

EXECUTION VERSION

Trust Deed

GBP250,000,000 8.500 per cent. Subordinated Notes due 2034

Dated 6 July 2023

Admiral Group plc
(as Issuer)

HSBC Corporate Trustee Company (UK) Limited
(as Trustee)

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This Trust Deed is made on 6 July 2023 between:

- (1) **ADMIRAL GROUP PLC** (the "**Issuer**"); and
- (2) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** (the "**Trustee**", which expression includes, where the context admits, all persons for the time being the trustee or trustees of this Trust Deed).

Recitals

- (A) The Issuer has authorised the creation and issue of the Notes (as defined below) to be constituted in relation to this Trust Deed.
- (B) The Trustee has agreed to act as Trustee under this Trust Deed on the following terms and conditions.

NOW THIS DEED WITNESSES AND IT IS HEREBY DECLARED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

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

"Agency Agreement" means the agreement appointing the initial Agents and any other agreement for the time being in force appointing Successor Agents, together with any agreement for the time being in force amending or modifying with the prior written approval of the Trustee any of the aforesaid agreements;

"Agents" means the Principal Paying Agent, the Registrar, the Transfer Agents, or any of them;

"Appointee" means any delegate, agent, nominee or custodian appointed pursuant to the provisions of this Trust Deed;

"Authorised Signatory" means any director of the Issuer, or any other person or persons notified to the Trustee by any director of the Issuer as being an Authorised Signatory pursuant to Clause 5.16 (*Authorised Signatories*);

"Clearstream, Luxembourg" means Clearstream Banking, S.A.;

"Conditions" means the terms and conditions to be endorsed on the Note Certificates, in the form or substantially in the form set out in Schedule 2 (*Terms and Conditions of the Notes*) and any reference in this Trust Deed to a particular numbered Condition shall be construed accordingly;

"Euroclear" means Euroclear Bank SA/NV;

"Event of Default" means any one of the circumstances described in Condition 9 (*Events of default*);

"Extraordinary Resolution" has the meaning set out in Schedule 3 (*Provisions for Meetings of Noteholders*);

"Global Note Certificate" means the Global Note Certificate representing the Notes to be issued pursuant to Clause 3.1 (*Global Note Certificate*) in the form or substantially in the form set out in Schedule 1, Part A (*Form of Global Note Certificate*);

"Individual Note Certificate" means any Individual Note Certificate representing a Noteholder's entire holding of Notes, in or substantially in the form set out in Schedule 1, Part B (*Form of Individual Note Certificate*);

"Liabilities" means any loss, damage, fees, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis;

"Liquidator" has the meaning set out in Clause 2.5.3 (*Status and Subordination of the Notes*);

"Note Certificate" means any Global Note Certificate or Individual Note Certificate and includes any replacement Note Certificate issued pursuant to Condition 11 (*Replacement of Note Certificates*);

"Noteholder" and (in relation to a Note) **"holder"** means a person in whose name a Note is registered in the Register save that, for so long as the Notes are represented by the Global Note Certificate, each person who has for the time being a particular principal amount of such Notes credited to their securities account in the records of Clearstream, Luxembourg or Euroclear shall be deemed to be the Noteholder in respect of the principal amount of such Notes for all purposes hereof other than for the purpose of payments in respect thereof, the right to which shall be vested as against the Issuer, solely in the registered holder of such Note Certificate in accordance with and subject to the terms of this Trust Deed and such Global Note Certificate;

"Notes" means the notes in the denominations of GBP100,000 and integral multiples of GBP1,000 in excess thereof in registered form, each comprising the GBP250,000,000 8.500 per cent. Subordinated Notes due 2034 constituted in relation to this Trust Deed to be represented by a Note Certificate or Note Certificates, in or substantially in the form set out in Schedule 1, Part A (*Form of Global Note Certificate*) and Schedule 1, Part B (*Form of Individual Note Certificate*), and for the time being outstanding or, as the case may be, a specific number thereof and includes any replacement Notes issued pursuant to Condition 11 (*Replacement of Note Certificates*) and (except for the purposes of Clauses 3.1 (*Global Note Certificate*) and 3.3 (*Signature*)) the Global Note Certificate for so long as it has not been exchanged in accordance with the terms thereof, and which expression includes any Further Notes (as set out in Clause 2.6 (*Further Issues*) below);

"outstanding" means, in relation to the Notes, all the Notes other than:

- (a) those which have been redeemed in accordance with the Conditions and this Trust Deed;
- (b) those in respect of which the date for redemption in accordance with the provisions of the Conditions has occurred and for which the redemption moneys (including all interest accrued thereon to the date for such redemption) have been duly paid to the Trustee or the Principal Paying Agent in the manner provided for in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Condition 15 (*Notices*)) and remain available for payment in accordance with the Conditions;
- (c) those which have been purchased and surrendered for cancellation as provided in Condition 6 (*Redemption, Substitution, Variation and Purchase*) and notice of the cancellation of which has been given to the Trustee;
- (d) those which have become void under Condition 10 (*Prescription*);

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of Noteholders;
- (ii) the determination of how many and which Notes are for the time being outstanding for the purposes of Clauses 7.1 (*Legal Proceedings*) and 6 (*Amendments and Substitution*), Conditions 4 (*Interest*) and 6 (*Redemption, Substitution, Variation and Purchase*) and Schedule 3 (*Provisions for Meetings of Noteholders*);
- (iii) any discretion, power or authority, whether contained in this Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Noteholders or any of them; and
- (iv) the determination by the Trustee whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the Noteholders or any of them,

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

"Potential Event of Default" means an event or circumstance which could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided for in Condition 9 (*Events of default*) become an Event of Default;

"Principal Paying Agent" means the institution at its Specified Office initially appointed as principal paying agent pursuant to the Agency Agreement or, if applicable, any Successor principal paying agent at its Specified Office;

"Register" means the register maintained by the Registrar at its Specified Office;

"Registrar" means the institution at its Specified Office initially appointed as registrar pursuant to the Agency Agreement or, if applicable, any Successor registrar at its Specified Office;

"Repay" shall include **"redeem"** and vice versa and **"repaid"**, **"repayable"**, **"repayment"**, **"redeemed"**, **"redeemable"** and **"redemption"** shall be construed accordingly;

"Senior Claims" in respect of the Issuer means the claims of all the Senior Creditors (including, without limiting the generality of the foregoing, all contingent and prospective claims, all claims in respect of deposits with, or loans to, the Issuer and all claims to interest thereon or in respect thereof) which are admitted to proof in the winding-up or administration of the Issuer;

"Senior Creditors" has the meaning given in the Conditions;

"Senior Indebtedness" means, in respect of the Issuer, the aggregate of Senior Claims;

"Shortfall" means in respect of the Issuer, in the event that, notwithstanding the subordination effected by Clause 2.5 (*Status and Subordination of the Notes*), any amounts are paid to the Trustee in the winding-up or administration of the Issuer in respect of the claims of the Noteholders without the Senior Indebtedness being paid in full, the amount by which the aggregate amount paid or distributable by the liquidator or the administrator (as the case may be) in the winding-up or administration of the Issuer as aforesaid in respect of the Senior Indebtedness is less than the amount of the Senior Indebtedness;

"Specified Office" means, in relation to any Agent, either the office identified with its name in the Conditions or any other office notified to any relevant parties pursuant to the Agency Agreement;

"Subsidiary" means a subsidiary or subsidiary undertaking of the Issuer whose affairs are for the time being required to be fully consolidated in the audited consolidated financial statements of the Issuer;

"Successor" means, in relation to the Agents, such other or further person, as may from time to time be appointed pursuant to the Agency Agreement as an Agent (as the case may be);

"successor in business" means, in relation to the Issuer or any Substituted Obligor (as defined in Clause 6.3 (*Substitution*)), any company which as a result of any amalgamation, merger or reconstruction, beneficially owns the whole or substantially the whole of the undertaking, property and assets owned by the Issuer or the relevant Substituted Obligor (as the case may be) prior to such amalgamation, merger, reconstruction or agreement coming into force and carries on as successor to the Issuer or the relevant Substituted Obligor (as the case may be) the whole or substantially the whole of the business carried on by the Issuer or the relevant Substituted Obligor (as the case may be) immediately prior thereto;

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

"Transfer Agent" means the institution at its Specified Office initially appointed pursuant to the Agency Agreement and/or, if applicable, any Successor transfer agents at their respective Specified Offices;

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

"Written Resolution" means a resolution in writing signed by or on behalf of holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes.

1.2 Principles of interpretation

In this Trust Deed references to:

- 1.2.1 *Statutory modification*: a provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment;
- 1.2.2 *Additional amounts*: principal and/or interest in respect of the Notes shall be deemed also to include references to any additional amounts which may be payable under Condition 8 (*Taxation*);
- 1.2.3 *Tax*: costs, charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof;
- 1.2.4 **"£"**, **"GBP"** and **"pounds sterling"** denote the lawful currency for the time being of the United Kingdom;
- 1.2.5 *Clauses and Schedules*: a Schedule or a Clause or sub-clause, paragraph or sub-paragraph is, unless otherwise stated, to a schedule hereto or a clause or sub-clause, paragraph or sub-paragraph hereof respectively;
- 1.2.6 *Principal*: principal shall, when applicable, include premium;
- 1.2.7 *Clearing systems*: Euroclear and/or Clearstream, Luxembourg shall, wherever the context so admits, be deemed to include references to any additional or alternative clearing system approved by the Issuer and the Trustee;

1.2.8 *Trust corporation*: a trust corporation denotes a corporation entitled by rules made under the Public Trustee Act 1906 to act as a custodian trustee or entitled pursuant to any other legislation applicable to a trustee in any jurisdiction other than England to act as trustee and carry on trust business under the laws of the country of its incorporation, and includes each successor to the original trust corporation in such capacity; and

1.2.9 *Gender*: words denoting the masculine gender shall include the feminine gender also, words denoting individuals shall include companies, corporations and partnerships and words importing the singular number only shall include the plural and in each case vice versa.

1.3 **The Conditions**

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

1.4 **Headings**

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

1.5 **The Schedules**

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

2. **COVENANT TO REPAY**

2.1 **Covenant to Repay**

The Issuer covenants with the Trustee that it will, (subject, where applicable, to Clause 2.1.4 below, Clause 2.5 (*Status and Subordination of the Notes*) and to Conditions 2(c) (*Solvency Condition*), 2(b) (*Subordination*), 5 (*Deferral of Interest*) and 6(b) (*Deferral of redemption date*)) as and when the Notes or any of them become due to be redeemed or any principal on the Notes or any of them becomes due to be repaid in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in pounds sterling in London in same day freely transferable funds the principal amount of the Notes or any of them becoming due for redemption or repayment on that date and shall (subject to the provisions of the Conditions), until all such payments (both before and after judgment or other order) are duly made, unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions (subject to Clause 2.4 (*Rate of Interest after a Default*)) interest on the principal amount of the Notes or any of them outstanding from time to time as set out in the Conditions *provided that*:

2.1.1 subject to the provisions of Clause 2.3 (*Following an Event of Default*), every payment of principal or interest in respect of the Notes or any of them made to the Principal Paying Agent in the manner provided in the Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this Clause 2.1.1 except to the extent that there is default in the subsequent payment thereof to the Noteholders in accordance with the Conditions;

2.1.2 if any payment of principal or interest in respect of the Notes or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Noteholders or, if earlier, the seventh day after notice has been given to the Noteholders in accordance with the Conditions that the full amount has been received by the Principal Paying Agent or the Trustee except, in the case of payment to the Principal Paying Agent, to the extent that there is failure in the subsequent payment to the Noteholders under the Conditions;

- 2.1.3 in any case where payment of the whole or any part of the principal amount due in respect of any Note is improperly withheld or refused upon due presentation (if so provided for in the Conditions) of the Note Certificate, interest shall accrue on the whole or such part of such principal amount from the date of such withholding or refusal until the date either on which such principal amount due is paid to the Noteholders or, if earlier, the seventh day after which notice is given to the Noteholders in accordance with the Conditions that the full amount payable in respect of the said principal amount is available for collection by the Noteholders provided that on further due presentation thereof (if so provided for in the Conditions) such payment is in fact made; and
- 2.1.4 notwithstanding the covenant of the Issuer given in this Clause 2.1, in the event a winding-up of the Issuer occurs (other than an Approved Winding-up) or an administrator of the Issuer is appointed and such administrator gives notice that it intends to declare and distribute a dividend, the rights and claims of the Trustee (save as hereinafter provided) and the Noteholders of the Notes will rank subordinate to claims of all Senior Creditors (in the manner set out in Clause 2.5 (*Status and Subordination of the Notes*) and Condition 2 (*Status of the Notes*)) and no payment shall be made in respect thereof under this Trust Deed or the Notes unless all the claims of the Senior Creditors have been satisfied in full prior to such payment. This subordination of the claims of the Trustee and the Noteholders shall not affect any liability of the Issuer to the Trustee acting on its own account and in such capacity the Trustee shall rank as a Senior Creditor of the Issuer.

The Trustee will hold the benefit of this covenant and the covenant in Clause 4 (*Covenant to comply with Trust Deed and Schedules*) on trust for the Noteholders.

2.2 Discharge

Subject to Clause 2.3 (*Following an Event of Default*), any payment to be made in respect of the Notes by the Issuer or the Trustee may be made as provided in the Conditions and any payment so made will (subject to Clause 2.3 (*Following an Event of Default*)) to that extent be a good discharge to the Issuer or the Trustee, as the case may be.

2.3 Following an Event of Default

At any time after any Event of Default or Potential Event of Default shall have occurred, the Trustee may:

- 2.3.1 by notice in writing to the Issuer, the Principal Paying Agent and the other Agents require the Principal Paying Agent and the other Agents or any of them:
- (a) to act thereafter, until otherwise instructed by the Trustee, as Agents of the Trustee under the provisions of this Trust Deed on the terms provided in the Agency Agreement (with consequential amendments as necessary and save that the Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Agents shall be limited to amounts for the time being held by the Trustee on the trusts of this Trust Deed in relation to the Notes on the terms of this Trust Deed and available to the Trustee for such purpose) and thereafter to hold all Note Certificates and all sums, documents and records held by them in respect of Notes on behalf of the Trustee; and/or
 - (b) to deliver up all Note Certificates and all sums, documents and records held by them in respect of Notes to the Trustee or as the Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any document or record which the relevant Agent is obliged not to release by any law or regulation; and

- 2.3.2 by notice in writing to the Issuer require the Issuer to make all subsequent payments in respect of Notes to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, proviso 2.1.1 to Clause 2.1 (*Covenant to Repay*) and (so far as it concerns payments by the Issuer) Clause 8.4 (*Payment to Noteholders*) shall cease to have effect.

2.4 Rate of Interest after a Default

The rate of interest payable in respect of the Notes if they become immediately repayable pursuant to a notice given by the Trustee pursuant to Condition 9 (*Events of default*) shall be calculated at six monthly intervals, the first of which shall commence on the expiry of the Interest Period (as defined in the Conditions) during which the Notes become so repayable, in accordance with Condition 9 (*Events of default*) (with consequential amendments as necessary) except that the rates of interest need not be published.

2.5 Status and Subordination of the Notes

- 2.5.1 The Notes constitute direct, unsecured and subordinated obligations of the Issuer which will at all times rank *pari passu* and without any preference among themselves. The rights and claims of the Noteholders are subordinated as set out in this Clause 2.5 and Condition 2 (*Status of the Notes*).

- 2.5.2 If (i) a winding-up of the Issuer occurs (other than an Approved Winding-up) or (ii) an administrator of the Issuer is appointed and such administrator gives notice that it intends to declare and distribute a dividend, the rights and claims of the Trustee (on behalf of the Noteholders but not the rights and claims of the Trustee acting on its own account under this Trust Deed) and the Noteholders against the Issuer in respect of or arising under the Notes and this Trust Deed (including any Arrears of Interest, if any, and any damages awarded for breach of any obligations in respect of the Notes) will be subordinated in the manner provided in this Trust Deed to the claims of all Senior Creditors but shall rank: (A) at least *pari passu* with all claims of holders of all other subordinated obligations of the Issuer which constitute, and all claims relating to a guarantee or other like or similar undertaking or arrangement given or undertaken by the Issuer in respect of any obligations of any other person which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital and all obligations which rank, or are expressed to rank by their terms, *pari passu* therewith, including the Parity Obligations ("**Parity Securities**"); and (B) in priority to the claims of holders of (a) any subordinated obligations of the Issuer expressed to rank by their terms junior to the Notes, (b) all obligations of the Issuer which constitute, and all claims relating to a guarantee or other like or similar undertaking or arrangement given or undertaken by the Issuer in respect of any obligations of any other person which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital and all obligations which rank, or are expressed to rank by their terms, *pari passu* therewith and (c) all classes of share capital of the Issuer (the "**Junior Securities**"). Nothing in this Trust Deed or Condition 2 (*Status of the Notes*) shall affect or prejudice the payment of the Liabilities of the Trustee or the rights and remedies of the Trustee in respect thereof and in such capacity the Trustee shall rank as an unsubordinated creditor of the Issuer. No member of the Issuer shall be liable to make any contribution (whether on liquidation of the Issuer or otherwise) to satisfy any claim under the Notes.

- 2.5.3 Accordingly, any amounts paid to the Trustee in respect of the claims of the Noteholders at any time after a winding-up of the Issuer occurs (other than an Approved Winding-up) or an administrator of the Issuer is appointed and such administrator gives notice that it intends to declare and distribute a dividend will, despite any appropriation of all or part of them by the Issuer, be held by the Trustee upon trust to apply them:

- (i) first, for application in payment or satisfaction of all Liabilities properly incurred by the Trustee or its Appointees (including remuneration payable to

it and any indemnity payments due to it) in carrying out its functions under this Trust Deed;

- (ii) secondly, to the extent of any Shortfall, for distribution in or towards payment or satisfaction of the Senior Indebtedness in respect of the Issuer; and
- (iii) thirdly, in or towards payment *pari passu* and rateably of any amounts owing in respect of the Notes (to the extent that the claims in the name of the Trustee in respect thereof shall be admitted in such winding-up or administration).

The trust mentioned above may be performed by the Trustee by repaying to the liquidator or administrator for the time being of the Issuer (the "**Liquidator**") the amount so to be distributed on terms that the Liquidator shall distribute the same accordingly, and in that event the receipt of the Liquidator for the moneys so paid by the Trustee to them shall be a good discharge to the Trustee for the performance by the Trustee of the trust secondly mentioned in Clause 2.5.3(ii) above and the Trustee shall not be bound to supervise or be in any way responsible for such distribution.

- 2.5.4 Except for in the event of a winding-up of the Issuer in England and Wales (other than an Approved Winding-up) or where an administrator of the Issuer is appointed and such administrator gives notice that it intends to declare and distribute a dividend and without prejudice to Condition 2(b) (*Subordination*) and Condition 9 (*Events of default*), payments of all amounts under or arising from the Notes and this Trust Deed (other than payments made to the Trustee acting on its own account under this Trust Deed) will be mandatorily deferred unless the Issuer is solvent at the time for payment by the Issuer and unless and until such time as the Issuer could make such payment and still be solvent immediately thereafter (the "**Solvency Condition**").

For the purposes of this Clause 2.5.4 and Condition 2(c) (*Solvency Condition*), the Issuer will be solvent if (i) it is able to pay its debts owed to Senior Creditors and Parity Creditors as they fall due and (ii) its Assets exceed its Liabilities. A certificate as to the solvency of the Issuer signed by two Authorised Signatories or, if there is a winding-up or administration of the Issuer, by two authorised signatories of the Liquidator or, as the case may be, the administrator of the Issuer shall be treated and accepted by the Issuer, the Trustee, the Noteholders and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Trustee shall be entitled to rely on such certificate without further investigation and without liability to any person.

In a winding-up of the Issuer (other than an Approved Winding-up) or in an administration of the Issuer if the Liquidator or administrator has given notice of their intention to declare and distribute a dividend, the amount payable under the Notes shall be an amount equal to the principal amount of such Notes, together with Arrears of Interest, if any, and any interest (other than Arrears of Interest) which has accrued up to, but excluding, the date of repayment and will be subordinated in the manner described in Clauses 2.5.2 and 2.5.3 above.

