing system other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable
(iv)	Delivery:	Delivery against payment
(v)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
(vi)	Intended to be held in a manner which would allow Eurosystem eligibility:	Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

7. **DISTRIBUTION**

(i)	Method of distribution:	Syndicated
(ii)	If syndicated, names of Managers/Class R Underwriters:	*Joint Lead Managers:* Banco Santander, S.A. HSBC Bank plc Lloyds Bank plc The Royal Bank of Scotland plc (trading as NatWest Markets) *Senior Co-Managers:* Bank of China Limited, London Branch BNP Paribas

		Citigroup Global Markets Limited SMBC Nikko Capital Markets Limited UBS Limited
(iii)	Stabilisation Manager(s) (if any):	In connection with the issue of the Notes, The Royal Bank of Scotland plc (trading as NatWest Markets) may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time
(iv)	If non-syndicated, name of Dealer:	Not Applicable
(v)	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D
(vi)	Prohibition of Sales to EEA Retail Investors:	Applicable

10. Sub-Class A17 Final Terms (to be read as amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Final Terms dated 13 March 2023

Land Securities Capital Markets PLC

£7,000,000,000 Multicurrency Programme for the issuance of Notes (the "Programme")

Issue of £400,000,000 4.875 per cent. Class A17 Notes due 2034

Legal entity identifier (LEI): 213800ZNMO2OSVLXAK89

PART A – CONTRACTUAL TERMS

Defined terms used herein shall bear the same meanings ascribed to them in the Conditions set forth in the Base Prospectus dated 20 July 2022 and the supplement to the Base Prospectus dated 6 March 2023 which together constitute a base prospectus for the purposes of the EU Prospectus Regulation (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the EU Prospectus Regulation and must be read in conjunction with such Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published on the website of Euronext Dublin (https://live.euronext.com/).

1.	Issuer:		Land Securities Capital Markets PLC
2.			
	(i)	Series Number:	9
	(ii)	Sub-Class Number:	A17
	(iii)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Relevant Currency or Currencies:		Sterling ("**£**")
4.	Aggregate Nominal Amount:		
	(i)	Series:	£400,000,000
	(ii)	Sub-Class:	£400,000,000
5.	(i)	Issue Price:	99.064 per cent. of the Aggregate Nominal Amount
6.	Yield:		
	Indication of yield:		5.000 per cent. (semi-annual) The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield
7.	Specified Denominations:		£100,000 and integral multiples of £1,000 (the "**Calculation Amount**") in excess thereof up to and including £199,000. No

			Notes in definitive form will be issued with a denomination above £199,000.
8.			
	(i)	Issue Date:	15 March 2023
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
9.	Maturity Date:		15 September 2034
10.	Interest Basis:		4.875 per cent. Fixed Rate
11.	Change of Interest Basis:		Applicable (in accordance with Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
12.	Redemption Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
13.	Call Options:		Issuer Call Option (further particulars specified below)
14.	Date Board approval for issuance of Notes obtained:		6 March 2023

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions**		Applicable subject to Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
	(i)	Interest Rate:	4.875 per cent. per annum payable in arrear on each Note Payment Date
	(ii)	Issue Spread:	1.33 per cent. per annum
	(iii)	Interest Determination Date:	15 March and 15 September in each year
	(iv)	Note Payment Date(s):	15 March and 15 September in each year, unadjusted
	(v)	First Note Payment Date:	15 September 2023
	(vi)	Fixed Coupon Amount:	From and including the Issue Date to but excluding the Note Step-Up Date, £24.38 per Calculation Amount

			From and including the Note Step-Up Date to and including the Maturity Date, £26.88 per Calculation Amount
	(vii)	Broken Amount(s):	Not Applicable
	(viii)	Day Count Fraction:	Actual/Actual ICMA
	(ix)	Reference Gilt:	UKT 4.25% 06/07/32
16.	**Floating Rate Note Provisions**		Not Applicable
17.	**Interest Rate Step-Up (Condition 6(f))**		Fixed Rate Step-Up Applicable
	(i)	Note Step-Up Rate:	0.50 per cent.
	(ii)	Note Step-Up Date:	15 September 2032
	(iii)	Margin (for purposes of Condition 6(f)):	Not Applicable
18.	**Zero Coupon Note Provisions**		Not Applicable
19.	**Indexed Note Provisions**		Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	**Issuer Call Option**		Applicable
	(i)	Optional Redemption Dates:	Any Business Day prior to the Maturity date
	(ii)	Redemption Amount:	As Calculated pursuant to Condition 8(b), the Swap Mid Curve Amount
	(iii)	Reference Bond:	Not Applicable
	(iv)	Quotation Time:	11.00 a.m. (London time)
	(v)	Redemption Margin:	plus 0.20 per cent.
	(vi)	If redeemable in part:	
		(a) Minimum Redemption Amount:	Not Applicable
		(b) Maximum Redemption Amount:	Not Applicable