Without prejudice to any other provision in this Trust Deed or the Conditions and without double counting, amounts representing any payments of principal or interest or any other amount (including any damages awarded for breach of any obligations) in respect of which the conditions referred to in this Clause 2.5.4 are not satisfied on the date upon which the same would otherwise be due and payable ("**Solvency Claim**"), will be payable by the Issuer in the circumstances described in Condition 9(b) (*Amount payable on a winding-up or administration of the Issuer*), subject to and in accordance with the subordination provisions in Clause 2.5.2 and Condition 2(b) (*Subordination*). A Solvency Claim shall not bear interest.

- 2.5.5 Subject to applicable law, no holder of the Notes may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the

Issuer arising under or in connection with the Notes or the Trust Deed and each holder of the Notes shall, by virtue of acceptance of the Note, be deemed to have waived all such rights of set-off or counterclaim that such holder might otherwise have against the Issuer in respect of or arising under the Notes or the Trust Deed whether prior to or in liquidation, winding-up or administration. Notwithstanding the preceding sentence, if any of the rights and claims of any holder of the Notes in respect of or arising under the Notes or the Trust Deed are discharged by set-off, such holder will immediately, unless prohibited by applicable law, pay an amount equal to the amount of such discharge to the Issuer or, if applicable, the liquidator or administrator of the Issuer for payment to the Senior Creditors in respect of amounts owing to them by the Issuer and, until such time as payment is made, will hold a sum equal to such amount on trust for the Issuer or, if applicable, the liquidator or administrator in the Issuer's winding-up or administration. Accordingly, such discharge will be deemed not to have taken place.

- 2.5.6 The Issuer shall procure that (unless the Issuer is in winding-up in England and Wales (other than an Approved Winding-up) or where an administrator of the Issuer is appointed and such administrator gives notice that it intends to declare and distribute a dividend) whenever requested by the Trustee, within 14 days of such request, two Authorised Signatories shall certify in writing to the Trustee as to whether or not the Issuer is or would after making a specified payment be solvent for the purposes of the provisions of this Clause 2.5.

If the Issuer is in administration but the Issuer has not yet given notice that it intends to declare and distribute a dividend, the Issuer shall procure that two authorised signatories of the Liquidator shall certify in writing to the Trustee as to whether or not the Issuer is or would after making a specified payment be solvent for the purposes of the provisions of this Clause 2.5.

Any certification referred to above in this Clause 2.5 shall be treated and accepted by the Issuer, the Trustee, the Noteholders, the Liquidator (if applicable) and all other interested parties as correct and sufficient evidence of such solvency or, as applicable, that the Issuer is able to pay, or has paid, the claims of the relevant Senior Creditors in full.

In addition, the Trustee shall be entitled to accept any such certificate as conclusive evidence of satisfaction (or non satisfaction) of the Solvency Condition and shall not be liable to any person by reason of having accepted as valid or acting upon any such certificate. In the event that the Trustee has not requested a certificate (and where it has not received actual written notice that that Issuer is in winding-up and/or that an administrator of the Issuer has been appointed), the Trustee shall be entitled to assume that such payment will not constitute a breach and shall not be liable for making such assumption or distributing any such payment in accordance with Clause 2.5.3 or Clause 8.1 (*Application of Moneys*).

- 2.5.7 The Trustee shall be entitled and is hereby authorised from time to time to call for certificates from the Liquidator as to:

- (i) the amount of Senior Indebtedness in respect of the Issuer and the persons entitled thereto and their respective entitlements;
- (ii) the date upon which Senior Indebtedness was, or the Liquidator considers will be, paid or discharged in full;
- (iii) any Shortfall in respect of the Issuer; and
- (iv) any other information that the Trustee may require in the performance of its functions under this Trust Deed.

- 2.5.8 Any certificate given by the Liquidator in accordance with Clause 2.5.7 shall be conclusive and binding on the Trustee and the Noteholders, and the Trustee shall be entitled to rely upon such certificates without further investigation and without liability to any person.
- 2.5.9 The foregoing provisions of this Clause 2.5 and Condition 2 (*Status of the Notes*) apply only to the principal, interest and other amounts under or arising from the Notes and nothing in this Clause 2.5.9 shall affect or prejudice the payment of the Liabilities of the Trustee or the rights and remedies of the Trustee in respect thereof and in such capacity the Trustee shall rank as an unsubordinated creditor of the Issuer.

2.6 Further Issues

- 2.6.1 The Issuer shall be at liberty from time to time (but subject always to the provisions of this Trust Deed) without the consent of the Noteholders to create and issue Further Notes (as defined in Condition 16 (*Further Notes*)), provided that the issue date of such Further Notes falls not less than ten years prior to the Maturity Date.
- 2.6.2 Any Further Notes which are to be created and issued pursuant to the provisions of Clause 2.6.1 above shall be constituted by a trust deed supplemental to this Trust Deed. The Issuer shall prior to the issue of any Further Notes to be so constituted execute and deliver to the Trustee a trust deed supplemental to this Trust Deed (in relation to which all applicable stamp duties or other documentation fees, duties or taxes have been paid and, if applicable, duly stamped or denoted accordingly) containing a covenant by the Issuer in the form mutatis mutandis of sub-clause 2.1 (*Covenant to Repay*) above in relation to the principal, premium (if any) and interest in respect of such Further Notes and such other provisions (corresponding to any of the provisions contained in this Trust Deed) as the Trustee shall require including making such consequential modifications to this Trust Deed as the Trustee shall require in order to give effect to such issue of Further Notes.
- 2.6.3 A memorandum of every such supplemental trust deed shall be endorsed by the Trustee on this Trust Deed and by the Issuer on its duplicates of this Trust Deed.
- 2.6.4 Whenever it is proposed to create and issue any Further Notes the Issuer shall give to the Trustee not less than 14 days' or, if shorter, promptly on commencing preparation for the issue of Further Notes, notice in writing of its intention so to do stating the amount of Further Notes proposed to be created and issued.

3. THE NOTES

3.1 Global Note Certificate

The Notes will initially be represented by the Global Note Certificate in the principal amount of GBP250,000,000. Interests in the Global Note Certificate shall be exchangeable, in accordance with its terms for Individual Note Certificates.

3.2 The Individual Note Certificates

The Individual Note Certificates will be security printed in accordance with applicable legal and stock exchange requirements substantially in the forms set out in Schedule 1, Part B (*Form of Individual Note Certificate*). The Note Certificates will be endorsed with the Conditions.

3.3 Signature

The Global Note Certificate and the Individual Note Certificates will be signed manually or in facsimile by a duly authorised person designated by the Issuer and will be authenticated manually by or on behalf of the Principal Paying Agent. The Issuer may use the facsimile signature of a person who at the date of this Trust Deed is such a duly authorised person

even if at the time of issue of any Note Certificates they no longer hold that office. Note Certificates so executed and authenticated will be binding and valid obligations of the Issuer.

3.4 Entitlement to treat holder as owner

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

4. COVENANT TO COMPLY WITH TRUST DEED AND SCHEDULES

The Issuer hereby covenants with the Trustee to comply with those provisions of this Trust Deed and the Conditions which are expressed to be binding on it and to perform and observe the same. The Notes are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer and the Noteholders and all persons claiming through or under them respectively.

5. COVENANTS BY THE ISSUER

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

5.1 Books of account

At all times keep and procure that all its Subsidiaries keep such books of account as may be necessary to comply with all applicable laws and so as to enable the financial statements of the Issuer to be prepared and allow the Trustee and any person appointed by it free access to the same at all reasonable times and to discuss the same with responsible officers of the Issuer;

5.2 Event of Default

Give notice in writing to the Trustee forthwith upon becoming aware of any Event of Default or Potential Event of Default and without waiting for the Trustee to take any further action;

5.3 Certificate of Compliance

Provide to the Trustee within 10 days of any request by the Trustee and at the time of the despatch to the Trustee of its annual balance sheet and profit and loss account, and in any event not later than 180 days after the end of its financial year, a certificate in the English language, signed by two Authorised Signatories of the Issuer certifying that up to a specified date not earlier than seven days prior to the date of such certificate (the "**Certified Date**") the Issuer has complied with its obligations under this Trust Deed (or, if such is not the case, giving details of the circumstances of such non-compliance) and that as at such date there did not exist nor had there existed at any time prior thereto since the Certified Date in respect of the previous such certificate (or, in the case of the first such certificate, since the date of this Trust Deed) any Event of Default or Potential Event of Default or other matter which would affect the Issuer's ability to perform its obligations under this Trust Deed or (if such is not the case) specifying the same;

5.4 Financial statements

Send to the Trustee and to the Principal Paying Agent (if the same are produced) as soon as practicable after their date of publication and in the case of annual financial statements in any event not more than 180 days after the end of each financial year, an electronic copy in the English language of the Issuer's annual balance sheet and profit and loss account and of every balance sheet, profit and loss account, report or other notice, statement or circular issued (or which under any legal or contractual obligation should be issued) to the members or holders of debentures or creditors (or any class of them) of the Issuer in their capacity as such at the time of the actual (or legally or contractually required) issue or publication thereof and procure that the same are made available for inspection by Noteholders at the Specified Offices of the Agents as soon as practicable thereafter or may be provided by email to a holder of the Notes requesting a copy from the Principal Paying Agent, in each case upon such holder of the Notes providing proof of holding of Notes to the satisfaction of the Principal Paying Agent;

5.5 Information

So far as permitted by applicable law, at all times give to the Trustee such information, opinions (including legal opinions), certificates and other evidence as it shall require and in such form as it shall require (including, without limitation, the certificates called for by the Trustee pursuant to Clause 5.3 (*Certificate of Compliance*)) for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in it under this Trust Deed or by operation of law;

5.6 Notes held by Issuer

Send to the Trustee forthwith upon being so requested in writing by the Trustee a certificate of the Issuer (signed on its behalf by two Authorised Signatories) setting out the total number of Notes which at the date of such certificate are held by or for the benefit of the Issuer or any Subsidiary;

5.7 Execution of further Documents

So far as permitted by applicable law, at all times execute all such further documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of this Trust Deed;

5.8 Notices to Noteholders

Send or procure to be sent to the Trustee not less than five business days prior to the date of publication, for the Trustee's approval, an electronic copy of each notice to be given to the Noteholders in accordance with the Conditions and not publish such notice without such approval and, upon publication, send to the Trustee an electronic copy of such notice (such approval, unless so expressed, not to constitute approval of such notice for the purpose of Section 21 of the Financial Services and Markets Act 2000);

5.9 Notification of non-payment

Use its reasonable endeavours to procure that the Principal Paying Agent notifies the Trustee forthwith in the event that it does not, on or before the due date for payment in respect of the Notes or any of them, receive unconditionally the full amount in the relevant currency of the moneys payable on such due date on all such Notes;

5.10 Notification of late payment

In the event of the unconditional payment to the Principal Paying Agent or the Trustee of any sum due in respect of the Notes or any of them being made after the due date for payment thereof, forthwith give notice to the Noteholders that such payment has been made;

5.11 **Notification of redemption or repayment**

Not less than the number of days specified in the relevant Condition prior to the redemption or repayment date in respect of any Note, give to the Trustee notice in writing of the amount of such redemption or repayment pursuant to the Conditions and duly proceed to redeem or repay such Notes accordingly;

5.12 **Redemption, Substitution or Variation**

If the Issuer gives notice to the Trustee that it intends to redeem, substitute or vary the Notes pursuant to Condition 6 (*Redemption, Substitution, Variation and Purchase*) the Issuer shall, prior to giving such notice to the Noteholders, provide such information to the Trustee as the Trustee requires in order to satisfy itself of the matters referred to in such Condition;

5.13 **Obligations of Agents**

Observe and comply with its obligations and use all reasonable endeavours to procure that the Agents observe and comply with all their obligations under the Agency Agreement and procure that the Registrar maintains the Register and notify the Trustee immediately it becomes aware of any material breach of such obligations, or failure by an Agent to comply with such obligations, in relation to the Notes;

5.14 **Change of taxing jurisdiction**

If the Issuer shall become subject generally to the taxing jurisdiction of any territory or any political sub-division thereof or any authority therein or thereof having power to tax other than or in addition to the Relevant Jurisdiction, immediately upon becoming aware thereof it shall notify the Trustee of such event and (unless the Trustee otherwise agrees) enter forthwith into a trust deed supplemental hereto, giving to the Trustee an undertaking or covenant in form and manner satisfactory to the Trustee in terms corresponding to the terms of Condition 14 (*Substitution of Issuer*) with the substitution in the definition of "Relevant Jurisdiction" (for the purposes of Condition 8 (Taxation)) of the references therein to the Original Territory of references to that other or additional territory to whose taxing jurisdiction, or that of a political subdivision thereof or an authority therein or thereof, the Issuer shall have become subject as aforesaid, such trust deed also to modify Condition 8 (*Taxation*) so that such Condition shall make reference to that other or additional territory;

5.15 **Listing**

At all times use all reasonable endeavours to maintain the listing of the Notes on the Official List of the Financial Conduct Authority ("**FCA**") and the admission to trading of the Notes on the London Stock Exchange plc's main market or, if it is unable to do so having used all reasonable endeavours or if the maintenance of such listing or trading is agreed by the Trustee to be unduly burdensome or impractical, use all reasonable endeavours to obtain and maintain a listing of the Notes on another stock exchange and the admission to trading of the Notes on another market as the Issuer may (with the approval of the Trustee) decide and give notice of the identity of such other stock exchange and/ or market to the Noteholders;

5.16 **Authorised Signatories**

Upon the execution hereof and thereafter forthwith upon any change of the same, deliver to the Trustee (with a copy to the Principal Paying Agent) a list of the Authorised Signatories of the Issuer, together with certified specimen signatures of the same;

5.17 **Change in Agents**

Give at least 14 days' prior notice to Noteholders of any future appointment, resignation or removal of an Agent or of or of any change by an Agent of its Specified Office and not make any such appointment or removal without the Trustee's written approval;

5.18 **Payments**

Pay moneys payable by it to the Trustee hereunder without set off, counterclaim, deduction or withholding, unless otherwise compelled by law and in the event of any deduction or withholding compelled by law will pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder;

5.19 **Supervisory Consent**

So long as any Note is outstanding, the Issuer will, where it is required to have complied with the Relevant Rules including (to the extent then required by the Relevant Regulator or the Relevant Rules) on notification to, or consent or non-objection from, the Relevant Regulator before any payment is made or any other action is taken under this Trust Deed or the Notes, comply with such Relevant Rules before making such payment or taking such action and shall promptly provide a written copy of any such notification or consent (or certify in writing that it has received no objection, upon which certificate the Trustee shall be entitled to rely without further investigation and without liability to any person);

5.20 **Interest Deferral**

So long as any Note is outstanding, the Issuer will, where any payment of any interest pursuant to Condition 5 (*Deferral of Interest*) is mandatorily deferred, give notice of such mandatory deferral to the holders in accordance with Conditions 5(e) (*Notice of Deferral*) and 15 (*Notices*), the Trustee and the Principal Paying Agent, and, in accordance with Condition 5(a) (*Regulatory Deficiency Deferral of Interest*), the Issuer will deliver a certificate (on the same date that it gives such notice) signed by two Authorised Signatories confirming that: (a) a Regulatory Deficiency Interest Deferral Event has occurred and is continuing, or would occur if payment of interest on the Notes were to be made or (b) a Regulatory Deficiency Interest Deferral Event has ceased to occur and/or payment of interest on the Notes would not result in a Regulatory Deficiency Interest Deferral Event occurring;

5.21 **Redemption Deferral**

So long as any Note is outstanding, the Issuer will, in the case of a mandatory deferral of redemption in accordance with Condition 6(b) (*Deferral of redemption date*), give notice of such mandatory deferral to the holders in accordance with Conditions 6(b)(ii) (*Deferral of redemption date*) and 15 (*Notices*), the Trustee and the Principal Paying Agent, and, in accordance with Condition 6(b)(v) (*Deferral of redemption date*), the Issuer will deliver a certificate (on the same date that it gives such notice) to the Trustee signed by two Authorised Signatories confirming that: (a) a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing or would occur if redemption of the Notes were to be made or (b) a Regulatory Deficiency Redemption Deferral Event (as applicable) has ceased to occur and/or redemption of the Notes would not result in a Regulatory Deficiency Redemption Deferral Event occurring;

5.22 **Relevant Regulator Objection**

So long as any Note is outstanding, the Issuer will, having received an objection to the making of any payment or taking of any action pursuant to the Conditions or this Trust Deed from the Relevant Regulator following notification thereof to the Relevant Regulator pursuant to Clause 5.19 (*Supervisory Consent*), promptly notify the Trustee in writing thereof and, if permitted by applicable law, regulation or by the Relevant Regulator, provide a copy thereof to the Trustee;

5.23 **Capital Disqualification Event**

So long as any Note is outstanding, the Issuer will deliver to the Trustee, upon becoming aware of the occurrence of a Capital Disqualification Event, a certificate from two Authorised Signatories to the effect that a Capital Disqualification Event has occurred and is continuing

as at the date of such certificate in accordance with Condition 6(d) (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*) (or, as provided in such Condition, will occur within a period of six months) and if, having occurred, such Capital Disqualification Event ceases, the Issuer shall provide the Trustee with a certificate signed by two Authorised Signatories, stating that such Capital Disqualification Event has ceased, as soon as practicable;

5.24 Rating Methodology Event

So long as any Note is outstanding, the Issuer will deliver to the Trustee, upon becoming aware of the occurrence of a Rating Methodology Event, a certificate from two Authorised Signatories to the effect that a Rating Methodology Event has occurred and is continuing as at the date of such certificate in accordance with Condition 6(e) (*Redemption, substitution or variation at the option of the Issuer due to a Rating Methodology Event*) (or, as provided in such Condition, will occur within a period of six months) and if, having occurred, such Rating Methodology Event ceases, the Issuer shall provide the Trustee with a certificate signed by two Authorised Signatories, stating that such Rating Methodology Event has ceased, as soon as practicable;

6. AMENDMENTS AND SUBSTITUTION

6.1 Waiver

The Trustee may, without any consent or sanction of the Noteholders and without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if and in so far as in its opinion the interests of the Noteholders shall not be materially prejudiced thereby, authorise or waive, on such terms and conditions (if any) as shall seem expedient to it, any breach or proposed breach of any of the covenants or provisions contained in this Trust Deed or the Notes or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of this Trust Deed; any such authorisation, waiver or determination shall be binding on the Noteholders and the Issuer shall cause such authorisation, waiver or determination to be notified to the Noteholders as soon as practicable thereafter in accordance with the Condition relating thereto; provided that the Trustee shall not exercise any powers conferred upon it by this Clause 6.1 in contravention of any express direction by an Extraordinary Resolution or of a request in writing made by the holders of not less than 25 per cent. in aggregate principal amount of the Notes then outstanding (but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made).

6.2 Modifications

The Trustee may, without any consent or sanction of the Noteholders, concur with the Issuer in making (a) any modification to this Trust Deed (other than in respect of Reserved Matters as specified and defined in Schedule 3 (*Provisions for Meetings of Noteholders*) or any provision of this Trust Deed referred to in that definition) or the Notes provided the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Noteholders or (b) any modification to this Trust Deed or the Notes if in the opinion of the Trustee such modification is of a formal, minor or technical nature or made to correct a manifest error. Any such modification shall be binding on the Noteholders and the Issuer shall cause such modification to be notified to the Noteholders as soon as practicable thereafter in accordance with the Conditions.

6.3 Substitution

The Trustee may agree with the Issuer, without the consent of the Noteholders:

- 6.3.1 to the substitution of a Related Undertaking of the Issuer (or any previous substitute or successor in business under this sub-paragraph) or a successor in business of the Issuer (or any previous substitute or successor in business under this sub-paragraph) in place of the Issuer (or of any previous substitute or successor in business under

this sub-paragraph) as principal debtor under this Trust Deed and the Notes, *provided that* (in the case of a substitution of a Related Undertaking of the Issuer (or any previous substitute or successor in business)) the Notes are guaranteed by the Issuer (or any previous substitute or successor in business under this sub-paragraph) on a subordinated basis ranking equal with the ranking of the Notes prior to such substitution; and/or

- 6.3.2 the addition of a Related Undertaking of the Issuer (or substitute Issuer) as a guarantor of the Issuer's (or substitute Issuer's) obligations under this Trust Deed and the Notes,

(each such substitute or, where applicable, guarantor being hereinafter referred to as the "**Substituted Obligor**") *provided that* in each case:

- (i) a trust deed or some other written form of undertaking, supported by one or more legal opinions, is executed by the Substituted Obligor in a form and manner satisfactory to the Trustee, agreeing to be bound by the terms of this Trust Deed and the Notes, with any consequential amendments which the Trustee may deem appropriate, as fully as if the Substituted Obligor had been named in this Trust Deed and the Notes, as the principal debtor in place of the Issuer, or where applicable, as a guarantor of the Issuer (or any previous Substituted Obligor, as the case may be);
- (ii) the Substituted Obligor confirms to the Trustee in one or more legal opinions addressed to the Trustee and the Issuer in a form approved by and provided to the Trustee that (i) it has obtained all necessary governmental and regulatory approvals and consents necessary for its assumptions of the duties and liabilities as Substituted Obligor under this Trust Deed and the Notes in place of the Issuer or as a guarantor of the Issuer or, as the case may be, any previous Substituted Obligor and (ii) such approvals and consents are at the time of substitution in full force and effect, and the Trustee shall be entitled to rely absolutely on such legal opinions without liability to any person;
- (iii) two directors (or other officers acceptable to the Trustee) of the Substituted Obligor certify that the Substituted Obligor is solvent at the time at which the substitution is proposed to be in effect, and immediately thereafter, and the Trustee shall be entitled to rely absolutely on such certification without liability to any person and shall not be bound to have regard to the financial condition, profits or prospects of the Substituted Obligor or to compare the same with those of the Issuer or any previous Substituted Obligor;
- (iv) (without prejudice to the generality of the foregoing) the Trustee may, in the event of such substitution agree, without the consent of the Noteholders, to a change in the law governing this Trust Deed and/or the Notes if in the opinion of the Trustee such change would not be materially prejudicial to the interests of the Noteholders;
- (v) if the Substituted Obligor is, or becomes, subject generally to the taxing jurisdiction of a territory or any authority of or in that territory with power to tax (the "**Substituted Territory**") other than the territory of the taxing jurisdiction of which (or to any such authority of or in which) the Issuer (or any previous Substituted Obligor) is subject generally (the "**Original Territory**"), the Substituted Obligor will (unless the Trustee otherwise agrees) give to the Trustee an undertaking satisfactory to the Trustee in terms corresponding to Condition 8 (*Taxation*) with the substitution in the definition of "Relevant Jurisdiction" for the purposes of Condition 8 (*Taxation*) and Condition 6(c) (*Redemption, substitution or variation for taxation reasons*) of references to the Original Territory with references to the Substituted Territory whereupon this Trust Deed and the Notes will be read accordingly;

- (vi) if the Substituted Obligor is, or becomes, incorporated or organised under the laws of a jurisdiction other than England and Wales, references in the Conditions and this Trust Deed to the winding-up of the Issuer by a court in England and Wales shall be construed as references to a court of competent jurisdiction in such other jurisdiction;
 - (vii) the Issuer and the Substituted Obligor comply with such other requirements as the Trustee may direct in the interests of the Noteholders; and
 - (viii) in the case of a full substitution of the Issuer pursuant to Clause 6.3.1 or Condition 14(a) (*Substitution of Issuer*) only, if the Notes are rated (where such rating was assigned at the request of the Issuer) by one or more credit rating agencies of international standing immediately prior to such substitution, the Notes shall continue to be rated by each such rating agency immediately following such substitution, and the credit ratings assigned to the Notes by each such rating agency immediately following such substitution will be no less than those assigned to the Notes immediately prior thereto. The Trustee shall be entitled to rely on such credit ratings confirmations following the substitution of the Issuer without further enquiry and with no liability to any person for so doing.
- 6.3.3 *Extra duties:* The Trustee shall be entitled to refuse to approve any Substituted Obligor if, pursuant to the law of the country of incorporation of the Substituted Obligor, the assumption by the Substituted Obligor of its obligations hereunder imposes responsibilities on the Trustee over and above those which have been assumed under this Trust Deed;
- 6.3.4 *Interests of Noteholders:* In connection with any proposed substitution, the Trustee shall have regard to the interests of the Noteholders as a class and the Trustee shall not have regard to, or be in any way liable for, the consequences of such substitution or such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. No Noteholder shall, in connection with any such substitution or such exercise, be entitled to claim, whether from the Issuer, the Substitute Obligor or the Trustee or any other person, any indemnification or payment in respect of any tax consequence of any such substitution or any such exercise upon individual Noteholders except to the extent already provided in Condition 8 (*Taxation*) and/or any undertaking given in addition thereto or in substitution therefor pursuant to this Trust Deed;
- 6.3.5 *Release of Issuer:* Any such agreement by the Trustee pursuant to this Clause 6.3, if so expressed, operate to release the Issuer (or such previous substitute as aforesaid) from any or all of its obligations as principal debtor under the Notes and this Trust Deed but without prejudice to its liabilities under any guarantee given pursuant to Clause 6.3.1. Not later than fourteen days after the execution of any such documents as aforesaid and after compliance with the said requirements of the Trustee, the Substituted Obligor shall cause notice thereof to be given to the Noteholders; and
- 6.3.6 *Completion of Substitution:* Upon the execution of such documents and compliance with the said requirements, the Substituted Obligor shall be deemed to be named in this Trust Deed and the Notes as the principal debtor in place of the Issuer (or of any previous substitute under this Clause 6.3.6) and this Trust Deed, the Notes and the Agency Agreement shall thereupon be deemed to be amended in such manner as shall be necessary to give effect to the substitution and without prejudice to the generality of the foregoing any references in this Trust Deed, in the Notes or in the Agency Agreement to the Issuer shall be deemed to be references to the Substituted Obligor.

6.4 Consent of the Relevant Regulator

In connection with (i) any proposed modification to the Notes, the Conditions or this Trust Deed, and (ii) any proposed substitution pursuant to Clause 6.3 (*Substitution*), the powers of the Trustee to concur with the Issuer in making any modification to the Conditions or to agree with the Issuer to the substitution of any person, in the place of the Issuer as the principal debtor, or in place of any guarantor as guarantor, under this Trust Deed, shall only be exercised by the Trustee subject (to the extent then required by the Relevant Regulator or the Relevant Rules) to any notifications to, or consent or non-objection from, the Relevant Regulator.

The Issuer shall promptly provide a written copy of any such notification or consent (or certify in writing that it has received no objection, upon which certificate the Trustee shall be entitled to rely without further investigation and without liability to any person) to the Trustee.

For the purposes of Schedule 3 (*Provisions for Meetings of Noteholders*) in relation to any meetings of Noteholders, the powers of a meeting of Noteholders to sanction any proposal for the alteration, abrogation, variation, compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer and the powers to assent to any alteration of the provisions contained in this Trust Deed in respect of the Notes or in the Notes which shall be proposed by the Issuer or the Trustee, shall, to the extent that this involves an alteration of the Conditions or this Trust Deed, be subject (to the extent then required by the Relevant Regulator or the Relevant Rules) to any notifications to, or consent or non-objection from, the Relevant Regulator and the provisions of Schedule 3 (*Provisions for Meetings of Noteholders*) shall take effect accordingly.

7. ENFORCEMENT

7.1 Legal Proceedings

7.1.1 Without prejudice to Condition 9(a) (*Rights to institute and/or prove in a winding-up of the Issuer*) or 9(b) (*Amount payable on a winding-up or an administration of an Issuer*), the Trustee may at its discretion and without further notice institute such proceedings or take such steps or actions against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under this Trust Deed or the Notes (other than any payment obligation of the Issuer under or arising from the Notes or this Trust Deed, including, without limitation, payment of any principal, interest or Arrears of Interest in respect of the Notes or any payment of damages awarded for breach of any obligations under the Notes or this Trust Deed), but in no event shall the Issuer, by virtue of the institution of any such proceedings or the taking of such steps or actions, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

7.1.2 The Trustee shall not be bound to take any such steps, actions or institute such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or requested in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities which it may thereby become liable or which may be incurred by it in connection therewith, and provided that the Trustee shall not be held liable for the consequence of taking any such step, action or instituting such proceedings and may take such step, action or institute such proceedings without having regard to the effect of such action on individual Noteholders.

7.1.3 Only the Trustee may enforce the provisions of the Notes or this Trust Deed and no Noteholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up or claim in the liquidation of the Issuer or to prove in such winding-up unless the Trustee, having become so bound to proceed, fails to do so within a reasonable period and such failure shall be continuing.

7.2 Limitation on Remedies

No remedy against the Issuer shall be available to the Trustee, or the Noteholders, other than (i) the institution of proceedings for the winding-up of the Issuer by a competent court in England and Wales (but not elsewhere) and/or (ii) proving in the winding-up or administration of the Issuer and/or claims in the liquidation of the Issuer in the circumstances and as more fully described in Condition 9 (*Events of default*).

7.3 Evidence of Default

If the Trustee (or any Noteholder where entitled under this Trust Deed so to do) makes any claim, institutes any legal proceeding or lodges any proof in a winding-up or insolvency of the Issuer under this Trust Deed or under the Notes, proof therein that: as regards any specified Note the Issuer has made default in paying any principal due in respect of such Note shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Notes in respect of which a corresponding payment is then due and for the purposes of the above a payment shall be a "corresponding" payment notwithstanding that it is due in respect of a Note of a different denomination from that in respect of the above specified Note.

8. APPLICATION OF MONEYS

8.1 Application of Moneys

Subject to Clause 2.5.3 (*Status and Subordination of the Notes*) above, all moneys received by the Trustee in respect of the Notes or amounts payable under this Trust Deed will despite any appropriation of all or part of them by the Issuer (including any moneys which represent principal or interest in respect of Notes which have become void under the Conditions) be held by the Trustee on trust to apply them (subject to Clause 8.3 (*Investment*)):

8.1.1 first, in payment or satisfaction of the Liabilities incurred by the Trustee in the preparation and execution of the trusts of this Trust Deed and the performance of its obligations under this Trust Deed (including remuneration of the Trustee);

8.1.2 secondly, in payment of any amounts owing in respect of the Notes *pari passu* and rateably; and

8.1.3 thirdly, the balance (if any) in payment to the Issuer.

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

8.2 Accumulation

If the amount of the moneys at any time available for payment in respect of the Notes under Clause 8.1 (*Application of Moneys*) above is less than 10 per cent. of the principal amount of the Notes then outstanding, the Trustee may, at its discretion, accumulate such moneys until the accumulations, together with any other funds for the time being under its control and available for such payment, amount to at least 10 per cent. of the principal amount of the Notes then outstanding whereupon such accumulations and funds (after deduction of, or provision for, any applicable taxes) shall be applied as specified in Clause 8.1 (*Application of Moneys*), as the case may be. For the avoidance of doubt, the Trustee shall in no circumstances have any discretion to invest any moneys referred to in this Clause 8.2 in any investments or other assets.

8.3 Investment

Moneys held by the Trustee may at its election be placed on deposit into an account bearing a market rate interest (and for the avoidance of doubt, the Trustee shall not be required to obtain best rates, be responsible for any loss occasioned by such deposit or exercise any

other form of investment discretion with respect to such deposits) in the name or under the control of the Trustee at such bank or other financial institution and in such currency as the Trustee may think fit in light of the cash needs of the transaction and not for purposes of generating income. If such moneys are placed on deposit with a bank or financial institution which is a subsidiary, holding company, affiliate or associated company of the Trustee, it need only account for an amount of interest equal to the standard amount of interest payable by it on a deposit to an independent customer.

8.4 Payment to Noteholders

The Trustee shall give notice to the Noteholders in accordance with the Conditions of the date fixed for any payment under Clause 8.1 (*Application of Moneys*). Any payment to be made in respect of the Notes by the Issuer or the Trustee may be made in the manner provided in the Conditions, the Agency Agreement and this Trust Deed and any payment so made shall be a good discharge to the extent of such payment, by the Issuer or the Trustee, as the case may be.

8.5 Production of Note Certificates

Upon any payment under Clause 8.4 (*Payment to Noteholders*) of principal or interest, the Note Certificate representing the Note in respect of which such payment is made shall, if the Trustee so requires, be produced to the Trustee or the Principal Paying Agent by or through whom such payment is made and the Trustee shall, in the case of part payment, require the Registrar to make a notation in the Register of the amount and date of payment thereon or, in the case of payment in full, shall cause such Note Certificate to be surrendered or shall cancel or procure the same to be cancelled and shall certify or procure the certification of such cancellation.

8.6 Regulated Activities

Notwithstanding anything in the Conditions, this Trust Deed or the Agency Agreement to the contrary, the Trustee shall not do, or be authorised or required to do, anything which might constitute a regulated activity for the purpose of the Financial Services and Markets Act 2000 ("FSMA"), unless it is authorised under FSMA to do so.

8.7 Trustee Discretion

The Trustee shall have the discretion at any time:

- (a) to delegate any of the functions which fall to be performed by an authorised person under FSMA to any other agent or person which also has the necessary authorisations and licences; and
- (b) to apply for authorisation under FSMA and perform any or all such functions itself if, in its absolute discretion, it considers it necessary, desirable or appropriate to do so.

8.8 Applicable Rules

Nothing in this Trust Deed shall require the Trustee to assume an obligation of the Issuer arising under any provisions of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other competent authority besides the FCA).

9. TERMS OF APPOINTMENT

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

9.1 Reliance on Information

- 9.1.1 *Advice*: the Trustee may act on the advice, opinion or report of or any information obtained from any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert (whether obtained by the Issuer, the Trustee or any Subsidiary or Agent of the Trustee or the Issuer, whether or not addressed the Trustee, and whether or not the advice, opinion, report or information, or any engagement letter or other related document, contains a monetary or other limit on liability or limits the scope and/or basis of such advice, opinion, report or information) and shall not be responsible to anyone for any Liability occasioned by so acting and/or so relying. Any such advice, opinion or information may be sent or obtained by letter, email or electronic communication and the Trustee shall not be liable for acting in good faith on any advice, opinion or information purporting to be conveyed by such means even if it contains an error or is not authentic;
- 9.1.2 *Certificate of Authorised Signatories*: if the Trustee, in the exercise of its functions, requires to be satisfied or to have information as to any fact or the expediency of any act, it may call for and accept as sufficient evidence of that fact or the expediency of the act a certificate signed by two Authorised Signatories of the Issuer or any other party. The Trustee need not call for further evidence and will not be responsible for any Liability that may be occasioned by acting on such a certificate;
- 9.1.3 *Resolution or direction of Noteholders*: the Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Noteholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Noteholders or any Extraordinary Resolution passed by electronic consents received through the relevant clearing system(s), even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions was not valid or binding upon the Noteholders;
- 9.1.4 *Reliance on certification of clearing system*: the Trustee may call for and shall be at liberty to accept and place full reliance on as sufficient evidence thereof and shall not be liable to the Issuer or any Noteholder by reason only of either having accepted as valid or not having rejected an original certificate or letter of confirmation purporting to be signed on behalf of Euroclear or Clearstream, Luxembourg or any other relevant clearing system to the effect that at any particular time or throughout any particular period any particular person is, was or will be shown in its records as having a particular principal amount of Notes credited to their securities account;
- 9.1.5 *Noteholders as a class*: whenever in this Trust Deed the Trustee is required in connection with any exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Noteholders, it shall have regard to the interests of the Noteholders as a class and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences of such exercise for individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof;
- 9.1.6 *Trustee not responsible for investigations*: the Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, the Notes, or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof;

- 9.1.7 *Trustee determination:* the Trustee shall have no Liability whatsoever for any loss, cost, damages or expenses directly or indirectly suffered or incurred by the Issuer, any Noteholder or any other person as a result of the determination by the Trustee as to material prejudice pursuant to this Trust Deed on the basis of an opinion formed by it in good faith;
- 9.1.8 *No obligation to monitor:* the Trustee shall be under no obligation to monitor or supervise the functions of any other person under the Notes or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations;
- 9.1.9 *Notes held by the Issuer:* in the absence of knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate of the Issuer under Clause 5.6 (*Notes held by Issuer*)), that no Notes are for the time being held by or for the benefit of the Issuer or its Subsidiaries;
- 9.1.10 *Entry on the Register:* the Trustee shall not be liable to the Issuer or any Noteholder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct;
- 9.1.11 *Events of Default and other events:* the Trustee need not notify anyone of the execution of this Trust Deed or any related documents or take any steps to find out whether an Event of Default, Potential Event of Default, Regulatory Deficiency Interest Deferral Event, Regulatory Deficiency Redemption Referral Event, Capital Disqualification Event or Rating Methodology Event has happened. Until it has actual knowledge or express notice pursuant to this Trust Deed to the contrary, the Trustee may assume that no Event of Default, Potential Event of Default, Regulatory Deficiency Interest Deferral Event, Regulatory Deficiency Redemption Referral Event, Capital Disqualification Event or Rating Methodology Event has happened or other event has happened as a consequence of which any of the Notes may become repayable and that the Issuer is performing all its obligations under this Trust Deed and the Notes;
- 9.1.12 *Interests of accountholders or participants:* so long as any Note is held by or on behalf of Euroclear or Clearstream, Luxembourg, in considering the interests of Noteholders, the Trustee may consider the interests (either individual or by category) of its accountholders or participants with entitlements to any such Note as if such accountholders or participants were the holder(s) thereof; and
- 9.1.13 *Right to Deduct or Withhold:* notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed.

9.1.14 *No obligation to maintain ratings*: the Trustee shall not be responsible for maintaining the ratings, if any, of the Notes.

9.2 **Trustee's powers and duties**

9.2.1 *Trustee's determination*: The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of this Trust Deed or contained in the Notes is capable of remedy and/or materially prejudicial to the interests of the Noteholders and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy and/or materially prejudicial to the interests of the Noteholders, such certificate shall be conclusive and binding upon the Issuer and the Noteholders;

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

9.2.3 *Trustee's discretion*: in relation to any discretion to be exercised or action to be taken by the Trustee under the Conditions, this Trust Deed or the Agency Agreement, the Trustee may, at its discretion and without further notice or shall, if it has been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least 25 per cent. in aggregate principal amount of the Notes then outstanding, exercise such discretion or take such action, provided that, in either case, the Trustee shall not be obliged to exercise such discretion or take such action unless it shall have been indemnified, secured and/or prefunded to its satisfaction against all Liabilities and provided that the Trustee shall not be held liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Noteholders. Notwithstanding anything else contained in the Conditions, this Trust Deed or the Agency Agreement, the Trustee may refrain from (a) doing anything which would or might in its opinion be illegal or contrary to any law of any jurisdiction or any directive or regulation or any agency of any state (including, without limitation, section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) or which would or might otherwise render it liable to any person and may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation or (b) doing anything which may cause the Trustee to be considered a sponsor of a covered fund under Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any regulations promulgated thereunder;

9.2.4 *Trustee's consent*: any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require;

9.2.5 *Conversion of currency*: where it is necessary or desirable for any purpose in connection with this Trust Deed to convert any sum from one currency to another it shall (unless otherwise provided by this Trust Deed or required by law) be converted at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be specified by the Trustee in its absolute discretion as relevant and any rate, method and date so specified shall be binding on the Issuer the Noteholders;

9.2.6 *Application of proceeds*: the Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, the exchange of any Global Note Certificate for Individual Note Certificates or the delivery of any Note Certificate to the persons entitled to them;

- 9.2.7 *Error of judgment:* the Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters;
- 9.2.8 *Agents:* the Trustee may, in the conduct of the trusts of this Trust Deed instead of acting on its own account, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money) and the Trustee shall not be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person;
- 9.2.9 *Delegation:* the Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed, act by responsible officers or a responsible officer for the time being of the Trustee and the Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a joint trustee of this Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Noteholders and the Trustee shall not be bound to supervise the proceedings or acts of and shall not in any way or to any extent be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate;
- 9.2.10 *Custodians and nominees:* the Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trust as the Trustee may determine, including for the purpose of depositing with a custodian this Trust Deed or any document relating to the trust created hereunder and the Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person;
- 9.2.11 *Confidential information:* the Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Noteholder confidential information or other information made available to the Trustee by the Issuer in connection with this Trust Deed and no Noteholder shall be entitled to take any action to obtain from the Trustee any such information; and
- 9.2.12 *Forged notes:* the Trustee will not be liable to any person by reason of having accepted or not having rejected any Notes purporting to be such and later found to be forged or not authentic.