21.	**Final Redemption Amount**	As set out in Condition 8(a), £1,000 per Calculation Amount
22.	Early Redemption Amount payable on redemption as a result of a Ratings Event or on the occurrence of an Index Event or for tax reasons or on event of default:	As set out in Condition 8(c) (*Optional Redemption as a Result of Ratings event*) and Condition 8(d)(ii) (Optional Redemption for Taxation Reasons)

STATUS AND RANKING OF THE NOTES

23.	Class:	Class A Notes
24.	Priority:	Priority 1 Notes
25.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26.				
	(a)	Form of Notes:		Bearer
		(i)	If issued in Bearer form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
		(ii)	If issued in Registered form:	Not Applicable
	(b)	New Global Note:		Yes
27.	Additional Financial Centre(s):			Not Applicable
28.	Talons for future Coupons to be attached to Definitive Notes:			No

ICL LOAN TERMS

29.	ICL Loan:	£400,000,000
30.	Governing law of relevant ICL Loan:	English law
31.	Interest rate on relevant ICL Loan:	(Exceeding the rate payable on the Notes which are the subject of these Final Terms by a margin of 0.01 per cent. per annum)

32.	ICL Loan Payment Dates:	10 March and 10 September in each year, commencing on 10 September 2023
33.	Term of relevant ICL Loan:	15 September 2034
34.	Priority ranking of relevant ICL Loan:	Priority 1
35.	Loan to value ratio:	32.64 per cent.
36.	Party responsible for calculating the rate of interest, interest amount(s) and redemption amount:	As per the Conditions
37.	Banks with which the main accounts are held:	Lloyds Bank plc
38.	Relationship between the Issuer and FinCo and details of the principal terms of that relationship:	As described in the Base Prospectus

THIRD PARTY INFORMATION

Not Applicable

Signed on behalf of the Issuer:

By: [redacted]

Duly authorised

Part B – Other Information

1. **LISTING**

(i)	Listing:	Euronext Dublin
(ii)	Admission to trading:	Application has been made to Euronext Dublin for Notes to be admitted to the Official List and trading on its regulated market.
(iii)	Estimate of total expenses related to admission to trading:	EUR 1,000

2. **RATINGS**

Ratings:	The Notes to be issued are expected to be rated "AA sf" by S&P Global Ratings UK Limited ("**S&P**") and "AA- sf" by Fitch Ratings Limited ("**Fitch**"). Each of S&P and Fitch is established in the United Kingdom and is registered under Regulation (EC) No 1060/2009 on credit rating agencies, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. The ratings issued by Fitch and S&P have been endorsed by Fitch Ratings Ireland Limited and S&P Global Ratings Europe Limited, respectively, in accordance with the Regulation (EC) No 1060/2009 (as amended) ("**EU CRA**"). Each of Fitch Ratings Ireland Limited and S&P Global Ratings Europe Limited is established in the EEA and registered under the EU CRA Regulation.

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for the fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. **REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

(i)	Reasons for the Offer:	An amount equal to the net proceeds of the Notes will be used to finance projects and activities that promote climate-friendly and/or other environmental purposes or sustainable or social activities (either in those words or otherwise) ("**Green Projects**").
(ii)	Estimated net proceeds:	£394,656,000

5. **PERFORMANCE OF INDEX, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

6. **OPERATIONAL INFORMATION**

(i)	ISIN:	XS2597544290
(ii)	Common Code:	259754429
(iii)	CFI:	DTFXFB
(iv)	FISN:	LAND SEC.CAP.MK/1 MTN 20350313 REGS
(v)	Any clearing system other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not applicable
(vi)	Delivery:	Delivery against payment
(vii)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
(viii)	Intended to be held in a manner which would allow Eurosystem eligibility:	Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

7. **DISTRIBUTION**

(i)	Method of distribution:	Syndicated
(ii)	If syndicated, names of Managers/Class R Underwriters:	*Active Bookrunners* BNP Paribas Lloyds Bank Corporate Markets plc NatWest Markets Plc *Passive Bookrunners* Banco Santander, S.A. SMBC Nikko Capital Markets Limited *Senior Co-Managers* ABN Amro Bank N.V. Bank of China Limited, London Branch China Construction Bank (Asia) Corporation Limited
(iii)	Stabilisation Manager(s) (if any):	In connection with the issue of the Notes, NatWest Markets Plc may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time.
(iv)	If non-syndicated, name of Dealer:	Not Applicable
(v)	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D
(vi)	Prohibition of Sales to EEA Retail Investors:	Applicable
(vii)	Prohibition of Sales to UK Retail Investors:	Applicable
(viii)	Prohibition of Sales to Belgian Consumers:	Applicable

8. **GREEN BONDS**

(i)	Green Bonds:	Yes
(ii)	Reviewer:	Sustainalytics
(iii)	Date of third party opinion:	2 March 2023

11. Sub-Class A18 Final Terms (to be read as amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

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FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

EU MIFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target

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market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**EU MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Final Terms dated 14 March 2024

Land Securities Capital Markets PLC

£7,000,000,000 Multicurrency Programme for the issuance of Notes (the "Programme")

Issue of £300,000,000 4.750 per cent. Class A18 Notes due 2033

Legal entity identifier (LEI): 213800ZNMO2OSVLXAK89

PART A – CONTRACTUAL TERMS

Defined terms used herein shall bear the same meanings ascribed to them in the Conditions set forth in the Base Prospectus dated 8 August 2023 and the supplement to the Base Prospectus dated 2 February 2024 which together constitute a base prospectus for the purposes of the EU Prospectus Regulation (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the EU Prospectus Regulation and must be read in conjunction with such Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published on the website of Euronext Dublin (https://live.euronext.com/).

1.	Issuer:		Land Securities Capital Markets PLC
2.			
	(i)	Series Number:	10
	(ii)	Sub-Class Number:	A18
	(iii)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Relevant Currency or Currencies:		Sterling ("**£**")
4.	Aggregate Nominal Amount:		
	(i)	Series:	£300,000,000
	(ii)	Sub-Class:	£300,000,000

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5.	(i)	Issue Price:	99.241 per cent. of the Aggregate Nominal Amount
6.	Yield:		
	Indication of yield:		4.872 per cent. (semi-annual) The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield
7.	Specified Denominations:		£100,000 and integral multiples of £1,000 (the "**Calculation Amount**") in excess thereof up to and including £199,000. No Notes in definitive form will be issued with a denomination above £199,000.
8.			
	(i)	Issue Date:	18 March 2024
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
9.	Maturity Date:		19 September 2033
10.	Interest Basis:		4.750 per cent. Fixed Rate
11.	Change of Interest Basis:		Applicable (in accordance with Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)
12.	Redemption Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
13.	Call Options:		Issuer Call Option Issuer Clean-up Call Option (further particulars specified below)
14.	Date Board approval for issuance of Notes obtained:		24 January 2024

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions**	Applicable subject to Condition 6(f) (*Interest Rate Step-Up*) (see paragraph 17 below)

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	(i)	Interest Rate:	4.750 per cent. per annum payable in arrear on each Note Payment Date
	(ii)	Issue Spread:	1.03 per cent. per annum
	(iii)	Interest Determination Date:	18 March and 18 September in each year
	(iv)	Note Payment Date(s):	18 March and 18 September in each year, unadjusted
	(v)	First Note Payment Date:	18 September 2024
	(vi)	Fixed Coupon Amount:	From and including the Issue Date to but excluding the Note Step-Up Date, £23.75 per Calculation Amount From and including the Note Step-Up Date to and including the Maturity Date, £26.25 per Calculation Amount
	(vii)	Broken Amount(s):	Not Applicable
	(viii)	Day Count Fraction:	Actual/Actual ICMA
	(ix)	Reference Gilt:	UKT 0.250% 31/07/31
16.	**Floating Rate Note Provisions**		Not Applicable
17.	**Interest Rate Step-Up (Condition 6(f))**		Fixed Rate Step-Up Applicable
	(i)	Note Step-Up Rate:	0.50 per cent.
	(ii)	Note Step-Up Date:	18 September 2031
	(iii)	Margin (for purposes of Condition 6(f)):	Not Applicable
18.	**Zero Coupon Note Provisions**		Not Applicable
19.	**Indexed Note Provisions**		Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	**Issuer Call Option**		Applicable
	(i)	Optional Redemption Dates:	Any Business Day on or prior to the Note Step-up Date and any Note Payment Date thereafter
	(ii)	Redemption Amount:	As Calculated pursuant to Condition 8(b), the Swap Mid Curve Amount

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	(iii)	Reference Bond:	Not Applicable
	(iv)	Quotation Time:	11.00 a.m. (London time)
	(v)	Par Redemption Date:	18 June 2031
	(vi)	Redemption Margin:	plus 0.20 per cent.
	(vii)	If redeemable in part:	
		(a) Minimum Redemption Amount:	Not Applicable
		(b) Maximum Redemption Amount:	Not Applicable
21.	**Issuer Clean-up Call Option**		Applicable
	(i)	Clean-up Call threshold:	80 per cent.
22.	**Final Redemption Amount**		As set out in Condition 8(a), £1,000 per Calculation Amount
23.	Early Redemption Amount payable on redemption as a result of a Ratings Event or on the occurrence of an Index Event or for tax reasons or on event of default:		As set out in Condition 8(c) (*Optional Redemption as a Result of Ratings event*) and Condition 8(d)(ii) (Optional Redemption for Taxation Reasons)