9.3 **Financial matters**

- 9.3.1 *Professional charges:* any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by them or their partner or firm on matters arising in connection with the trusts of this Trust Deed and also their properly incurred charges in addition to disbursements for all other work and business done and all time spent by them or their partner or firm on matters arising in connection with this Trust Deed, including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person;
- 9.3.2 *Expenditure by the Trustee:* nothing contained in the Conditions, this Trust Deed or the Agency Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of

any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, or prefunding against such risk or liability is not reasonably assured to it; and

9.3.3 *Trustee may enter into financial transactions with the Issuer:* neither the Trustee nor its directors and officers shall by reason of the fiduciary position of such Trustee be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Issuer or any Subsidiary or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, and neither the Trustee nor any such director or officer shall be accountable to the Noteholders or the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty to retain the same for its or their own benefit.

9.4 **Disapplication**

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by this Trust Deed. Where there are any inconsistencies between the Trustee Acts and the provisions of this Trust Deed, the provisions of this Trust Deed shall prevail to the extent allowed by law. In the case of an inconsistency with the Trustee Act 2000, the provisions of this Trust Deed shall take effect as a restriction or exclusion for the purposes of that Act.

9.5 **Trustee Liability**

Subject to sections 750 and 751 of the Companies Act 2006 (if applicable) and notwithstanding anything to the contrary in the Conditions, this Trust Deed or the Agency Agreement, the Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to the Conditions, this Trust Deed or the Agency Agreement save in relation to its own gross negligence, wilful default or fraud having regard to the provisions of the Conditions, this Trust Deed and the Agency Agreement conferring on it any trusts, powers, authorities or discretions.

9.6 **Limitation of Trustee Liability**

Any liability of the Trustee arising under the Conditions, this Trust Deed or the Agency Agreement shall be limited to the amount of actual loss suffered (such loss shall be determined as at the date of default of the Trustee or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Trustee at the time of entering into this Trust Deed, or at the time of accepting any relevant instructions, which increase the amount of the loss. In no event shall the Trustee be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive or consequential damages, whether or not the Trustee has been advised of the possibility of such loss or damages. This Clause 9.6 shall not apply in the event a court with jurisdiction determines that the Trustee has acted fraudulently, has been grossly negligent or has wilfully defaulted or to the extent the limitation of such liability would be precluded by virtue of sections 750 and 751 of the Companies Act 2006.

10. **COSTS AND EXPENSES**

10.1 **Remuneration**

10.1.1 *Normal Remuneration:* The Issuer shall pay to the Trustee remuneration for its services as trustee as from the date of this Trust Deed, such remuneration to be at such rate as may from time to time be agreed between the Issuer and the Trustee.

Such remuneration shall be payable in advance on the anniversary of the date hereof in each year and the first payment shall be made on the date hereof. Such remuneration shall accrue from day to day and be payable (in priority to payments to the Noteholders) up to and including the date when, all the Notes having become due for redemption, the redemption moneys and interest thereon to the date of redemption have been paid to the Principal Paying Agent or the Trustee, provided that if upon due presentation (if required pursuant to the Conditions) of any Note Certificate or any cheque, payment of the moneys due in respect thereof is improperly withheld or refused, remuneration will commence again to accrue;

- 10.1.2 *Extra Remuneration:* In the event of the occurrence of an Event of Default or a Potential Event of Default, the Issuer hereby agrees that the Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time. In any other case, or if the Trustee considers it expedient or necessary in the interests of Noteholders or being requested by the Issuer to undertake duties which the Trustee and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, the Issuer shall pay to the Trustee such additional remuneration as shall be agreed between them, and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time;
- 10.1.3 *Value added tax:* The Issuer shall in addition pay to the Trustee an amount equal to the amount of any value added tax or similar tax chargeable in respect of its remuneration under this Trust Deed;
- 10.1.4 *Failure to agree:* In the event of the Trustee and the Issuer failing to agree:
- (a) (in a case to which Clause 10.1.1 applies) upon the amount of the remuneration; or
 - (b) (in a case to which Clause 10.1.2 applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, or upon such additional remuneration where applicable;

such matters shall be determined by a financial institution or person (acting as an expert and not as an arbitrator) selected by the Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Trustee) by the President for the time being of The Law Society of England and Wales (the expenses involved in such nomination and the fees of such financial institution or person being payable by the Issuer) and the determination of any such financial institution or person shall be final and binding upon the Trustee and the Issuer;

- 10.1.5 *Expenses:* The Issuer shall also pay or discharge all fees, costs, charges and expenses incurred by the Trustee in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, the Conditions, this Trust Deed and the Agency Agreement, including but not limited to legal and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Trustee in connection with any action taken or contemplated by or on behalf of the Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, the Conditions, this Trust Deed and the Agency Agreement;
- 10.1.6 *Indemnity:* Without prejudice to the right of indemnity given by law to trustees, the Issuer will indemnify the Trustee and any Appointee and keep it or them indemnified against all Liabilities to which it or they may become subject or which may be incurred by it or them in the negotiation and preparation of the Conditions, this Trust Deed and the Agency Agreement and the execution or purported execution or exercise of any of its or their trusts, duties, rights, powers, authorities and discretions under the Conditions, this Trust Deed or the Agency Agreement or its or their functions under

any such appointment or in respect of any other matter or thing done or omitted in any way relating to this Trust Deed or any such appointment (including, without limitation, liabilities incurred in disputing or defending any of the foregoing);

10.1.7 *Payment of amounts due*: All amounts due and payable pursuant to sub clauses 10.1.5 (*Expenses*) and 10.1.6 (*Indemnity*) shall be payable by the Issuer on the date specified in a demand by the Trustee; the rate of interest applicable to such payments shall be three per cent. per annum above the base rate from time to time of The Bank of England and interest shall accrue:

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

All remuneration payable to the Trustee shall carry interest at the rate specified in this Clause 10.1.7 (*Payment of amounts due*) from the due date thereof;

10.1.8 *Discharges*: Unless otherwise specifically stated in any discharge of this Trust Deed the provisions of this Clause 10.1 (*Remuneration*) shall continue in full force and effect notwithstanding such discharge and whether or not the Trustee is the then trustee of this Trust Deed.

10.2 Stamp duties

The Issuer will pay all stamp duties, registration taxes, capital duties and other similar duties or taxes (if any) payable on (a) the constitution and issue of the Notes, (b) the initial delivery of the Notes (c) any action taken by the Trustee (or any Noteholder where permitted or required under this Trust Deed so to do) to enforce the provisions of the Notes or this Trust Deed and (d) the execution of this Trust Deed. If the Trustee (or any Noteholder where permitted under this Trust Deed so to do) shall take any proceedings against the Issuer in any other jurisdiction and if for the purpose of any such proceedings this Trust Deed or any Note Certificate are taken into any such jurisdiction and any stamp duties or other duties or taxes become payable thereon in any such jurisdiction, the Issuer will pay (or reimburse the person making payment of) such stamp duties or other duties or taxes (including penalties).

10.3 Exchange rate indemnity

10.3.1 *Currency of Account and Payment*: Pounds sterling (the "**Contractual Currency**") is the sole currency of account and payment for all sums payable by the Issuer under or in connection with this Trust Deed and the Notes, including damages;

10.3.2 *Extent of Discharge*: an amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise), by the Trustee or any Noteholder in respect of any sum expressed to be due to it from the Issuer will only discharge the Issuer to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so); and

10.3.3 *Indemnity*: if that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Trust Deed or the Notes, the Issuer will indemnify it against any Liability sustained by it as a result. In any event, the Issuer will indemnify the recipient against the cost of making any such purchase.

10.4 **Indemnities separate**

The indemnities in this Trust Deed constitute separate and independent obligations from the other obligations in this Trust Deed, will give rise to separate and independent causes of action, will apply irrespective of any indulgence granted by the Trustee and/or any Noteholder and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed or the Notes or any other judgment or order. Any such Liability as referred to in Clause 10.3.3 (*Indemnity*) shall be deemed to constitute a Liability suffered by the Trustee, the Noteholders and no proof or evidence of any actual Liability shall be required by the Issuer or its liquidator or liquidators.

11. **APPOINTMENT AND RETIREMENT**

11.1 **Appointment of Trustees**

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

11.2 **Co-trustees**

Notwithstanding the provisions of Clause 11.1 (*Appointment of Trustees*), the Trustee may, upon giving prior written notice to the Issuer (with a copy for the Issuer to onward send to the Rating Agency) but without the consent of the Issuer or the Noteholders, appoint any person established or resident in any jurisdiction (whether a trust corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Trustee:

11.2.1 if the Trustee considers such appointment to be in the interests of the Noteholders; or

11.2.2 for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts are to be performed; or

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

11.3 **Attorneys**

The Issuer hereby irrevocably appoints the Trustee to be its attorney in its name and on its behalf to execute any such instrument of appointment. Such a person shall (subject always to the provisions of this Trust Deed) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Trustee by this Trust Deed) and such duties and obligations as shall be conferred on such person or imposed by the instrument of appointment. The Trustee shall have power in like manner to remove any such person. Such proper remuneration as the Trustee may pay to any such person, together with any attributable costs, charges and expenses incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of this Trust Deed be treated as costs, charges and expenses incurred by the Trustee.

11.4 **Retirement of Trustees**

Any Trustee for the time being of this Trust Deed may retire at any time upon giving not less than three calendar months' notice in writing to the Issuer without assigning any reason therefor and without being responsible for any costs occasioned by such retirement and Noteholders may by way of an Extraordinary Resolution remove any Trustee. The retirement

of any Trustee shall not become effective unless there remains a trustee hereof (being a trust corporation) in office after such retirement. The Issuer hereby covenants that in the event of the only trustee hereof which is a trust corporation giving notice under this Clause 11.4 or an Extraordinary Resolution being passed for its removal, it shall use all reasonable endeavours to procure a new trustee, being a trust corporation, to be appointed and if the Issuer has not procured the appointment of a new trustee within 30 days of the expiry of the Trustee notice referred to in this Clause 11.4, the Trustee shall be entitled to procure forthwith a new trustee.

11.5 **Competence of a majority of Trustees**

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

11.6 **Powers additional**

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

11.7 **Merger**

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Clause 11.7, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

12. **NOTICES**

12.1 **Addresses for notices**

All notices and other communications hereunder shall be made in writing by letter or electronic communication and shall be sent as follows:

12.1.1 if to the Issuer, to it at:

Admiral Group plc
Tŷ Admiral
David Street
Cardiff CF10 2EH

Email: GroupLegal&CompanySecretary@admiralgroup.co.uk
Attention: General Counsel and Company Secretary

12.1.2 if to the Trustee, to it at:

HSBC Corporate Trustee Company (UK) Limited
Level 14
8 Canada Square
London E14 5HQ

Email: Ctla.trustee.admin@hsbc.com
Attention: Issuer Services Trustee Administration

12.2 Effectiveness

Every notice or other communication sent in accordance with Clause 12.1 (*Addresses for notices*) shall be effective as follows:

12.2.1 in the case of a letter, upon receipt by the addressee; or

12.2.2 in the case of an electronic communication, when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication,

provided, however, that any such notice or communication which is received (or deemed to take effect in accordance with the foregoing) after 5:00 p.m. on a business day or on a non-business day in the place of receipt shall be deemed to take effect at 10:00 a.m. on the next following business day in such place. Any notice or communication delivered to any party under this Trust Deed which is to be sent by electronic communication will be written legal evidence.

13. GOVERNING LAW

This Trust Deed and the Notes and all non-contractual obligations arising from or connected with them are governed by, and shall be construed in accordance with, English law.

14. SEVERABILITY

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

15. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any provision of this Trust Deed under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that this Trust Deed expressly provides for such Act to apply to any of its terms.

16. COUNTERPARTS

This Trust Deed may be executed in any number of counterparts, each of which shall be deemed an original. Any party may enter into this Trust Deed by signing any such counterpart.

IN WITNESS WHEREOF this Trust Deed has been executed as a deed by the parties hereto and is intended to be and is hereby delivered on the date first before written.

SCHEDULE 1

PART A FORM OF GLOBAL NOTE CERTIFICATE

ADMIRAL GROUP PLC
(incorporated and registered in England and Wales
with registered number 03849958)

£250,000,000 8.500 per cent. Subordinated Notes due 2034

GLOBAL NOTE CERTIFICATE

Global Note Certificate No. 1

ISIN: XS2643776680

This Global Note Certificate is issued in respect of the principal amount specified above of the Subordinated Notes (the "**Notes**") of ADMIRAL GROUP PLC (the "**Issuer**"). This Global Note Certificate certifies that the person whose name is entered in the Register (the "**Registered Holder**") is registered as the holder of such principal amount of the Notes at the date hereof.

Interpretation and Definitions

References in this Global Note Certificate to the "Conditions" are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 to the Trust Deed (the "**Trust Deed**") dated 6 July 2023 between the Issuer and HSBC Corporate Trustee Company (UK) Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Global Note Certificate, which in the event of any conflict shall prevail). Other capitalised terms used in this Global Note Certificate shall have the meanings given to them in the Conditions or the Trust Deed. Expressions defined in the Conditions have the same meanings in this Global Note Certificate.

Promise to Pay

The Issuer, for value received, promises to pay to the holder of the Notes represented by this Global Note Certificate (subject to surrender of this Global Note Certificate if no further payment falls to be made in respect of such Notes) on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Global Note Certificate and to pay interest in respect of such Notes from the Issue Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes represented by this Global Note Certificate, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions and the Trust Deed. Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January (the "**Record Date**").

For the purposes of this Global Note Certificate, (a) the holder of the Notes represented by this Global Note Certificate is bound by the provisions of the Trust Deed, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Notes represented by this Global Note Certificate, (c) this Global Note Certificate is evidence of entitlement only, (d) title to the Notes represented by this Global Note Certificate passes only on due registration on the Register, and (e) only the holder of the Notes represented by this Global Note Certificate is entitled to payments in respect of the Notes represented by this Global Note Certificate.

Exchange of Notes Represented by Global Note Certificates

Interests in the Global Note Certificate will be exchangeable (free of charge to the holder), in whole but not in part, for definitive Notes only if:

- (i) an Event of Default (as defined in the Trust Deed) has occurred and is continuing; or
- (ii) the Issuer has been notified that Euroclear and Clearstream, Luxembourg are both closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or both announce an intention permanently to cease business or do in fact do so.

Any reference herein to Euroclear and/or Clearstream, Luxembourg, shall, wherever the context so permits, be deemed to include a reference to any other clearing system.

Interests of Holders through Clearing Systems

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

Meetings

For the purposes of any meeting of Noteholders, the holder of the Notes represented by this Global Note Certificate shall (unless this Global Note Certificate represents only one Note) be treated as being entitled to one vote in respect of each £1,000 in principal amount of the Notes.

Notices

While the Global Note Certificate is held on behalf of, or registered in the name of any nominee for, a clearing system, notices to Noteholders will be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for notification as required by the Conditions, provided that, so long as the Notes are admitted to trading on any stock exchange, notices will also be given or published in a manner which complies with the rules and regulations of any such stock exchange. A notice will be deemed to have been given to accountholders on the day on which such notice is sent to the relevant clearing system for delivery to entitled accountholders.

Electronic Consent and Written Resolution

While the Global Note Certificate is registered in the name of any nominee for a clearing system, then:

- (i) approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an "**Electronic Consent**" as defined in the Trust Deed) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders whether or not they participated in such Electronic Consent; and
- (ii) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by accountholders in the clearing system with

entitlements to such Global Note Certificate or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and **provided that**, in each case, the Issuer and the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "**commercially reasonable evidence**" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID/Easyway or Clearstream, Luxembourg's Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

This Global Note Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

This Global Note Certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this Global Note Certificate to be signed on its behalf.

Dated as of the Issue Date.

ADMIRAL GROUP PLC

By:

Certificate of Authentication

This Global Note Certificate is authenticated
by or on behalf of the Registrar.

HSBC Bank plc

as Registrar

By:

Authorised Signatory

For the purposes of authentication only.

Form of Transfer

For value received the undersigned transfers to

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

£[●] principal amount of the Notes represented by this Global Note Certificate, and all rights under them.

Dated

Signed Certifying Signature

Notes:

- 1 The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Global Note Certificate or (if such signature corresponds with the name as it appears on the face of this Global Note Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- 2 A representative of the Noteholder should state the capacity in which they sign e.g. executor.

PART B
FORM OF INDIVIDUAL NOTE CERTIFICATE

On the front:

ADMIRAL GROUP PLC
(incorporated and registered in England and Wales
with registered number 03849958)

£250,000,000 8.500 per cent. Subordinated Notes due 2034

CERTIFICATE

Certificate No. [●]

This Certificate certifies that [●] of [●] (the "**Registered Holder**") is, as at the date hereof, registered as the holder of £250,000,000 of the Subordinated Notes referred to above (the "**Notes**") of ADMIRAL GROUP PLC (the "**Issuer**"). The Notes are subject to the Terms and Conditions (the "**Conditions**") endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Certificate.

The Issuer, for value received, promises to, or to the order of, pay to the holder of the Notes represented by this Certificate (subject to surrender of this Certificate if no further payment falls to be made in respect of such Notes) on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become payable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Certificate and to pay interest in respect of such Notes from the Issue Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

For the purposes of this Certificate, (a) the holder of the Notes represented by this Certificate is bound by the provisions of the Trust Deed, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Notes represented by this Certificate, (c) this Certificate is evidence of entitlement only, (d) title to the Notes represented by this Certificate passes only on due registration on the Register, and (e) only the holder of the Notes represented by this Certificate is entitled to payments in respect of the Notes represented by this Certificate.

This Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

This Global Note Certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this Certificate to be signed on its behalf.

Dated as of the Issue Date.

ADMIRAL GROUP PLC

By:

Certificate of Authentication

This Certificate is authenticated
by or on behalf of the Registrar.

HSBC Bank plc

as Registrar

By:

Authorised Signatory
For the purposes of authentication only.

On the back:

Terms and Conditions of the Notes

[The Terms and Conditions that are set out in Schedule 2 to the Trust Deed will be set out here.]

Form of Transfer

For value received the undersigned transfers to

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

£[●] principal amount of the Notes represented by this Certificate, and all rights under them.

Dated

Signed Certifying Signature

Notes:

- 1 The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Certificate or (if such signature corresponds with the name as it appears on the face of this Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- 2 A representative of the Noteholder should state the capacity in which they sign e.g. executor.