STATUS AND RANKING OF THE NOTES

24.	Class:	Class A Notes
25.	Priority:	Priority 1 Notes
26.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

27.			
	(a)	Form of Notes:	Bearer
		(i) If issued in Bearer form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
		(ii) If issued in Registered form:	Not Applicable

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	(b) New Global Note:	Yes
28.	Additional Financial Centre(s):	Not Applicable
29.	Talons for future Coupons to be attached to Definitive Notes:	No

ICL LOAN TERMS

30.	ICL Loan:	£300,000,000
31.	Governing law of relevant ICL Loan:	English law
32.	Interest rate on relevant ICL Loan:	(Exceeding the rate payable on the Notes which are the subject of these Final Terms by a margin of 0.01 per cent. per annum)
33.	ICL Loan Payment Dates:	18 March and 18 September in each year, commencing on 18 September 2024
34.	Term of relevant ICL Loan:	19 September 2033
35.	Priority ranking of relevant ICL Loan:	Priority 1
36.	Loan to value ratio:	37.74 per cent.
37.	Party responsible for calculating the rate of interest, interest amount(s) and redemption amount:	As per the Conditions
38.	Banks with which the main accounts are held:	Lloyds Bank plc
39.	Relationship between the Issuer and FinCo and details of the principal terms of that relationship:	As described in the Base Prospectus

THIRD PARTY INFORMATION

Not Applicable

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Signed on behalf of the Issuer:

By: _[redacted]

Duly authorised

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Part B – Other Information

1. **LISTING**

(i)	Listing:	Euronext Dublin
(ii)	Admission to trading:	Application has been made to Euronext Dublin for Notes to be admitted to the Official List and trading on its regulated market.
(iii)	Estimate of total expenses related to admission to trading:	EUR 1,000

2. **RATINGS**

Ratings:	The Notes to be issued are expected to be rated "AA sf" by S&P Global Ratings UK Limited ("**S&P**") and "AA- sf" by Fitch Ratings Limited ("**Fitch**"). Each of S&P and Fitch is established in the United Kingdom and is registered under Regulation (EC) No 1060/2009 on credit rating agencies, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. The ratings issued by Fitch and S&P have been endorsed by Fitch Ratings Ireland Limited and S&P Global Ratings Europe Limited, respectively, in accordance with the Regulation (EC) No 1060/2009 (as amended) ("**EU CRA**"). Each of Fitch Ratings Ireland Limited and S&P Global Ratings Europe Limited is established in the EEA and registered under the EU CRA Regulation.

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for the fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. **REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

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(i)	Reasons for the Offer:	See "Use of Proceeds" in the Base Prospectus
(ii)	Estimated net proceeds:	£296,523,000

5. **PERFORMANCE OF INDEX, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

6. **OPERATIONAL INFORMATION**

(i)	ISIN:	XS2764803677
(ii)	Common Code:	276480367
(iii)	CFI:	DTFXFB
(iv)	FISN:	LAND SEC.CAP.MK/4.75 MTN 20330919
(v)	Any clearing system other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not applicable
(vi)	Delivery:	Delivery against payment
(vii)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
(viii)	Intended to be held in a manner which would allow Eurosystem eligibility:	No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

7. **DISTRIBUTION**

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(i)	Method of distribution:	Syndicated
(ii)	If syndicated, names of Managers/Class R Underwriters:	*Active Bookrunners* Lloyds Bank Corporate Markets plc Banco Santander, S.A. SMBC Nikko Capital Markets Limited *Passive Bookrunners* BNP Paribas NatWest Markets Plc *Senior Co-Managers* ABN Amro Bank N.V. Bank of China Limited, London Branch China Construction Bank (Asia) Corporation Limited
(iii)	Stabilisation Manager(s) (if any):	In connection with the issue of the Notes, Lloyds Bank Corporate Markets plc may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time.
(iv)	If non-syndicated, name of Dealer:	Not Applicable
(v)	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D
(vi)	Prohibition of Sales to EEA Retail Investors:	Applicable
(vii)	Prohibition of Sales to UK Retail Investors:	Applicable
(viii)	Prohibition of Sales to Belgian Consumers:	Applicable

8. **GREEN BONDS**

(i)	Green Bonds:	No
(ii)	Reviewer:	Not Applicable
(iii)	Date of third party opinion:	Not Applicable

12. Sub-Class A19 Final Terms (to be read as amended by the Thirteenth Supplemental Trust Deed)

[*See overleaf*]