PRINCIPAL PAYING AGENT, REGISTRAR AND TRANSFER AGENT

HSBC Bank plc

SCHEDULE 2 TERMS AND CONDITIONS OF THE NOTES

The £250,000,000 8.500 per cent. Subordinated Notes due 2034 (the "**Notes**", which expression includes any Further Notes (as defined below)) of Admiral Group plc (the "**Issuer**") are constituted by, are subject to, and have the benefit of, a trust deed dated 6 July 2023 (as amended, restated or supplemented from time to time, the "**Trust Deed**") between the Issuer and HSBC Corporate Trustee Company (UK) Limited as trustee (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed) and are the subject of an agency agreement dated 6 July 2023 (as amended, restated or supplemented from time to time, the "**Agency Agreement**") between the Issuer, HSBC Bank plc as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), HSBC Bank plc as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), the transfer agents named therein (the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes), the paying agents, if any, named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and the Trustee. References herein to the "**Agents**" are to the Registrar, the Principal Paying Agent and the Transfer Agents and any reference to an "**Agent**" is to any one of them. Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and subject to their detailed provisions. The Noteholders (as defined below) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and those applicable to them in the Agency Agreement. Copies of the Trust Deed and the Agency Agreement (i) are available for inspection and collection by Noteholders during normal business hours at the registered office for the time being of the Trustee, being at the date hereof 8 Canada Square, London E14 5HQ and at the Specified Offices (as defined in the Agency Agreement) of each of the Agents, the initial Specified Offices of which are set out below or (ii) may be provided by email to a holder of the Notes requesting a copy from the Principal Paying Agent at ctlondon.conventional@hsbc.com, in each case upon such holder of the Notes providing proof of holding of Notes to the satisfaction of the Principal Paying Agent, and subject to the Principal Paying Agent being supplied by the Issuer with electronic copies.

1. **Form and Denomination**

The Notes are in registered form in the denominations of £100,000 and integral multiples of £1,000 in excess thereof (each, an "**Authorised Denomination**").

2. **Status of the Notes**

(a) **Status:** The Notes constitute direct, unsecured and subordinated obligations of the Issuer which will at all times rank *pari passu* without preference among themselves. The rights and claims of the Noteholders are subordinated as described in the Trust Deed and Condition 2(b) (*Subordination*).

(b) **Subordination:** If:

(i) a winding-up of the Issuer occurs (other than an Approved Winding-up);
or

(ii) an administrator of the Issuer is appointed and such administrator gives notice that it intends to declare and distribute a dividend,

the rights and claims of the Trustee (on behalf of the Noteholders but not the rights and claims of the Trustee acting on its own account under the Trust Deed) and the Noteholders against the Issuer in respect of or arising under the Notes and the Trust Deed (including any Arrears of Interest (as defined below), if any, and any damages awarded for breach of any obligations in respect of the Notes) will be subordinated in the manner provided in the Trust Deed to the claims of all Senior Creditors but shall rank: (A) at least *pari passu* with all claims of holders of all other subordinated obligations of the Issuer which constitute, and all claims relating to a guarantee or other like or similar undertaking or arrangement given or undertaken by the Issuer in respect of any obligations of any other person which constitute, or would but for any applicable limitation on the amount of such capital

constitute, Tier 2 Capital and all obligations which rank, or are expressed to rank by their terms, *pari passu* therewith, including the Parity Obligations ("**Parity Securities**"); and (B) in priority to the claims of holders of (i) any subordinated obligations of the Issuer expressed to rank by their terms junior to the Notes, (ii) all obligations of the Issuer which constitute, and all claims relating to a guarantee or other like or similar undertaking or arrangement given or undertaken by the Issuer in respect of any obligations of any other person which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital and all obligations which rank, or are expressed to rank by their terms, *pari passu* therewith, and (iii) all classes of share capital of the Issuer (the "**Junior Securities**").

Nothing in this Condition 2 shall affect or prejudice the payment of the costs, fees, charges, expenses, liabilities or remuneration of the Trustee under the Trust Deed or the rights and remedies of the Trustee in respect thereof and in such capacity the Trustee shall rank as an unsubordinated creditor of the Issuer.

- (c) **Solvency Condition:** Except for in the event of a winding-up of the Issuer in England and Wales (other than an Approved Winding-up) or where an administrator of the Issuer is appointed and such administrator gives notice that it intends to declare and distribute a dividend and without prejudice to Conditions 2(b) (*Subordination*) and 9 (*Events of default*), payments of all amounts under or arising from the Notes and the Trust Deed (other than payments made to the Trustee acting on its own account under the Trust Deed) will be mandatorily deferred unless the Issuer is solvent at the time for payment by the Issuer and unless and until such time as the Issuer could make such payment and still be solvent immediately thereafter (the "**Solvency Condition**").

For the purposes of this Condition 2(c), the Issuer will be solvent if (i) it is able to pay its debts owed to Senior Creditors and Parity Creditors as they fall due and (ii) its Assets exceed its Liabilities. A certificate as to the solvency of the Issuer signed by two Authorised Signatories or, if there is a winding-up or administration of the Issuer, by two authorised signatories of the liquidator or, as the case may be, the administrator of the Issuer shall be treated and accepted by the Issuer, the Trustee, the Noteholders and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Trustee shall be entitled to rely on such certificate without further investigation and without liability to any person.

Without prejudice to any other provision in these Conditions and without double counting, amounts representing any payments of principal or interest or any other amount (including any damages awarded for breach of any obligations) in respect of which the conditions referred to in this Condition 2(c) are not satisfied on the date upon which the same would otherwise be due and payable ("**Solvency Claim**"), will be payable by the Issuer in the circumstances described in Condition 9(b) (*Amount payable on a winding-up or administration of the Issuer*), subject to and in accordance with the subordination provisions in Condition 2(b) (*Subordination*). A Solvency Claim shall not bear interest.

- (d) **Set-off:** By acceptance of the Notes and subject to applicable law, each Noteholder will be deemed to have waived any right of set-off or counterclaim that such Noteholder might otherwise have against the Issuer in respect of or arising under the Notes or the Trust Deed whether prior to or in liquidation, winding-up or administration. Notwithstanding the preceding sentence, if any of the rights and claims of any Noteholder in respect of or arising under the Notes or the Trust Deed are discharged by set-off, such Noteholder will immediately, unless prohibited by applicable law, pay an amount equal to the amount of such discharge to the Issuer or, if applicable, the liquidator or administrator of the Issuer for payment to the Senior Creditors in respect of amounts owing to them by the Issuer and, until such time as payment is made, will hold a sum equal to such amount on trust for the Issuer or, if applicable, the liquidator or administrator in the Issuer's winding-up or administration. Accordingly, such discharge will be deemed not to have taken place.

3. **Register, Title and Transfers**

- (a) **Register:** The Registrar will maintain a register (the "**Register**") in respect of the Notes in accordance with the provisions of the Agency Agreement. In these Conditions, the "**Holder**" of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly. A certificate (each, a "**Note Certificate**") will be issued to each Noteholder in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.
- (b) **Title:** The Holder of each Note shall (except as otherwise required by law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Note Certificate) and no person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.
- (c) **Transfers:** Subject to Conditions 3(f) (*Closed periods*) and 3(g) (*Regulations concerning transfers and registration*) below, a Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; *provided, however, that* a Note may not be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a Holder are being transferred) the principal amount of the balance of Notes not transferred are Authorised Denominations. Where not all the Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Notes will be issued to the transferor.
- (d) **Registration and delivery of Note Certificates:** Within five business days of the surrender of a Note Certificate in accordance with Condition 3(c) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.
- (e) **No charge:** The transfer of a 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.
- (f) **Closed periods:** Noteholders may not require transfers to be registered (a) during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes, (b) during the period following delivery of a notice of a voluntary payment of Arrears of Interest in accordance with Condition 5(d) (*Payment of Arrears of Interest*) and Condition 15 (*Notices*) and ending on the date referred to in such notice as having been fixed for such payment of Arrears of Interest or (c) during the period of 15 days ending on the date of substitution of the Notes.
- (g) **Regulations concerning transfers and registration:** All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Trustee and the Registrar. A copy of the current

regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

4. Interest

- (a) **Interest:** The Notes bear interest from 6 July 2023 (the "**Issue Date**") at the rate of 8.500 per cent. per annum. Subject to Condition 5 (*Deferral of Interest*), interest shall be payable semi-annually in arrear in equal instalments of £42.50 per Calculation Amount (as defined below) in accordance with the provisions of this Condition 4 on 6 January and 6 July in each year (each, an "**Interest Payment Date**"), in accordance with Condition 7 (*Payments*).
- (b) **Interest Accrual:** Each Note will cease to bear interest from the due date for redemption (which due date shall, in the case of deferral of a redemption date due to the Solvency Condition not being satisfied and/or in accordance with Condition 6(b) (*Deferral of redemption date*), be the latest date to which redemption of the Notes is so deferred) unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) **Calculation of Interest:** Where it is necessary to compute an amount of interest in respect of any Note during an Interest Period, such interest shall be calculated on the basis of the actual number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the relevant payment date divided by the product of (a) the actual number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the next (or first) scheduled Interest Payment Date and (b) two.

Save as provided above in relation to equal instalments, interest shall be calculated per £1,000 in principal amount of the Notes (the "**Calculation Amount**") by applying the rate of interest referred to in Condition 4(a) (*Interest*) to such Calculation Amount, multiplying the resulting figure by the day count fraction described in the immediately preceding paragraph and rounding the resultant figure to two decimal places (with 0.005 being rounded up).

5. Deferral of Interest

- (a) **Regulatory Deficiency Deferral of Interest:** Payment of interest on the Notes by the Issuer will be mandatorily deferred on each Regulatory Deficiency Interest Deferral Date. The Issuer shall notify the Noteholders, the Trustee and the Principal Paying Agent of any Regulatory Deficiency Interest Deferral Date in accordance with Condition 5(e) (*Notice of Deferral*) (*provided that any delay in making or failure to make such notification shall not oblige the Issuer to make payment of such interest, or cause the same to become due and payable, on such date*).

A certificate signed by two Authorised Signatories confirming that (i) a Regulatory Deficiency Interest Deferral Event has occurred and is continuing, or would occur if payment of interest on the Notes were to be made or (ii) a Regulatory Deficiency Interest Deferral Event has ceased to occur and/or payment of interest on the Notes would not result in a Regulatory Deficiency Interest Deferral Event occurring, shall be treated and accepted by the Issuer, the Trustee, the Noteholders and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Trustee shall be entitled to rely on such certificate without further investigation and without liability to any person.

- (b) **No default:** Notwithstanding any other provision in these Conditions or in the Trust Deed the deferral by the Issuer of any payment of interest (i) on a Regulatory Deficiency Interest

Deferral Date in accordance with Condition 5(a) (*Regulatory Deficiency Deferral of Interest*) or (ii) as a result of the application of the Solvency Condition in accordance with Condition 2(c) (*Solvency Condition*), will not constitute a default by the Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the Notes or take any other action with respect to such deferral under the Notes or the Trust Deed.

- (c) **Arrears of Interest:** Any interest on the Notes not paid on an Interest Payment Date as a result of the obligation of the Issuer to defer such payment of interest pursuant to Condition 5(a) (*Regulatory Deficiency Deferral of Interest*) or the operation of the Solvency Condition described in Condition 2(c) (*Solvency Condition*) shall (without double counting), to the extent and for so long as the same remains unpaid, constitute "**Arrears of Interest**".

Arrears of Interest shall not themselves bear interest.

- (d) **Payment of Arrears of Interest:** Any Arrears of Interest may (subject to Condition 2(c) (*Solvency Condition*) and (to the extent then required by the Relevant Regulator or the Relevant Rules) to any notifications to, or consent or non-objection from, the Relevant Regulator and to any other requirements under the Relevant Rules) be paid by the Issuer in whole or in part at any time (*provided that* at such time a Regulatory Deficiency Interest Deferral Event is not subsisting and would not occur if payment of such Arrears of Interest were made) upon the expiry of not less than 14 days' notice to such effect given by the Issuer to the Trustee, the Principal Paying Agent and the Noteholders in accordance with Condition 15 (*Notices*) and in any event will become due and payable by the Issuer in whole (and not in part) upon the earliest of the following dates:

- (i) the next Interest Payment Date which is not a Regulatory Deficiency Interest Deferral Date and on which a scheduled payment of interest in respect of the Notes (or any part thereof) is made or is required to be made pursuant to these Conditions (other than a voluntary payment of Arrears of Interest);
- (ii) the date on which an order is made by a competent court in England and Wales or an effective resolution is passed for the winding-up of the Issuer (other than an Approved Winding-up) or the date on which an administrator of the Issuer gives notice that it intends to declare and distribute a dividend; or
- (iii) the date fixed for any redemption or purchase of the Notes pursuant to Condition 6 (*Redemption, Substitution, Variation and Purchase*) (subject to deferral of such redemption date pursuant to and in accordance with these Conditions).

- (e) **Notice of Deferral:** The Issuer shall notify the Trustee, the Principal Paying Agent and the Noteholders in writing in accordance with Condition 15 (*Notices*) not less than 5 Business Days prior to an Interest Payment Date:

- (i) if that Interest Payment Date is a Regulatory Deficiency Interest Deferral Date, specifying that interest will not be paid because a Regulatory Deficiency Interest Deferral Event has occurred and is continuing or would occur if payment of interest was made on such Interest Payment Date, *provided that* if a Regulatory Deficiency Interest Deferral Event occurs less than 5 Business Days prior to an Interest Payment Date, the Issuer shall give notice of the interest deferral in accordance with Condition 15 (*Notices*) as soon as reasonably practicable following the occurrence of such event; or
- (ii) if payment of interest is to be deferred on that Interest Payment Date only as a result of the non-satisfaction of the Solvency Condition and specifying the same, *provided that* if the Issuer becomes aware of such non-satisfaction of the Solvency Condition less than five Business Days

prior to an Interest Payment Date, the Issuer shall give notice of the interest deferral in accordance with Condition 15 (*Notices*) as soon as reasonably practicable following it becoming so aware,

provided that in each case any delay in making or failure to make such notification shall not oblige the Issuer to make payment of such interest, or cause the same to become due and payable, on such date.

6. **Redemption, Substitution, Variation and Purchase**

(a) ***Redemption:***

- (i) ***Scheduled redemption:*** Subject to Condition 2(c) (*Solvency Condition*), Condition 6(b) (*Deferral of redemption date*) and 6(k) (*Preconditions to redemption, substitution, variation and purchases*), unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on the Maturity Date together with any Arrears of Interest, if any, and any other accrued and unpaid interest to (but excluding) the Maturity Date in accordance with the terms of Condition 7 (*Payments*).
- (ii) ***Issuer par call:*** Subject to Condition 2(c) (*Solvency Condition*), Condition 6(b) (*Deferral of redemption date*) and 6(k) (*Preconditions to redemption, substitution, variation and purchases*), the Issuer may at its option (without any requirement for the consent or approval of the Noteholders) and having given not less than 15 nor more than 30 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15 (*Notices*), the Noteholders (which notice shall be irrevocable (subject as aforesaid) and shall specify the date fixed for redemption) redeem in accordance with these Conditions (unless otherwise specified herein) all of the Notes, but not some only, at any time in the period from (and including) 6 July 2033 to (but excluding) the Maturity Date at their principal amount together with any Arrears of Interest (if any) and any other accrued and unpaid interest to (but excluding) the date of redemption.

Upon expiry of such notice the Issuer shall (subject to Condition 6(k) (*Preconditions to redemption, substitution, variation and purchases*), Condition 2(c) (*Solvency Condition*) and Condition 6(b) (*Deferral of redemption date*)) redeem the Notes pursuant to this Condition 6(a)(ii).

(b) ***Deferral of redemption date:***

- (i) No Notes shall be redeemed on the Maturity Date pursuant to Condition 6(a)(i) (*Scheduled redemption*) or prior to the Maturity Date pursuant to Condition 6(a)(ii) (*Issuer par call*), Condition 6(c) (*Redemption, substitution or variation for taxation reasons*), 6(d) (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), Condition 6(e) (*Redemption, substitution or variation at the option of the Issuer due to a Rating Methodology Event*) or Condition 6(f) (*Clean-up Call*) if a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing or would occur if redemption is made pursuant to this Condition 6.
- (ii) If the Notes are not to be redeemed on the Maturity Date pursuant to Condition 6(a)(i) (*Scheduled redemption*) or prior to the Maturity Date pursuant to Condition 6(a)(ii) (*Issuer par call*), Condition 6(c) (*Redemption, substitution or variation for taxation reasons*), 6(d) (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), Condition 6(e) (*Redemption, substitution or variation at the option of the Issuer due to a Rating Methodology Event*)

or Condition 6(f) (*Clean-up Call*) (as applicable) as a result of circumstances where:

- (A) a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing or would occur if the Notes were redeemed on such date;
- (B) the Solvency Condition would not be satisfied on such date in respect of the amounts payable on redemption; or
- (C) the Relevant Regulator does not consent to the redemption or objects to the redemption (to the extent that consent or non-objection is then required by the Relevant Regulator or the Relevant Rules) or such redemption otherwise cannot be effected in compliance with the Relevant Rules on such date,

the Issuer shall notify the Trustee, the Principal Paying Agent and the Noteholders in accordance with Condition 15 (*Notices*) no later than 5 Business Days prior to any date set for redemption of the Notes if such redemption is to be deferred in accordance with this Condition 6(b), *provided that* if a Regulatory Deficiency Redemption Deferral Event occurs less than 5 Business Days prior to the date set for redemption, the Issuer shall give notice of such deferral in accordance with Condition 15 (*Notices*) as soon as reasonably practicable following the occurrence of such event. Any delay or failure in giving any notice pursuant to this Condition 6(b) shall not result in the principal amount of the Notes becoming due and payable on the Maturity Date or, as applicable, any earlier date fixed for redemption pursuant to this Condition 6.

- (iii) If (A) redemption of the Notes does not occur on the Maturity Date pursuant to Condition 6(a)(i) (*Scheduled redemption*) or prior to the Maturity Date pursuant to Condition 6(a)(ii) (*Issuer par call*), Condition 6(c) (*Redemption, substitution or variation for taxation reasons*), 6(d) (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), Condition 6(e) (*Redemption, substitution or variation at the option of the Issuer due to a Rating Methodology Event*) or Condition 6(f) (*Clean-up Call*) (as applicable) as a result of Condition 6(b)(i) (*Deferral of redemption date*) above or the Relevant Regulator does not consent to the redemption or objects to the redemption (to the extent that consent or non-objection is then required by the Relevant Regulator or the Relevant Rules) or (B) such redemption otherwise cannot be effected in compliance with the Relevant Rules on such date, subject (in the case of (1) and (2) below only) to Condition 2(c) (*Solvency Condition*) and (to the extent then required by the Relevant Regulator or the Relevant Rules) to any notifications to, or consent from, the Relevant Regulator and to such redemption being otherwise permitted under the Relevant Rules, then the Issuer shall redeem such Notes at their principal amount together with any Arrears of Interest, if any, and any other accrued and unpaid interest to (but excluding) the date specified for redemption upon the earliest of:
 - (1) in the case of a failure to redeem due to the operation of Condition 6(b)(i) only, the date falling 10 Business Days after the date the Regulatory Deficiency Redemption Deferral Event has ceased (unless, on such 10th Business Day, a further Regulatory Deficiency Redemption Deferral Event has occurred and is continuing or redemption of the Notes on such date would result in a Regulatory Deficiency Redemption Deferral Event occurring, in which case the provisions of Condition 6(b)(i) (*Deferral of redemption date*), Condition 6(b)(ii) and this Condition 6(b)(iii) will apply *mutatis mutandis* to determine the due date for redemption of the Notes); or

- (2) the date falling 10 Business Days after the Relevant Regulator has agreed to the repayment or redemption of the Notes (where such approval is required under the Relevant Rules); or
 - (3) the date on which an order is made by a competent court in England and Wales or an effective resolution is passed for the winding-up of the Issuer (other than an Approved Winding-up) or the date on which an administrator of the Issuer gives notice that it intends to declare and distribute a dividend.
 - (iv) If Condition 6(b)(i) (*Deferral of redemption date*) does not apply, but the obligations of the Issuer under the Notes to make payment of any amount in relation to the redemption of the Notes are mandatorily deferred as a result of the Solvency Condition not being satisfied, subject (to the extent then required by the Relevant Regulator or the Relevant Rules) to any notifications to, or consent or non-objection from, the Relevant Regulator and to such redemption being otherwise permitted under the Relevant Rules, such obligations shall be payable on the 10th Business Day immediately following the day that (A) the Issuer is solvent for the purposes of Condition 2(c) (*Solvency Condition*) and (B) the payment of such amounts would not result in the Issuer ceasing to be solvent for the purposes of Condition 2(c) (*Solvency Condition*), *provided that* if on such Business Day specified for redemption a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing, or would occur if the Notes were to be redeemed, or the Solvency Condition is not satisfied, then such obligations shall not be paid on such date and Condition 6(b)(i) (*Deferral of redemption date*), Condition 6(b)(ii) and Condition 6(b)(iii) (if such deferral is due to a Regulatory Deficiency Redemption Deferral Event) and/or Condition 2(c) (*Solvency Condition*) and this Condition 6(b)(iv) (if such deferral is due to the operation of the Solvency Condition) shall apply *mutatis mutandis* to determine the due date for payment of such amount.
 - (v) A certificate signed by two Authorised Signatories confirming that (A) a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing, or would occur if redemption of the Notes were to be made or (B) a Regulatory Deficiency Redemption Deferral Event has ceased to occur and/or redemption of the Notes would not result in a Regulatory Deficiency Redemption Deferral Event occurring, shall be treated and accepted by the Issuer, the Trustee, the Noteholders and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Trustee shall be entitled to rely on such certificate without further investigation and without liability to any person.
 - (vi) Notwithstanding any other provision in these Conditions or in the Trust Deed, the deferral of redemption of the Notes in accordance with this Condition 6(b) will not constitute a default by the Issuer and will not give Noteholders or the Trustee any right to accelerate the Notes or take any other action with respect to such deferral under the Notes or the Trust Deed.
- (c) ***Redemption, substitution or variation for taxation reasons:*** Subject to Conditions 2(c) (*Solvency Condition*), 6(b)(i) (*Deferral of redemption date*), 6(j) (*Trustee role on substitution or variation*) and 6(k) (*Preconditions to redemption, substitution, variation and purchases*) if immediately before the giving of the notice referred to below:
- (i) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction, including any treaty to which the Relevant Jurisdiction is a party, or any change in the application of official or published interpretation of such laws or regulations, including a decision

of any court or tribunal, or any interpretation or pronouncement by any relevant tax authority that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position in relation to similar transactions (in respect of securities similar to the Notes and which are capable of constituting Tier 2 Capital), which change or amendment becomes effective on or after the Reference Date (each a "Tax Law Change"), on the next Interest Payment Date either (a) the Issuer would be required to pay additional amounts as provided or referred to in Condition 8 (*Taxation*); or (b) the Issuer would no longer be entitled to claim a deduction in respect of computing its tax liabilities in the United Kingdom or such entitlement is reduced; or (c) in respect of the payment of interest, the Issuer would not to any material extent be entitled to have any attributable loss (if any) or non-trading deficit (if any) set against the profits of companies with which it is grouped for applicable United Kingdom tax purposes (whether under the group relief system current as at the date of the Tax Law Change or any similar system or systems having like effect as may from time to time exist); or (d) the Notes are prevented from being treated as loan relationships for United Kingdom tax purposes; and

- (ii) the effect of the foregoing cannot be avoided by the Issuer taking reasonable measures available to it,

the Issuer may at its option (without any requirement for the consent or approval of the Noteholders) and having given not less than 15 nor more than 30 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15 (*Notices*), the Noteholders (which notice shall be irrevocable (subject as aforesaid) and shall specify the date fixed for redemption, substitution or variation, as applicable), either:

- (1) redeem in accordance with these Conditions (unless otherwise specified herein) all of the Notes, but not some only, at any time at their principal amount together with any Arrears of Interest (if any) and any other accrued and unpaid interest to (but excluding) the date of redemption, *provided that* no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which (a) with respect to sub-paragraph (i)(a) the Issuer would be obliged to pay such additional amounts; (b) with respect to sub-paragraph (i)(b) above, the payment of interest would not be able to claim a tax deduction as provided in sub-paragraph (i)(b) above; (c) with respect to sub-paragraph (i)(c), the Issuer would not to any material extent be entitled to have the loss or non-trading deficit set against the profits as provided in sub-paragraph (i)(c) above; or (d) with respect to sub-paragraph (i)(d) above, the Issuer would be prevented from treating the Notes as a loan relationship as provided in sub-paragraph (i)(d) above, in each case were a payment in respect of the Notes then due; or
- (2) substitute at any time all (but not some only) of the Notes for, or vary the terms of the Notes so that they become or remain, Qualifying Tier 2 Securities, and the Trustee shall (subject to Condition 6(j) (*Trustee role on substitution or variation*)), the requirements of this Condition 6(c) and the receipt by it of the certificates of the Authorised Signatories referred to below and in the definition of Qualifying Tier 2 Securities) concur in such substitution or variation.

Prior to the publication of any notice of redemption, substitution or variation pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee (a) a certificate signed by two Authorised Signatories stating that the relevant requirement or circumstance referred to in sub-paragraph (c)(i) above applies and cannot be avoided by the Issuer taking reasonable measures available to it and (b) an opinion in form and substance satisfactory to the Trustee of independent legal advisers or other tax advisers of recognised standing that the relevant requirement or circumstance referred to in sub-paragraph (c)(i) above applies.

Such certificate and opinion shall be conclusive evidence that such requirement or such circumstances apply and shall be accepted by the Trustee, the Noteholders and all other interested parties as correct and sufficient evidence thereof and the Trustee shall be entitled to rely on such certificate without further investigation and without liability to any person.

Upon expiry of such notice the Issuer shall (subject to Condition 6(k) (*Preconditions to redemption, substitution, variation and purchases*)) and, in the case of a redemption, to Condition 2(c) (*Solvency Condition*) and Condition 6(b) (*Deferral of redemption date*)) either redeem, substitute or vary the Notes, as the case may be, pursuant to the relevant terms of this Condition 6(c).

- (d) **Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event:** Subject to Conditions 2(c) (*Solvency Condition*), 6(b)(i) (*Deferral of redemption date*), 6(j) (*Trustee role on substitution or variation*) and 6(k) (*Preconditions to redemption, substitution, variation and purchases*), if a Capital Disqualification Event has occurred and is continuing or, as a result of any replacement of or change to (or change to the interpretation by any court or authority entitled to do so of) the Relevant Rules, a Capital Disqualification Event will occur within a period of six months, then the Issuer may, having given not less than 15 nor more than 30 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15 (*Notices*), the Noteholders (which notice shall be irrevocable (subject as aforesaid) and shall specify the date fixed for redemption, substitution or variation, as applicable), either:

- (i) redeem in accordance with these Conditions (unless otherwise specified herein) all of the Notes, but not some only, at their principal amount together with any Arrears of Interest (if any) and any other accrued and unpaid interest to (but excluding) the date of redemption; or
- (ii) substitute at any time all (but not some only) of the Notes for, or vary the terms of the Notes so that they become or remain, Qualifying Tier 2 Securities and the Trustee shall (subject to Condition 6(j) (*Trustee role on substitution or variation*)), the requirements of this Condition 6(d) and the receipt by it of the certificates of the Authorised Signatories referred to below and in the definition of Qualifying Tier 2 Securities) concur in such substitution or variation.

Prior to the publication of any notice of redemption, substitution or variation pursuant to this Condition 6(d), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories stating that a Capital Disqualification Event has occurred and is continuing as at the date of the certificate or, as the case may be, will occur within a period of six months of the date of such certificate. Such certificate shall be conclusive evidence that a Capital Disqualification Event has occurred and is continuing as at the date of the certificate (or, as the case may be, will occur within a period of six months of the date of such certificate) and shall be accepted by the Trustee, the Noteholders and all other interested parties as correct and sufficient evidence thereof and the Trustee shall be entitled to rely on such certificate without further investigation and without liability to any person.

Upon expiry of such notice the Issuer shall (subject to Condition 6(k) (*Preconditions to redemption, substitution, variation and purchases*)) and, in the case of a redemption, to Condition 2(c) (*Solvency Condition*) and Condition 6(b) (*Deferral of redemption date*)) either redeem, substitute or vary the Notes, as the case may be, pursuant to the relevant terms of this Condition 6(d).

- (e) **Redemption, substitution or variation at the option of the Issuer due to a Rating Methodology Event:** Subject to Conditions 2(c) (*Solvency Condition*), 6(b)(i) (*Deferral of redemption date*), 6(j) (*Trustee role on substitution or variation*) and 6(k) (*Preconditions to redemption, substitution, variation and purchases*), if a Rating Methodology Event has occurred and is continuing or, as a consequence of a change in, or clarification to, the rating methodology (or the interpretation thereof) of the Rating Agency, a Rating Methodology Event will occur within a period of six months, the Issuer may, having given

not less than 15 nor more than 30 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15 (*Notices*), the Noteholders (which notice must be given during the Notice Period and shall be irrevocable (subject as aforesaid) and shall specify the date fixed for redemption, substitution or variation, as applicable), either:

- (i) redeem in accordance with these Conditions (unless otherwise specified herein) all of the Notes, but not some only, at their principal amount together with any Arrears of Interest (if any) and any other accrued and unpaid interest to (but excluding) the date of redemption; or
- (ii) substitute at any time all (but not some only) of the Notes for, or vary the terms of the Notes so that they become or remain, Rating Agency Compliant Securities and the Trustee shall (subject to Condition 6(j) (*Trustee role on substitution or variation*)), the requirements of this Condition 6(e) and the receipt by it of the certificates of the Authorised Signatories referred to below and in the definition of Qualifying Tier 2 Securities and Rating Agency Compliant Securities) concur in such substitution or variation.

Prior to the publication of any notice of redemption, substitution or variation pursuant to this Condition 6(e), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories stating that a Rating Methodology Event has occurred and is continuing as at the date of the certificate or, as the case may be, will occur within a period of six months of the date of such certificate. Such certificate shall be conclusive evidence that a Rating Methodology Event has occurred and is continuing as at the date of the certificate (or, as the case may be, will occur within a period of six months of the date of such certificate) and shall be accepted by the Trustee, the Noteholders and all other interested parties as correct and sufficient evidence thereof and the Trustee shall be entitled to rely on such certificate without further investigation and without liability to any person.

Upon expiry of such notice the Issuer shall (subject to Condition 6(k) (*Preconditions to redemption, substitution, variation and purchases*)) and, in the case of a redemption, to Condition 2(c) (*Solvency Condition*) and Condition 6(b) (*Deferral of redemption date*)) either redeem, substitute or vary the Notes, as the case may be, pursuant to the relevant terms of this Condition 6(e).

For the purposes of this Condition 6(e), "**Notice Period**" means the twelve-month period from (and including) the date on which the relevant Rating Methodology Event first occurs (or, as applicable, the date on which the Issuer certifies to the Trustee that the same will occur within a period of six months).

- (f) **Clean-up call:** Subject to Conditions 2(c) (*Solvency Condition*), 6(b)(i) (*Deferral of redemption date*) and 6(k) (*Preconditions to redemption, substitution, variation and purchases*), if at any time after the Issue Date, 80 per cent. or more of the aggregate principal amount of the Notes originally issued (which for these purposes will be deemed to include any Further Notes, if any, issued in accordance with Condition 16 (*Further Issues*)) has been purchased or otherwise acquired by the Issuer or any of its Subsidiaries and cancelled pursuant to these Conditions, then the Issuer may, at its option, having given not less than 15 nor more than 30 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15 (*Notices*), the Noteholders (which notice shall be irrevocable (subject as aforesaid) and shall specify the date fixed for redemption), redeem in accordance with these Conditions (unless otherwise specified herein) all of the Notes, but not some only, at their principal amount together with any Arrears of Interest (if any) and any other accrued and unpaid interest to (but excluding) the date of redemption.

Prior to the publication of any notice of redemption pursuant to this Condition 6(f), the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories stating that as at the date of the certificate, the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that 80 per cent. or more of the aggregate principal amount of the Notes so issued has been purchased by the Issuer or any of its

Subsidiaries and cancelled. Such certificate shall be conclusive evidence of the satisfaction of the circumstances set out above and the Trustee shall be entitled to rely on such certificate without further investigation and without liability to any person.

Upon expiry of such notice the Issuer shall (subject to Condition 6(k) (*Preconditions to redemption, substitution, variation and purchases*), Condition 2(c) (*Solvency Condition*) and Condition 6(b) (*Deferral of redemption date*)) redeem the Notes pursuant to this Condition 6(f).

- (g) **No other redemption:** The Issuer shall not be entitled to redeem the Notes otherwise than as provided in this Condition 6.
- (h) **Purchase:** Subject to Condition 2(c) (*Solvency Condition*) and Condition 6(k) (*Preconditions to redemption, substitution, variation and purchases*) and *provided that* a Regulatory Deficiency Redemption Deferral Event is not continuing, the Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price. All Notes purchased by or on behalf of the Issuer or any Subsidiary may be held, reissued, resold or, at the option of the Issuer or the relevant Subsidiary, surrendered for cancellation to the Principal Paying Agent.
- (i) **Cancellation:** All Notes redeemed or substituted by the Issuer pursuant to this Condition 6, and all Notes purchased and surrendered for cancellation pursuant to Condition 6(h) (*Purchase*), will forthwith be cancelled. 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) **Trustee role on substitution or variation:** The Trustee shall, at the request and expense of the Issuer, use its reasonable endeavours to assist the Issuer in the substitution or variation of the Notes for or into Qualifying Tier 2 Securities *provided that* the Trustee shall not be obliged to co-operate in or concur in any such substitution or variation of the terms referred to in this Condition 6 if the securities into which the Notes are to be substituted or are to be varied or such substitution or variation imposes, in the Trustee's opinion, more onerous obligations or duties upon it or exposes it to liabilities or reduces its protections. If the Trustee does not so co-operate or concur as provided above, the Issuer may, subject as provided above, redeem the Notes as provided above.
- (k) **Preconditions to redemption, substitution, variation and purchases:** Any redemption, substitution, variation or purchase of the Notes is subject to the Issuer having complied with the Relevant Rules including (to the extent then required by the Relevant Regulator or the Relevant Rules) on notification to, or consent or non-objection from, the Relevant Regulator and such redemption, substitution, variation or purchase being otherwise permitted under the Relevant Rules (on the basis that the Notes are intended to qualify as Tier 2 Capital of the Issuer and/or the Insurance Group under the Relevant Rules).

A certificate signed by two Authorised Signatories confirming such compliance shall be conclusive evidence of such compliance and shall be accepted by the Trustee, the Noteholders and all other interested parties as correct and sufficient evidence thereof and the Trustee shall be entitled to rely on such certificate without further investigation and without liability to any person.

In the case of a redemption or purchase that is to occur within five years of the Reference Date, if required by the Relevant Rules:

- (i) such redemption or purchase shall be funded out of the proceeds of a new issuance of capital of at least the same quality as the Notes and shall be otherwise permitted under the Relevant Rules; or
- (ii) such redemption or purchase shall be effected by the exchange or conversion of such Notes into another form of capital of at least the same quality as the Notes and shall be otherwise permitted under the Relevant Rules; or

- (iii) (in the case of a redemption pursuant to Condition 6(c) (*Redemption, substitution or variation for taxation reasons*) or Condition 6(d) (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*) only) such redemption shall be subject to:
 - (A) the Relevant Regulator being satisfied that the Solvency Capital Requirement will be exceeded by an appropriate margin immediately after such redemption (taking into account the solvency position of the Issuer and the Insurance Group, including by reference to the Issuer's and the Insurance Group's medium-term capital management plans);
 - (B) in the case of any redemption following the occurrence of a Tax Law Change pursuant to Condition 6(c) (*Redemption, substitution or variation for taxation reasons*) only, the Issuer having demonstrated to the satisfaction of the Relevant Regulator that the relevant change in tax treatment is material;
 - (C) in the case of any redemption following the occurrence of a Capital Disqualification Event pursuant to Condition 6(d) (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*) only, the Relevant Regulator considering that the relevant change in the regulatory classification of the Notes is sufficiently certain; and
 - (D) in the case of redemption pursuant to Condition 6(c) (*Redemption, substitution or variation for taxation reasons*) or Condition 6(d) (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), the Issuer having demonstrated to the satisfaction of the Relevant Regulator that such change was not reasonably foreseeable as at the Reference Date.

Notwithstanding the above requirements of this Condition 6(k), if, at the time of any redemption, substitution, variation or purchase, the Relevant Rules permit the redemption, substitution, variation or purchase only after compliance with one or more alternative or additional conditions to those set out above (if and to the extent required or applicable in order for the Notes to qualify as Tier 2 Capital of the Issuer and/or the Insurance Group under the Relevant Rules from time to time), the Issuer shall comply with such alternative and/or, as appropriate additional condition(s) as are then so required.

- (l) **Compliance with stock exchange rules:** In connection with any substitution or variation of the Notes in accordance with Condition 6(c) (*Redemption, substitution or variation for taxation reasons*), 6(d) (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*) or 6(e) (*Redemption, substitution or variation at the option of the Issuer due to a Rating Methodology Event*), the Issuer shall comply with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or admitted to trading.

7. Payments

- (a) **Principal:** Payments of principal shall be made by transfer to a Sterling account maintained by or on behalf of the payee with a bank that accepts payments in Sterling and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of the Principal Paying Agent.
- (b) **Interest:** Payments of interest (including Arrears of Interest) shall be made by transfer to a Sterling account maintained by or on behalf of the payee with a bank that accepts payments in Sterling and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of the Principal Paying Agent.

- (c) **Payments subject to fiscal laws:** All payments are in all cases subject to any applicable fiscal or other laws, regulations and directives in any jurisdiction and the Issuer will not be liable to pay any additional amount in respect of taxes or duties of whatever nature imposed or levied by or pursuant to such laws, regulations or directives, but without prejudice to the provisions of Condition 8 (*Taxation*). For the purpose of this paragraph, the phrase "subject to any applicable fiscal or other laws, regulations and directives" shall include any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended, (the "**Code**") or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretation thereof, or any law implementing an intergovernmental approach thereto.
- (d) **Payments on business days:** Where payment is to be made by transfer to a Sterling account, payment instructions (for value the due date, or, if the due date is not a business day, for value the next succeeding business day) will be initiated (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of the Principal Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a business day. In this paragraph, "**business day**" means any day on which banks are open for general business (including dealings in foreign currencies) in London and, in the case of surrender (or, in the case of part payment only, endorsement) of a Note Certificate, in the place in which the Note Certificate is surrendered (or, as the case may be, endorsed).
- (e) **Partial payments:** If the Principal Paying Agent makes a partial payment in respect of any Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- (f) **Record date:** Each payment in respect of a Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**").
- (g) **No commissions:** No commissions or expenses shall be charged to the Noteholders in respect of any payments made in accordance with this Condition 7.
- (h) **Agents:** The names of the initial Agents and their initial Specified Offices are set out at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the 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 a Principal Paying Agent, a Registrar and a Transfer Agent.

Notice of any termination or appointment and of any changes in Specified Offices of any of the Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 15 (*Notices*).

If the Principal Paying Agent or the Registrar is unable or unwilling to continue to act as such the Issuer shall appoint, on terms acceptable to the Trustee, an independent financial institution in the United Kingdom acceptable to the Trustee to act as such in its place.

8. **Taxation**

All payments of principal, interest and any other amounts in respect of the Notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer shall pay such additional amounts in respect of any interest

payments in respect of any Note (but not in respect of principal or payments of any other amounts in respect of the Notes) as will result in receipt by the Noteholders after such withholding or deduction of such amounts as would have been received by them in respect of interest on the Notes had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note:

- (a) held by a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of its having some connection with the United Kingdom other than the mere holding of the Note; or
- (b) held by a Holder who would have been able to avoid such withholding or deduction by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption in the place where the relevant Note Certificate is presented for payment; or
- (c) where (in the case of a payment of interest on redemption) the relevant Note Certificate is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant Holder would have been entitled to such additional amounts if it had surrendered the relevant Note Certificate on the last day of such period of 30 days.

In these Conditions, "**Relevant Date**" means whichever is the later of (1) the date on which the payment in question first becomes due and (2) if the full amount payable has not been received by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

Any reference in these Conditions to interest shall be deemed to include any additional amounts in respect of interest which may be payable under this Condition 8 or any undertaking given in addition to or in substitution of this Condition 8 pursuant to the Trust Deed.