PROHIBITION OF SALES TO EEA RETAIL INVESTORS The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Final Terms dated 19 September 2024

Land Securities Capital Markets PLC

£7,000,000,000 Multicurrency Programme for the issuance of Notes (the "Programme")

Issue of £350,000,000 4.625 per cent. Class A19 Green Notes due 2036 (the **"Notes"**)

Legal entity identifier (**LEI**): 213800ZNMO2OSVLXAK89

Part A - Contractual Terms

Defined terms used herein shall bear the same meanings ascribed to them in the Conditions set forth in the Base Prospectus dated 23 August 2024 which constitutes a base prospectus for the purposes of the EU Prospectus Regulation (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the EU Prospectus Regulation and must be read in conjunction with such Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published on the website of Euronext Dublin (https://live.euronext.com/).

1.	Issuer:		Land Securities Capital Markets PLC
2.	(i)	Series Number:	11
	(ii)	Sub-Class Number:	A19
	(iii)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Relevant Currency or Currencies:		Sterling ("**£**")
4.	Aggregate Nominal Amount:		
	(i)	Series:	£350,000,000
	(ii)	Sub-Class:	£350,000,000
5.	(i)	Issue Price:	99.242 per cent. of the Aggregate Nominal Amount
6.	Yield:		
	Indication of yield:		4.721 per cent. (semi-annual) The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield
7.	Specified Denominations:		£100,000 and integral multiples of £1,000 (the "**Calculation Amount**") in excess thereof up to and including £199,000. No Notes in definitive form will be issued with a denomination above £199,000.

8.	(i)	Issue Date:	23 September 2024
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
9.	Maturity Date:		23 September 2036
10.	Interest Basis:		4.625 per cent. Fixed Rate
11.	Change of Interest Basis:		Applicable (in accordance with Condition 6(f) (Interest Rate Step-Up) (see paragraph 17 below))
12.	Redemption Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
13.	Call Options:		Issuer Call Option (further particulars specified below)
14.	Date Board approval for issuance of Notes obtained:		13 September 2024

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions**		Applicable subject to Condition 6(f) (Interest Rate Step-Up) (see paragraph 17 below)
	(i)	Interest Rate:	4.625 per cent. per annum payable in arrear on each Note Payment Date
	(ii)	Issue Spread:	0.970 per cent. per annum
	(iii)	Interest Determination Date:	23 March and 23 September in each year
	(iv)	Note Payment Date(s):	23 March and 23 September in each year, unadjusted
	(v)	First Note Payment Date:	23 March 2025
	(vi)	Fixed Coupon Amount(s):	From and including the Issue Date to but excluding the Note Step-Up Date, £23.13 per Calculation Amount

			From and including the Note Step-Up Date to and including the Maturity Date, £25.63 per Calculation Amount
	(vii)	Broken Amount(s):	Not Applicable
	(viii)	Day Count Fraction:	Actual/Actual ICMA
	(ix)	Reference Gilt:	UKT 4.50% due 7 September 2034
16.	**Floating Rate Note Provisions**		Not Applicable
17.	**Interest Rate Step-Up (Condition 6(f))**		Fixed Rate Step-Up Applicable
	(i)	Note Step-Up Rate:	0.500 per cent.
	(ii)	Note Step-Up Date:	23 September 2034
	(iii)	Margin (for purposes of Condition 6(f)):	Not Applicable
18.	**Zero Coupon Note Provisions**		Not Applicable
19.	**Indexed Note Provisions**		Not Applicable
PROVISIONS RELATING TO REDEMPTION			
20.	**Issuer Call Option**		Applicable
	(i)	Optional Redemption Date(s):	Any Business Day on or prior to the Note Step-up Date and any Note Payment Date thereafter
	(ii)	Redemption Amount(s):	As calculated pursuant to Condition 8(b), the Swap Mid Curve Amount
	(iii)	Reference Bond:	Not Applicable
	(iv)	Quotation Time:	Not Applicable
	(v)	Par Redemption Date:	23 June 2034
	(vi)	Redemption Margin:	0.200 per cent.
	(vii)	If redeemable in part:	

	(a)	Minimum Redemption Amount:	Not Applicable
	(b)	Maximum Redemption Amount:	Not Applicable
21.	**Issuer Clean-up Call Option**		Not Applicable
22.	**Final Redemption Amount**		As set out in Condition 8(a), £1,000 per Calculation Amount
23.	Early Redemption Amount payable on redemption as a result of a Ratings Event or on the occurrence of an Index Event or for tax reasons or on event of default:		As set out in Condition 8(c) (*Optional Redemption as Result of Ratings Event*) Condition 8(d)(ii) (*Optional Redemption for Taxation Reasons*) or Condition 11(b) (*Issuer Event of Default*)