9. **Events of default**

- (a) ***Rights to institute and/or prove in a winding-up of the Issuer:*** Notwithstanding any of the provisions below in this Condition 9, the right to institute winding-up proceedings in respect of the Issuer is limited to circumstances where a relevant payment by the Issuer under the Notes or the Trust Deed has become due and is not duly paid.

Pursuant to Condition 2(c) (*Solvency Condition*), no principal, interest or any other amount will be due on the relevant payment date if the Solvency Condition is not, or would not be, satisfied, at the time of and immediately after any such payment. In the case of any payment of interest in respect of the Notes, such payment will be deferred and not be due if Condition 5(a) (*Regulatory Deficiency Deferral of Interest*) applies, and, in the case of any payment of principal, such payment will be deferred and will not be due if Condition 6(b) (*Deferral of redemption date*) applies or the Relevant Regulator does not consent to the redemption or objects to the redemption (to the extent that consent or non-objection is then required by the Relevant Regulator or the Relevant Rules), or such redemption otherwise cannot be effected in compliance with the Relevant Rules on such date.

If:

- (i) a default is made by the Issuer for a period of 14 days or more in the payment of any interest due (including, without limitation, Arrears of Interest, if any) or principal due in respect of the Notes or any of them; or
- (ii) an order is made by a competent court in England and Wales or an effective resolution is passed for the winding-up of the Issuer (other than an Approved Winding-up) or an administrator of the Issuer is appointed and gives notice that it intends to declare and distribute a dividend,

the Trustee at its discretion may, and if so requested by Noteholders of at least one-fifth in principal amount of the Notes then outstanding or if so directed by an Extraordinary

Resolution shall (but in each case subject to it having been indemnified and/or secured and/or prefunded to its satisfaction):

- (A) in the case of (i) above, institute proceedings or take any steps or actions for the winding-up of the Issuer by a competent court in England and Wales (but not elsewhere) and/or prove in the winding-up or administration of the Issuer and/or claim in the liquidation of the Issuer for such payment; and/or
- (B) in the case of (ii) above, prove in the winding-up or administration of the Issuer and/or claim in the liquidation of the Issuer for such payment,

but (in either case) may take no further or other action to enforce, prove or claim for any payment by the Issuer in respect of the Notes or the Trust Deed.

No payment in respect of the Notes or the Trust Deed may be made by the Issuer pursuant to this Condition 9(a), nor will the Trustee accept the same, otherwise than during or after a winding-up of the Issuer or after an administrator of the Issuer has given notice that it intends to declare and distribute a dividend, unless the Issuer has given prior written notice (with a copy to the Trustee) to, and received consent or non-objection (if required) from, the Relevant Regulator, which the Issuer shall provide a copy of to the Trustee or certify in writing to the Trustee that such consent or non-objection (if required) from the Relevant Regulator has been received, upon which certificate the Trustee shall be entitled to rely without further investigation and without any liability to any person.

- (b) ***Amount payable on a winding-up or administration of the Issuer:*** If an order is made by a competent court in England and Wales or an effective resolution is passed for the winding-up of the Issuer (except for an Approved Winding-up but including, for the avoidance of doubt, a winding-up initiated pursuant to Condition 9(a) (*Rights to institute and/or prove in a winding-up of the Issuer*)) or where an administrator of the Issuer has been appointed and has given notice that it intends to declare and distribute a dividend, the Trustee at its discretion may, and if so requested by Noteholders of at least one-fifth in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (but in each case subject to it having been indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer that the Notes are, and they shall accordingly forthwith become, immediately due and payable at the amount equal to their principal amount together with any Arrears of Interest (if any) and any other accrued and unpaid interest and, if applicable, any damages awarded for breach of any obligations under the Notes or the Trust Deed.

Claims against the Issuer in respect of such amounts will be subordinated in accordance with Condition 2(b) (*Subordination*).

- (c) ***Enforcement:*** Without prejudice to Condition 9(a) (*Rights to institute and/or prove in a winding-up of the Issuer*) or 9(b) (*Amount payable on a winding-up or administration of the Issuer*), the Trustee may at its discretion and without further notice institute such proceedings or take such steps or actions against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Trust Deed or the Notes (other than any payment obligation of the Issuer under or arising from the Notes or the Trust Deed, including, without limitation, payment of any principal, interest or Arrears of Interest in respect of the Notes or any payment of damages awarded for breach of any obligations under the Notes or the Trust Deed) but in no event shall the Issuer, by virtue of the institution of any such proceedings or the taking of such steps or actions, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

Nothing in this Condition 9(c) shall, however, prevent the Trustee, subject to Condition 9(a) (*Rights to institute and/or prove in a winding-up of the Issuer*), instituting proceedings for the winding-up of the Issuer in England and Wales (but not elsewhere) and/or proving in any winding-up or administration of the Issuer and/or claiming in any liquidation of the Issuer in respect of any payment obligation of the Issuer, in each case

where such payment obligation arises from the Notes or the Trust Deed (including, without limitation, payment of any principal, interest or Arrears of Interest in respect of the Notes or any payment of damages awarded for breach of any obligations under the Notes or the Trust Deed).

- (d) **Entitlement of Trustee:** The Trustee shall not be bound to take any of the actions referred to in Conditions 9(a) (*Rights to institute and/or prove in a winding-up of the Issuer*), 9(b) (*Amount payable on a winding-up or administration of the Issuer*) or 9(c) (*Enforcement*) above against the Issuer to enforce the terms of the Trust Deed, the Notes or any other action under or pursuant to the Trust Deed unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or requested in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.
- (e) **Right of Noteholders:** No Noteholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up or claim in the liquidation of the Issuer or to prove in such winding-up unless the Trustee, having become so bound to proceed, fails to do so within a reasonable period and such failure shall be continuing, in which case the Noteholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise as set out in this Condition 9.
- (f) **Extent of Noteholders' remedy:** No remedy against the Issuer other than as referred to in this Condition 9, shall be available to the Trustee or the Noteholders, whether for the recovery of amounts owing in respect of the Notes or under the Trust Deed or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Notes or under the Trust Deed.

10. **Prescription**

Claims for principal and interest on redemption shall become void unless the relevant Note Certificates are surrendered for payment within ten years (in the case of principal) and five years (in the case of interest and Arrears of Interest) of the appropriate Relevant Date.

11. **Replacement of Note Certificates**

If any Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Note Certificates must be surrendered before replacements will be issued.

12. **Trustee and Agents**

Under the Trust Deed, the Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances including provisions relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction and to be paid its costs and expenses in priority to the claims of the Noteholders.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution of obligor or of the Notes), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual

Noteholders except to the extent already provided for in Condition 8 (*Taxation*) and/or any undertaking given in addition to, or in substitution therefor pursuant to the Trust Deed.

Neither the Trustee nor any Agent shall be under any duty to monitor, supervise or enquire as to whether any event or circumstance has happened or exists or to satisfy itself as to the functions or any acts of the Issuer or any other person for the purposes of these Conditions and will not be responsible to Noteholders or any other person for any loss arising from any failure by it to do so. Unless and until the Trustee and/or the relevant Agent has written notice of the occurrence of any event or circumstance within these Conditions, it shall be entitled to assume that no such event or circumstance exists. In addition, the Trustee and the Agents are entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.

In acting under the Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

13. **Meetings of Noteholders; Modification and Waiver**

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders (including by way of audio and/or video conference call) to consider matters relating to the Notes, including the modification of any provision of these Conditions or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or by the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction). The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* certain proposals (including any proposal: (i) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, (ii) to amend the provisions of clauses 2.5.2 (*Status and Subordination of the Notes*) or 2.5.3 of the Trust Deed, or Condition 2(b) (*Subordination*); (iii) to effect the exchange, conversion or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed (other than as permitted under these Conditions or clause 6.3 (*Substitution*) of the Trust Deed); (iv) to change the currency of payments under the Notes; and (v) to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a "**Reserved Matter**") may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.

The Trust Deed provides that (i) a resolution passed, at a meeting duly convened and held, by a majority of at least 75 per cent. of the votes cast or (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding shall, in either case, be effective as an Extraordinary Resolution of the Holders and shall be binding on all Noteholders whether or not they so participated. Any 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 Holders.

The agreement or approval of the Noteholders shall not be required in the case of any variation of these Conditions and/or the Trust Deed required to be made in connection with the substitution or variation of the Notes pursuant to Condition 6(c) (*Redemption, substitution or variation for taxation reasons*), 6(d) (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*) such that they become

or remain Qualifying Tier 2 Securities or Condition 6(e) (*Redemption, substitution or variation at the option of the Issuer due to a Rating Methodology Event*) such that they become or remain Rating Agency Compliant Securities and to which the Trustee concurred in pursuant to the relevant provisions of Condition 6 or any consequential amendments to these Conditions and/or the Trust Deed approved by the Trustee in connection with a substitution of the Issuer pursuant to Condition 14 (*Substitution of Issuer*).

- (b) **Modification and waiver:** The Trustee may, without the consent of the Noteholders, agree to (i) any modification of these Conditions or the Trust Deed (other than in respect of a Reserved Matter) which, in the opinion of the Trustee, will not be materially prejudicial to the interests of Noteholders, and (ii) any modification of the Notes or the Trust Deed which is, in the opinion of the Trustee, of a formal, minor or technical nature or is to correct a manifest error. In addition, the Trustee may, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes or the Trust Deed if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Any such authorisation, waiver or modification shall be binding on the Noteholders and, unless the Trustee otherwise agrees, shall be notified to the Noteholders as soon as practicable thereafter.

- (c) **Notice to Relevant Regulator:** No modification to these Conditions or any provisions of the Trust Deed shall become effective unless (to the extent then required by the Relevant Regulator or the Relevant Rules) the Issuer shall have given at least one month's prior written notice to, and received consent or no objection from, the Relevant Regulator (or such other period of notice as the Relevant Regulator may from time to time require or accept) and the Issuer shall promptly provide a copy of any such consent (or certify in writing that it has received no objection, upon which certificate the Trustee shall be entitled to rely without further investigation and without liability to any person) to the Trustee.

14. **Substitution of Issuer**

The Trustee may agree with the Issuer, without the consent of the Noteholders:

- (a) to the substitution of a Related Undertaking of the Issuer (or any previous substitute or successor in business under this sub-paragraph) or a successor in business of the Issuer (or any previous substitute or successor in business under this sub-paragraph) in place of the Issuer (or of any previous substitute or successor in business under this sub-paragraph) as principal debtor under the Trust Deed and the Notes, *provided that* (in the case of a substitution of a Related Undertaking of the Issuer (or any previous substitute or successor in business)) the Notes are guaranteed by the Issuer (or any previous substitute or successor in business under this sub-paragraph) on a subordinated basis ranking equal with the ranking of the Notes prior to such substitution; and/or
- (b) the addition of a Related Undertaking of the Issuer (or substitute Issuer) as a guarantor of the Issuer's (or substitute Issuer's) obligations under the Trust Deed and the Notes,

(each such substitute or, where applicable, guarantor being hereinafter referred to as the "**Substituted Obligor**") *provided that* in each case:

- (i) a trust deed or some other form of undertaking, supported by one or more legal opinions, is executed by the Substituted Obligor in a form and manner satisfactory to the Trustee, agreeing to be bound by the terms of the Trust Deed and the Notes, with any consequential amendments which the Trustee may deem appropriate, as fully as if the Substituted Obligor has been named in the Trust Deed and the Notes, as the principal debtor in place of the Issuer, or where applicable, as a guarantor of the Issuer (or any previous Substituted Obligor, as the case may be);

- (ii) the Substituted Obligor confirms to the Trustee in one or more legal opinions addressed to the Trustee and the Issuer in a form approved by and provided to the Trustee that (i) it has obtained all necessary governmental and regulatory approvals and consents necessary for its assumptions of the duties and liabilities as Substituted Obligor under the Trust Deed and the Notes in place of the Issuer or as a guarantor of the Issuer or, as the case may be, any previous Substituted Obligor and (ii) such approvals and consents are at the time of substitution in full force and effect, and the Trustee shall be entitled to rely absolutely on such legal opinions without liability to any person;
- (iii) two directors (or other officers acceptable to the Trustee) of the Substituted Obligor certify that the Substituted Obligor is solvent at the time at which the substitution is proposed to be in effect, and immediately thereafter, and the Trustee shall be entitled to rely absolutely on such certification without liability to any person and shall not be bound to have regard to the financial condition, profits or prospects of the Substituted Obligor or to compare the same with those of the Issuer or any previous Substituted Obligor;
- (iv) (without prejudice to the generality of the foregoing) the Trustee may, in the event of such substitution agree, without the consent of the Noteholders, to a change in the law governing the Trust Deed and/or the Notes if in the opinion of the Trustee such change would not be materially prejudicial to the interests of the Noteholders;
- (v) if the Substituted Obligor is, or becomes, subject generally to the taxing jurisdiction of a territory or any authority of or in that territory with power to tax (the "**Substituted Territory**") other than the territory of the taxing jurisdiction of which (or to any such authority of or in which) the Issuer (or any previous Substituted Obligor) is subject generally (the "**Original Territory**"), the Substituted Obligor will (unless the Trustee otherwise agrees) give to the Trustee an undertaking satisfactory to the Trustee in terms corresponding to Condition 8 (*Taxation*) with the substitution in the definition of "Relevant Jurisdiction" (for the purposes of Condition 8 (*Taxation*) and Condition 6(c) (*Redemption, substitution or variation for taxation reasons*)) of references to the Original Territory with references to the Substituted Territory whereupon the Trust Deed and the Notes will be read accordingly;
- (vi) if the Substituted Obligor is, or becomes, incorporated or organised under the laws of a jurisdiction other than England and Wales, references in these Conditions and the Trust Deed to the winding-up of the Issuer by a court in England and Wales shall be construed as references to a court of competent jurisdiction in such other jurisdiction;
- (vii) the Issuer and the Substituted Obligor comply with such other requirements as the Trustee may direct in the interests of the Noteholders; and
- (viii) in the case of a full substitution of the Issuer pursuant to Condition 14(a) (*Substitution of Issuer*) above only, if the Notes are rated (where such rating was assigned at the request of the Issuer) by one or more credit rating agencies of international standing immediately prior to such substitution, the Notes shall continue to be rated by each such rating agency immediately following such substitution, and the credit ratings assigned to the Notes by each such rating agency immediately following such substitution will be no less than those assigned to the Notes immediately prior thereto.

Any such substitution shall be notified by the Issuer to the Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

In connection with any proposed substitution as aforesaid, the Trustee shall have regard to the interests of the Noteholders as a class and the Trustee shall not have regard to the consequences of such substitution or such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. In connection with any substitution or such exercise as aforesaid, no Noteholder shall be entitled to claim, whether from the Issuer, the Substitute Obligor or the Trustee or any other person, any indemnification or payment in respect of any tax consequence of any such substitution or any such exercise upon any individual Noteholders except to the extent already provided in Condition 8 (*Taxation*) and/or any undertaking given in addition thereto or in substitution therefor pursuant to the Trust Deed.

Any substitution pursuant to this Condition 14 shall be subject (to the extent then required by the Relevant Regulator or the Relevant Rules) to any notifications to, or consent or non-objection from, the Relevant Regulator. The Issuer shall promptly provide a written copy of any such notification or consent (or certify in writing that it has received no objection, upon which certificate the Trustee shall be entitled to rely without further investigation and without liability to any person) to the Trustee.

15. **Notices**

Notices to the Noteholders will be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. In addition, so long as the Notes are admitted to trading on any stock exchange, the Issuer shall ensure that notices are duly given or published in a manner which complies with the rules and regulations of such stock exchange or other relevant authority on which the Notes are for the time being listed. Any notice shall be deemed to have been given on the second day after the date of mailing or the date of publication or, if so published more than once or on different dates, the date of the first publication.

16. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders, create and issue further notes ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding Notes ("**Further Notes**"), *provided that* the issue date of such Further Notes falls not less than ten years prior to the Maturity Date. Any Further Notes shall be constituted by a deed supplemental to the Trust Deed.

17. **Governing Law**

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

18. **Defined Terms**

In these Conditions:

"**Approved Winding-up**" means a solvent winding-up of the Issuer solely for the purposes of (i) either a reconstruction or amalgamation of the Issuer, the terms of which reconstruction or amalgamation have previously been approved in writing by the Trustee or by an Extraordinary Resolution, or (ii) the substitution of a successor in business of the Issuer which has previously been approved in writing by the Trustee or by an Extraordinary Resolution or which is effected in accordance with Condition 14 (*Substitution of Issuer*), which in the case of either (i) or (ii), does not provide that the Notes shall thereby become payable;

"**Arrears of Interest**" has the meaning given in Condition 5(c) (*Arrears of Interest*);

"**Assets**" means the unconsolidated gross assets of the Issuer, as shown in the latest published audited balance sheet of the Issuer, but adjusted for subsequent events, all in such manner as the Directors of the Issuer may determine;

"**Authorised Denomination**" has the meaning given in Condition 1 (*Form and Denomination*);

"**Authorised Signatory**" means any Director, or any other person or persons notified to the Trustee by any Director as being an Authorised Signatory pursuant to clause 5.16 (*Authorised Signatories*) of the Trust Deed;

"**Business Day**" means: (i) except for the purposes of Conditions 3 (*Register, Title and Transfers*) and 7(d) (*Payments on business days*), a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets are open for general business in London; (ii) for the purposes of Condition 3 (*Register, Title and Transfers*), a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the relevant Agent has its Specified Office; and (iii) for the purpose of Condition 7(d) (*Payments on business days*), any day on which banks are open for general business (including dealings in foreign currencies) in London and, in the case of surrender (or, in the case of part payment only, endorsement) of a Note Certificate, in the place in which the Note Certificate is surrendered (or, as the case may be, endorsed);

"**Calculation Amount**" has the meaning given in Condition 4(c) (*Calculation of Interest*);

a "**Capital Disqualification Event**" shall occur if, as a result of any replacement of or change to (or change to the interpretation by any court or authority entitled to do so of) the Relevant Rules, the whole or any part of the principal amount of the Notes then outstanding is excluded from counting as Tier 2 Capital for the purposes of the Issuer or the Insurance Group (whether on a solo, group or consolidated basis), except where such non-qualification is only as a result of the aggregate amount of eligible items available to be counted towards Tier 2 Capital (or a relevant component part thereof) exceeding any applicable upper limit on the aggregate amount or proportion of such items permitted to be so counted by the Issuer or the Insurance Group (other than a limit derived from any transitional or grandfathering provisions under the Relevant Rules);

"**Directors**" means the directors of the Issuer from time to time;

"**EUWA**" means the European Union (Withdrawal) Act 2018;

"**Extraordinary Resolution**" has the meaning given in the Trust Deed;

"**Further Notes**" has the meaning given to it in Condition 16 (*Further Issues*);

"**Group Insurance Undertaking**" means an insurance undertaking or reinsurance undertaking within the meaning of the Relevant Rules whose data is included for the purposes of the calculation of the Solvency Capital Requirement of the Insurance Group pursuant to the Relevant Rules;

"**Holder**" has the meaning given in Condition 3(a) (*Register*);

"**Insolvent Insurer Winding-up**" means:

- (a) the winding-up of any Group Insurance Undertaking; or
- (b) the appointment of an administrator of any Group Insurance Undertaking,

in each case, where the Issuer has determined, acting reasonably, that the assets of that Group Insurance Undertaking may or will be insufficient to meet all the claims of the policyholders and/or beneficiaries pursuant to contracts of insurance or reinsurance written by that Group Insurance Undertaking which is in winding-up or administration (and for these purposes, the claims of such policyholders or such beneficiaries pursuant to a contract of insurance or reinsurance shall include all amounts to which such policyholders or such beneficiaries are entitled under applicable legislation or rules relating to the winding-up of insurance or reinsurance companies to reflect any right to receive or expectation of receiving benefits which such policyholders or such beneficiaries may have);

"Insurance Group" means, at any time, the Issuer and its Subsidiaries at such time;

"Interest Payment Date" has the meaning given in Condition 4(a) (*Interest*);

"Interest Period" means a period from (and including) one Interest Payment Date (or in the case of the first Interest Period only, the Issue Date) up to (but excluding) the next following Interest Payment Date;