STATUS AND RANKING OF THE NOTES

24.	Class:		Class A Notes
25.	Priority:		Priority 1 Notes
26.	If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes:		Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

27.	(a)	Form of Notes:		Bearer
		(i)	If issued in Bearer form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
		(ii)	If issued in Registered form:	Not Applicable
	(b)	New Global Note:		Yes
28.	Additional Financial Centre(s):			Not Applicable
29.	Talons for future Coupons to be attached to Definitive Notes:			No

ICL LOAN TERMS

30.	ICL Loan:	£350,000,000
31.	Governing law of relevant ICL Loan:	English law
32.	Interest rate on relevant ICL Loan:	Exceeding the rate payable on the Notes which are the subject of these Final Terms by a margin of 0.01% per annum
33.	ICL Loan Payment Dates:	23 March and 23 September in each year, commencing on 23 March 2025
34.	Term of relevant ICL Loan:	23 September 2036
35.	Priority ranking of relevant ICL Loan:	Priority 1
36.	Loan to value ratio:	39.78 per cent.
37.	Party responsible for calculating the rate of interest, interest amount(s) and redemption amount:	As per the Conditions
38.	Banks with which the main accounts are held:	Lloyds Bank plc
39.	Relationship between the Issuer and FinCo and details of the principle terms of that relationship:	As described in the Base Prospectus.

THIRD PARTY INFORMATION

The information set out in the fourth paragraph under 'Ratings' below has been extracted from the sources set out therein. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Docusign Envelope ID: 106111C5-5A42-48BD-BA16-6518382AA3F3

Signed on behalf of the Issuer:

By: [redacted]

Duly authorised

Part B
Other Information

1. **LISTING**

(i)	Listing:	Euronext Dublin
(ii)	Admission to trading:	Application has been made to Euronext Dublin for Notes to be admitted to the Official List and trading on its regulated market
(iii)	Estimate of total expenses related to admission to trading:	€1,000

2. **RATINGS**

Ratings: The Notes to be issued are expected to be rated "AA (sf)" by S&P Global Ratings UK Limited ("**S&P**") and "AA- sf" by Fitch Ratings Limited ("**Fitch**").

Each of S&P and Fitch is established in the United Kingdom and is registered under Regulation (EC) No 1060/2009 on credit rating agencies, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

The ratings issued by Fitch and S&P have been endorsed by Fitch Ratings Ireland Limited and S&P Global Ratings Europe Limited, respectively, in accordance with the Regulation (EC) No 1060/2009 (as amended) ("**EU CRA**"). Each of Fitch Ratings Ireland Limited and S&P Global Ratings Europe Limited is established in the EEA and registered under the EU CRA Regulation.

In accordance with Fitch's ratings definitions available as at the date hereof on https://www.fitchratings.com/products/rating-definitions, a rating of 'AA' denotes expectations of very low default risk. It indicates very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. In accordance with S&P's ratings definitions available as at the date hereof on https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourceId/504352, an obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The

obligor's capacity to meet its financial commitments on the obligation is very strong.

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for the fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business

4. **REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

(i)	Reasons for the Offer:	An amount equal to the net proceeds of the Notes will be used to finance projects and activities that promote climate-friendly and/or other environmental purposes or sustainable or social activities (either in those words or otherwise) ("**Green Projects**")
(ii)	Estimated net proceeds:	£345,950,500

5. **PERFORMANCE OF INDEX, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

6. **OPERATIONAL INFORMATION**

(i)	ISIN:	XS2906222125
(ii)	Common Code:	290622212
(iii)	CFI:	See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
(iv)	FISN:	See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
(v)	Any clearing system other than Euroclear and Clearstream, Luxembourg and the	Not Applicable

	relevant identification number(s):	
(vi)	Delivery:	Delivery against payment
(vii)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
(viii)	Intended to be held in a manner which would allow Eurosystem eligibility:	No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met

7. DISTRIBUTION

(i)	Method of distribution:	Syndicated
(ii)	If syndicated, names of Managers/Class R Underwriters:	*Active Bookrunners* BNP PARIBAS Lloyds Bank Corporate Markets plc NatWest Markets Plc *Passive Bookrunners* ABN AMRO Bank N.V. Bank of China Limited, London Branch Barclays Bank PLC
(iii)	Stabilisation Manager(s) (if any):	In connection with the issue of the Notes, NatWest Markets Plc may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time
(iv)	If non-syndicated, name of Dealer:	Not Applicable

(v)	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D
(vi)	Prohibition of Sales to EEA Retail Investors:	Applicable
(vii)	Prohibition of Sales to UK Retail Investors:	Applicable
(viii)	Prohibition of Sales to Belgian Consumers:	Applicable

8. **GREEN BONDS**

(i)	Green Bonds:	Yes
(ii)	Reviewer(s):	The second party opinion ("**SPO**") provider Sustainalytics has reviewed the Green Financing Framework and certified its alignment with ICMA Green Bond Principles 2021, LMA Green Loan Principles 2023 and market practices. The SPO will be made available at https://landsec.com/investors/debt-investors.
(iii)	Date of third party opinion(s):	2 March 2023

CHAPTER 5
USE OF PROCEEDS

The proceeds from the issuance of the Sub-Class A6 Notes and the Sub-Class A7 Notes were to be lent by the Issuer to FinCo under the Intercompany Loan Agreement and further on-lent to Land Securities PLC.

The proceeds from the issuance of the Sub-Class A11 Notes, the Sub-Class A13 Notes and the Sub-Class A18 Notes were to be on-lent to FinCo under the terms of the Intercompany Loan Agreement to be applied by FinCo for the Security Group's lawful purposes, including the making of loans to Non-Restricted Group Entities and the payment of dividends and other Restricted Payments.

The proceeds from the issuance of the Sub-Class A14 Notes and the Sub-Class A15 Notes were to be applied for the general corporate purposes of the Landsec Group, including financing bond tender exercises and terming out short term borrowings.

The proceeds from the issuance of the Sub-Class A16 Notes were to be applied for the general corporate purposes of the Landsec Group, including financing bond tender exercises.

The net proceeds of the issuance of the Sub-Class A17 Notes and the Sub-Class A19 Notes (together the "**Green Bonds**"), were to be applied specifically for Green Projects. For further information in relation to how the proceeds of such Green Bonds may be used to fund eligible green projects that support the Landsec Group's business strategy, see the section entitled "*Green Financing Framework*" in Chapter 10 "*Landsec Group Business and Information Regarding the Estate*" of the Base Prospectus, incorporated by reference into this Prospectus.

CHAPTER 6
GENERAL INFORMATION

Listing

1. It is expected that listing of the Notes on the Official List and admission of the Notes to trading on the Main Market will be granted on or before 1 September 2026. The total amount of the Notes to be admitted on the Official List and to trading on the Main Market is £3,838,830,500 (being the aggregate nominal amount of the Notes). The Notes will be de-listed from Euronext Dublin on the same day as they are listed on the Official List and admitted to trading on the Main Market.

2. The Issuer estimates the total expenses related to admission to trading of the Notes at £34, 650.

Significant or Material Adverse Change

3. There has been no significant change in the financial performance or financial position of the Issuer, FinCo or Land Securities Group PLC or its subsidiaries since 31 March 2026, the date of the last published audited financial statements of the Issuer, FinCo and Land Securities Group PLC.

4. There has been no significant change in the financial performance or financial position of Land Securities PLC or HoldCo since 31 March 2025, the date of the last published audited financial statements of Land Securities PLC and HoldCo.

5. There has been no material adverse change in the financial position or prospects of each of the Issuer, FinCo or Land Securities Group PLC since 31 March 2026, the date of the last published audited financial statements of the Issuer, FinCo and Land Securities Group PLC.

6. There has been no material adverse change in the financial position or prospects of Land Securities PLC or HoldCo since 31 March 2025, the date of the last published audited financial statements of Land Securities PLC and HoldCo.

Contracts

7. Since their date of incorporation, none of the Issuer, FinCo, HoldCo and Land Securities PLC has entered into any contracts or arrangements not being in its ordinary course of business.

Litigation

8. Neither the Issuer, FinCo, HoldCo, Land Securities PLC or Land Securities Group PLC is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer, FinCo, HoldCo, Land Securities PLC or Land Securities Group PLC are aware) in the 12 months preceding the date of this Prospectus which may have or have had in the recent past, a significant effect on the financial position or profitability of the Issuer, FinCo or the Landsec Group.

Third Parties

9. Where information in this Prospectus or incorporated by reference therein has been sourced from third parties, this information has been accurately reproduced, and as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

Documents Available

10. For so long as the Programme remains in effect or any Notes are outstanding, copies of the following documents will, when published or executed, be available for inspection at https://landsec.com/investorsdebt-investors/corporate-debt-structure, save where an alternate location is stated below:

    (a) the Memorandum and Articles of Association of the Issuer (accessible at https://find-and-update.company-information.service.gov.uk/company/05193511/filing-history), FinCo (accessible at https://find-and-update.company-information.service.gov.uk/company/05163698/filing-history), Land Securities Group PLC (accessible at https://find-and-update.company-information.service.gov.uk/company/04369054/filing-history), HoldCo (accessible at https://find-and-update.company-information.service.gov.uk/company/05075691/filing-history) and Land Securities PLC (accessible at https://find-and-update.company-information.service.gov.uk/company/00551412/filing-history);

    (b) copies of the following documents:

        (i) this Prospectus;

        (ii) the Base Prospectus (which, for the avoidance of doubt, includes the latest Valuation of the Estate as set out in Chapter 12 "*Valuation of the Estate*", as at 31 March 2026);

        (iii) any Final Terms relating to the Notes which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system (in the case of any Notes which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, copies of the relevant Final Terms will only be available for inspection by the relevant Noteholders); and

        (iv) the Trust Deed;

        (v) the Ninth Supplemental Trust Deed; and

        (vi) the Thirteenth Supplemental Trust Deed;

    (c) copies of the following documents, which may be inspected in physical form during usual business hours (upon the giving of at least 24 hours' notice) and at the registered office of the Issuer:

        (i) the Agency Agreement;

(ii) the Issuer Deed of Charge;

(iii) the Intercompany Loan Agreement;

(iv) the Security Trust and Intercreditor Deed;

(v) the Obligor Floating Charge Agreement;

(vi) the Common Terms Agreement;

(vii) the Initial Standard Securities;

(viii) the Account Bank and Cash Management Agreement;

(ix) the Tax Deed of Covenant;

(x) any transfers of Mortgaged Properties owned by Obligors that are partners in UK partnerships or are incorporated in Jersey;

(xi) the Trust Agreements for each such title; and

(xii) the Beneficiary Undertakings in relation to Mortgaged Properties beneficially owned by Obligors that are UK partnerships or are incorporated in Jersey.

Auditors

11. Ernst & Young LLP are the independent auditors of the Issuer, FinCo and Land Securities Group PLC and have audited the financial statements of each of the Issuer, FinCo and Land Securities Group PLC for each of the financial years ended 31 March 2025 and 31 March 2026 and, in each case, reported thereon without qualification. Ernst & Young LLP also audited the financial statements of each of Land Securities PLC and HoldCo for the financial year ended 31 March 2024 and, in each case, reported theron without qualification. Ernst & Young LLP is registered to perform audit work by the Institute of Chartered Accountants in England and Wales. Ernst & Young LLP's address is 1 More London Place, London SE1 2AF, United Kingdom.

12. BDO LLP are the independent auditors of Land Securities PLC and HoldCo and have audited the financial statements of each of Land Securities PLC and HoldCo for the financial year ended 31 March 2025 and, in each case, reported thereon without qualification. BDO LLP is registered to perform audit work by the Institute of Chartered Accountants in England and Wales. BDO LLP's address is 55 Baker Street, London, W1U 7EU, United Kingdom.

Independent valuers

13. CBRE Limited of registered address Henrietta House, Henrietta Place, London, W1G 0NB are the independent valuers of the Landsec Group and the Security Group Estate and have valued the assets of the Security Group Estate. The Valuation has been prepared in accordance with the version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the Red Book) current as at the valuation date. The properties have been valued by a valuer who is qualified for the purpose of the valuation

in accordance with the Red Book. At the request of the Issuer, CBRE Limited has given and not withdrawn its written consent to the inclusion of its report or review or references to it, as applicable, in the form and context in which it appears for the purpose of the Base Prospectus, which is incorporated by reference. CBRE Limited has no material interest in the Issuer or FinCo.

14. Jones Lang LaSalle of registered address 30 Warwick Street, London, W1B 5NH are the independent valuers of the Landsec Group and the Security Group Estate and have valued the assets of the Security Group Estate. The Valuation has been prepared in accordance with the version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the Red Book) current as at the valuation date. The properties have been valued by a valuer who is qualified for the purpose of the valuation in accordance with the Red Book. At the request of the Issuer, Jones Lang LaSalle has given and not withdrawn its written consent to the inclusion of its report or review or references to it, as applicable, in the form and context in which it appears for the purpose of the Base Prospectus, which relevant sections are incorporated by reference. Jones Lang LaSalle has no material interest in the Issuer or FinCo.

Interests of natural and legal persons involved in the issue

15. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

REGISTERED AND HEAD OFFICE OF THE ISSUER

Land Securities Capital Markets PLC
100 Victoria Street
London SW1E 5JL
United Kingdom

OBLIGOR SECURITY TRUSTEE AND NOTE TRUSTEE

Deutsche Trustee Company Limited
21 Moorfields
London EC2Y 9DB
United Kingdom

LEGAL ADVISERS

To the Issuer and the Security Group as to English law

Slaughter and May
One Bunhill Row
London
EC1Y 8YY
United Kingdom

To the Obligor Security Trustee and the Note Trustee as to English law

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ
United Kingdom

AGENT BANK, PRINCIPAL PAYING AGENT AND TRANSFER AGENT

Deutsche Bank AG, London Branch
21 Moorfields
London EC2Y 9DB
United Kingdom

REGISTRARS

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Highdown House
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United Kingdom