"IP completion day" has the meaning given in the European Union (Withdrawal Agreement) Act 2020;

"Issue Date" has the meaning given in Condition 4(a) (*Interest*);

"Junior Securities" has the meaning given to it in Condition 2(b) (*Subordination*);

"Level 2 Regulations" means the Commission Delegated Regulation (EU) No. 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council of the European Union on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), as amended before the IP completion day, including by Commission Delegated Regulation (EU) 2019/981 of 8 March 2019;

"Liabilities" means the unconsolidated gross liabilities of the Issuer, as shown in the latest published audited balance sheet of the Issuer, but adjusted for contingent liabilities and for subsequent events, all in such manner as the Directors may determine;

"Maturity Date" means 6 January 2034;

"Minimum Capital Requirement" means the Minimum Capital Requirement, the minimum consolidated group Solvency Capital Requirement or such other applicable minimum capital requirements (as applicable) referred to in the Relevant Rules, in each case as may be applicable to the Issuer and/or the Insurance Group (whether on a solo, group or consolidated basis) pursuant to the Relevant Rules;

"Note Certificate" has the meaning given in Condition 3(a) (*Register*);

"Noteholder" has the meaning given in Condition 3(a) (*Register*);

"Original Territory" has the meaning given in Condition 14 (*Substitution of Issuer*);

"Parity Creditors" means creditors of the Issuer whose claims rank, or are expressed to rank by their terms, *pari passu* with the claims of the Noteholders, including holders of Parity Securities;

"Parity Obligations" means the £200,000,000 5.500 per cent. Subordinated Notes due 2024 issued by the Issuer (ISIN: XS1090334050);

"Parity Securities" has the meaning given to it in Condition 2(b) (*Subordination*);

"Qualifying Tier 2 Securities" means securities issued directly by the Issuer or by another entity and guaranteed by the Issuer (such guarantee to rank on a subordinated basis equivalent to that referred to in Condition 2(b) (*Subordination*) and in the Trust Deed) that:

- (a) have terms not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer in consultation with an independent investment bank or independent financial adviser of international standing, and *provided that* a certification to such effect (including as to the consultation with the independent investment bank or independent financial adviser of international standing and in respect of the matters specified in (1)-(6) and paragraphs (b) and (c) below) signed by two Authorised Signatories shall have been delivered to the Trustee (upon which the Trustee shall be entitled to rely without liability to any person) prior to the issue of the relevant securities), *provided that* they shall (1) contain terms which comply with the Relevant Rules to qualify as Tier 2 Capital of the Issuer and/or the Insurance Group under the Relevant Rules; (2) bear the same rate of interest from time to time applying to the Notes and preserve the

same Interest Payment Dates; (3) rank senior to, or *pari passu* with, the ranking of the Notes or, if issued by another entity, benefit from a guarantee granted by the Issuer which ranks senior to, or *pari passu* with, the ranking of the Notes; (4) preserve the obligations of the Issuer as to redemption of the Notes, including as to the timing of, and amounts payable upon redemption; (5) preserve any existing rights under these Conditions to any accrued interest, any Arrears of Interest and any other amounts payable under the Notes which, in each case, has accrued to Noteholders but not been paid; and (6) do not contain terms providing for or requiring the Issuer to write down or convert into equity the whole or any part of the principal amount of the Qualifying Tier 2 Securities (save insofar as it is necessary in order to give effect to the exercise of any bail-in power by the relevant insurer resolution authority under any insurance resolution regime then applicable to the Issuer and/or the Insurance Group);

- (b) if the Notes were listed or admitted to trading on a Recognised Stock Exchange immediately prior to the relevant substitution or variation, are listed or admitted to trading on a Recognised Stock Exchange; and
- (c) where the Notes which have been substituted or varied had a published rating (which has been solicited by the Issuer) from a rating agency immediately prior to their substitution or variation, each such rating agency has ascribed, or announced its intention to ascribe, an equal or higher published rating to the relevant Qualifying Tier 2 Securities;

"Rating Agency" means Fitch Ratings Ltd (or any affiliate or successor rating agency);

"Rating Agency Compliant Securities" means securities issued directly or indirectly by the Issuer that are:

- (a) Qualifying Tier 2 Securities; and
- (b) assigned by the Rating Agency substantially the same equity credit in the capital adequacy assessment as that or, at the absolute discretion of the Issuer, a lower equity credit in the capital adequacy assessment (provided such equity credit is still higher than the equity credit assigned to the Notes immediately after the occurrence of the relevant Rating Methodology Event) than that which was (i) first assigned by the Rating Agency to the Notes on or around the Issue Date or (ii) (if Further Notes have been issued) assigned by the Rating Agency to the Notes on or around the Reference Date in connection with an issue of Further Notes and *provided that* a certificate to such effect of two Authorised Signatories shall have been delivered to the Trustee (upon which the Trustee shall be entitled to rely without further investigation and without liability to any person) prior to the issue of the relevant securities; references herein to **"equity credit"** mean equity credit or such other nomenclature as may be used by the Rating Agency from time to time to describe the degree to which the terms of an instrument are supportive of an issuer's senior obligations in terms of total capital;

"Rating Methodology Event" means at any time, as a consequence of a change in, or clarification to, the rating methodology (or the interpretation thereof) of the Rating Agency on or after the Reference Date, the equity credit in the capital adequacy assessment (or such other nomenclature as may be used by the Rating Agency from time to time to describe the degree to which the terms of an instrument are supportive of an issuer's senior obligations in terms of total capital) assigned by the Rating Agency to the Notes is, as notified by the Rating Agency to the Issuer or as published by the Rating Agency, reduced when compared to the equity credit which was (a) first assigned by the Rating Agency to the Notes on or around the Issue Date or (b) (if this is lower) assigned by the Rating Agency to the Notes as at (or in connection with an issue of Further Notes) the Reference Date;

"Recognised Stock Exchange" means a recognised stock exchange as defined in section 1005 of the Income Tax Act 2007 as amended or re-enacted from time to time, and any provision, statute or statutory instrument replacing the same from time to time;

"Record Date" has the meaning given in Condition 7(f) (*Record Date*);

"Reference Date" means the later of (i) the Issue Date and (ii) the latest date (if any) on which any Further Notes have been issued pursuant to Condition 16 (*Further Issues*);

"Register" has the meaning given in Condition 3(a) (*Register*);

"Regulatory Deficiency Interest Deferral Date" means each Interest Payment Date in respect of which a Regulatory Deficiency Interest Deferral Event has occurred and is continuing or would occur if payment of interest (in whole or in part) were made on such Interest Payment Date;

"Regulatory Deficiency Interest Deferral Event" means any event (including, without limitation, where an Insolvent Insurer Winding-up has occurred and is continuing and any event which causes any Solvency Capital Requirement or Minimum Capital Requirement to be breached and such breach is an event) which under the Relevant Rules requires the Issuer to defer payment of interest (or, if applicable, Arrears of Interest) in respect of the Notes and where the Relevant Regulator has not waived the requirement to defer payment of interest under the Notes in accordance with any pre-conditions to such waiver being capable of being granted as prescribed by the Relevant Rules (on the basis that the Notes are intended to qualify as Tier 2 Capital of the Issuer and the Insurance Group under the Relevant Rules);

"Regulatory Deficiency Redemption Deferral Event" means any event (including, without limitation, where an Insolvent Insurer Winding-up has occurred and is continuing and any event which causes any Solvency Capital Requirement or Minimum Capital Requirement to be breached and the continuation of such Insolvent Insurer Winding-up is, or as the case may be, such breach is, an event) which under the Relevant Rules requires the Issuer to defer or suspend repayment or redemption of the Notes and where the Relevant Regulator has not waived the requirement to defer or suspend repayment or redemption of the Notes in accordance with any pre-conditions to such waiver being capable of being granted as prescribed by the Relevant Rules (on the basis that the Notes are intended to qualify as Tier 2 Capital of the Issuer and the Insurance Group under the Relevant Rules);

"Related Undertaking" means in relation to any person, (i) any subsidiary undertaking or parent undertaking of that person or (ii) any subsidiary undertaking of any such parent undertaking;

"Relevant Date" has the meaning given in Condition 8 (*Taxation*);

"Relevant Jurisdiction" means (i) the United Kingdom or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of interest (including Arrears of Interest) on the Notes or (ii) if the Issuer becomes subject at any time to any taxing jurisdiction other than the United Kingdom in respect of payments made by it of interest (including Arrears of Interest) on the Notes reference in this definition to the United Kingdom shall be construed as references to the United Kingdom and/or such other jurisdiction;

"Relevant Regulator" means the Bank of England acting as the UK Prudential Regulation Authority through its Prudential Regulation Committee or such successor or other authority having primary supervisory authority with respect to prudential matters in relation to the Issuer and/or the Insurance Group;

"Relevant Rules" means, at any time, any legislation, rules, guidelines or regulations or expectations set forth in applicable published supervisory statements (whether having the force of law or otherwise) then applying to the Issuer or the Insurance Group relating, but not limited, to own funds, capital resources, capital requirements, financial adequacy requirements or other prudential matters (including, but not limited to, the characteristics, features or criteria of any of the foregoing) and without limitation to the foregoing, includes (to the extent then applying as aforesaid) Solvency II and any legislation, rules, guidelines, regulations or expectations set forth in applicable published supervisory statements of the Relevant Regulator relating to such matters;

"Reserved Matter" has the meaning given in Condition 13(a) (*Meetings of Noteholders*);

"Senior Creditors" means:

- (a) all policyholders of the Issuer (if any) and all beneficiaries under any contracts of insurance or reinsurance written by the Issuer (if any) (and, for the avoidance of doubt, the claims of Senior Creditors who are policyholders or such beneficiaries (if any) shall include all amounts to which any such policyholder or such beneficiary would be entitled in its capacity as policyholder or beneficiary under any applicable legislation or rules relating to a winding-up of insurance or reinsurance companies to reflect any right to receive, or expectation of receiving, benefits which policyholders or such beneficiaries may have);
- (b) creditors of the Issuer (other than policyholders and such beneficiaries) who are unsubordinated creditors of the Issuer; and
- (c) other creditors of the Issuer whose claims are, or are expressed to be, subordinated to the claims of other creditors of the Issuer (other than those whose claims constitute (or relate to a guarantee or other like or similar undertaking or arrangement given by the Issuer in respect of any obligation of any other person which constitute), or would but for any applicable limitation on the amount of any such capital constitute, Tier 1 Capital or Tier 2 Capital or whose claims otherwise rank, or are expressed to rank by their terms, *pari passu* with, or junior to, the claims of the Noteholders);

"**Solvency II**" means the United Kingdom transposition of the Solvency II Directive, the Level 2 Regulations and any direct EU legislation (as defined in the EUWA) which immediately before the IP completion day implemented the Solvency II Directive and/or the Level 2 Regulations, as they each form part of retained European Union law (as defined in the EUWA), as amended in accordance with United Kingdom domestic law from time to time and any additional measures adopted to give effect thereto (whether implemented by way of regulation, guidelines or otherwise);

"**Solvency II Directive**" means Directive 2009/138/EC of the European Parliament and of the Council of the European Union of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II) (as amended before the IP completion day);

"**Solvency Capital Requirement**" means the Solvency Capital Requirement or the consolidated group Solvency Capital Requirement (as applicable) referred to in, or any other applicable capital requirement (other than the Minimum Capital Requirement) howsoever described in, the Relevant Rules, in each case as may be applicable to the Issuer and/or the Insurance Group (whether on a solo, group or consolidated basis) pursuant to the Relevant Rules;

"**Solvency Condition**" has the meaning given in Condition 2(c) (*Solvency Condition*);

"**Sterling**" and "**£**" means the lawful currency of the United Kingdom;

"**Subsidiary**" means a subsidiary or subsidiary undertaking of the Issuer whose affairs are for the time being required to be fully consolidated in the audited consolidated financial statements of the Issuer;

"**Substituted Obligor**" has the meaning given in Condition 14 (*Substitution of Issuer*);

"**Substituted Territory**" has the meaning given in Condition 14 (*Substitution of Issuer*);

"**successor in business**" has the meaning given to it in the Trust Deed;

"**Tax Law Change**" has the meaning given in Condition 6(c) (*Redemption, substitution or variation for taxation reasons*);

"**Tier 1 Capital**" has the meaning given to it for the purposes of the Relevant Rules from time to time (including, without limitation, by virtue of the operation of any grandfathering provisions under any Relevant Rules);

"**Tier 2 Capital**" has the meaning given to it for the purposes of the Relevant Rules from time to time (including, without limitation, by virtue of the operation of any grandfathering provisions under any Relevant Rules); and

"United Kingdom" means the United Kingdom of Great Britain and Northern Ireland.

SCHEDULE 3
PROVISIONS FOR MEETINGS OF NOTEHOLDERS

1. Definitions

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

"Block Voting Instruction" means, in relation to any Meeting, a document in the English language issued by a Registrar:

- (a) certifying:
 - (i) that certain specified Notes (each a **"Blocked Note"**) have been blocked in an account with a clearing system and will not be released until the conclusion of the Meeting and that the holder of each Blocked Note or a duly authorised person on its behalf has instructed the Registrar that the votes attributable to such Blocked Note are to be cast in a particular way on each resolution to be put to the Meeting; or
 - (ii) that each registered holder of certain specified Notes (each a **"Relevant Note"**) or a duly authorised person on its behalf has instructed the Registrar that the votes attributable to each Relevant Note held by it are to be cast in a particular way on each resolution to be put to the Meeting,

in each case that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;

- (b) listing the total principal amount of the Blocked Notes and the Relevant Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and
- (c) authorising a named individual or individuals to vote in respect of the Blocked Notes and the Relevant Notes in accordance with such instructions;

"Chairperson" means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 8 (**Chairperson**);

"Extraordinary Resolution" means a resolution passed at a Meeting duly convened and held in accordance with this Schedule by a majority of not less than three quarters of the votes cast;

"Form of Proxy" means, in relation to any Meeting, a document in the English language available from the Registrar signed by a Noteholder or, in the case of a corporation, executed under its seal or signed on its behalf by a duly authorised officer and delivered to the Registrar not later than 48 hours before the time fixed for such Meeting, appointing a named individual or individuals to vote in respect of the Notes held by such Noteholder;

"Meeting" means a meeting of Noteholders (whether originally convened or resumed following an adjournment), which may be held either in person and/or Virtually;

"Proxy" means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction or a Form of Proxy other than:

- (a) any such person whose appointment has been revoked and in relation to whom the Registrar has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and

- (b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

"Relevant Fraction" means:

- (a) for all business other than voting on an Extraordinary Resolution, one tenth;
- (b) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter, more than half; and
- (c) for voting on any Extraordinary Resolution relating to a Reserved Matter, three quarters;

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

- (i) for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the aggregate principal amount of the outstanding Notes represented or held by the Voters actually present (including Virtually) at the Meeting; and
- (ii) for voting on any Extraordinary Resolution relating to a Reserved Matter, one quarter;

"Reserved Matter" means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment;
- (b) to amend the provisions of Clauses 2.5.2 (*Status and Subordination of the Notes*), 2.5.3 (*Status and Subordination of the Notes*) or Condition 2(b) (*Subordination*);
- (c) to effect the exchange, conversion or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed (other than as permitted under Clause 6.3 (*Substitution*) of this Trust Deed or the Conditions);
- (d) to change the currency of payments under the Notes;
- (e) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (f) to amend this definition;

"Virtually" means by teleconference, video conference or other virtual means;

"Voter" means, in relation to any Meeting, a Proxy or (subject to paragraph 4 (*Record Date*)) a Noteholder; *provided, however, that* (subject to paragraph 4 (*Record Date*)) any Noteholder which has appointed a Proxy under a Block Voting Instruction or Form of Proxy shall not be a **"Voter"** except to the extent that such appointment has been revoked and the Registrar notified in writing of such revocation at least 48 hours before the time fixed for such Meeting;

"Written Resolution" means a resolution in writing signed by or on behalf of holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes;

"24 hours" means a period of 24 hours including all or part of a day (disregarding for this purpose the day upon which such Meeting is to be held) upon which banks are open for business in both the place where the relevant Meeting is to be held (where a Meeting is to be held in person) or the Chairperson is located (where a Meeting is to be held or includes attendance Virtually) and in each of the places where the Principal Paying Agent has its Specified Offices and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

"48 hours" means 2 consecutive periods of 24 hours.

2. Issue of Block Voting Instructions and Forms of Proxy

The holder of a Note may require the Registrar to issue a Block Voting Instruction by arranging (to the satisfaction of the Registrar) for such Note to be blocked in an account with a clearing system not later than 48 hours before the time fixed for the relevant Meeting. The holder of a Note may require the Registrar to issue a Block Voting Instruction by delivering to the Registrar written instructions not later than 48 hours before the time fixed for the relevant Meeting. Any holder of a Note may obtain an uncompleted and unexecuted Form of Proxy from the Registrar. A Block Voting Instruction and a Form of Proxy cannot be outstanding simultaneously in respect of the same Note.

3. References to blocking/release of Notes

Where Notes are within Euroclear or Clearstream, Luxembourg or any other clearing system, references to the deposit, or release, of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of Euroclear or Clearstream, Luxembourg or such other clearing system.

4. Record date

The Issuer may fix a record date for the purposes of any Meeting or any resumption thereof following its adjournment for want of a quorum provided that such record date is not more than 10 days prior to the time fixed for such Meeting or (as the case may be) its resumption. The person in whose name a Note is registered in the Register on the record date at close of business in the city in which the Registrar has its Specified Office shall be deemed to be the holder of such Note for the purposes of such Meeting and notwithstanding any subsequent transfer of such Note or entries in the Register.

5. Convening of Meeting

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

6. Notice

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting and/or the manner in which the Meeting will take place (including whether the meeting is to be held, or will include, attendance Virtually) shall be given to the Noteholders, the Principal Paying Agent and the Registrar (with a copy to the Issuer) where the Meeting is convened by the Trustee or, where the Meeting is convened by the Issuer, the Trustee. The notice shall set out the full text of any resolutions to be proposed unless the Trustee agrees that the notice shall instead specify the nature of the resolutions without including the full text and shall state that Notes may be blocked in clearing systems for the purposes of appointing Proxies under Block Voting Instructions until 48 hours before the time fixed for the Meeting

and a Noteholder may appoint a Proxy either under a Block Voting Instruction by delivering written instructions to the Registrar or by executing and delivering a Form of Proxy to the Specified Office of the Registrar, in either case until 48 hours before the time fixed for the Meeting.

7. Cancellation

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

8. Chairperson

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

9. Quorum

The quorum at any Meeting shall be one or more Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Notes.

10. Adjournment for want of quorum

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

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

11. Adjourned Meeting

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

12. Notice following adjournment

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

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

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

13. Participation

The following may participate in and speak at a Meeting:

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

14. Show of hands

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

15. Poll

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

16. Votes

Every Voter shall have:

- (a) on a show of hands, one vote; and
- (b) on a poll, one vote in respect of each £1,000 in aggregate face amount of the outstanding Note(s) represented or held by them.

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

17. Validity of Votes by Proxies

Any vote by a Proxy in accordance with the relevant Block Voting Instruction or Form of Proxy shall be valid even if such Block Voting Instruction or Form of Proxy or any instruction pursuant to which it was given has been amended or revoked, provided that the Registrar has not been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a Block Voting Instruction or Form of Proxy in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment.

18. Powers

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

- (a) to approve any Reserved Matter;
- (b) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any provisions of this Trust Deed or the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;
- (c) (other than as permitted under Clause 6.3 (*Substitution*) of this Trust Deed) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;
- (d) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of this Trust Deed or the Notes or any act or omission which might otherwise constitute an Event of Default under the Notes;
- (e) to remove any Trustee;
- (f) to approve the appointment of a new Trustee;
- (g) to authorise the Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- (h) to discharge or exonerate the Trustee from any liability in respect of any act or omission for which it may become responsible under this Trust Deed or the Notes;
- (i) to give any other authorisation or approval which under this Trust Deed or the Notes is required to be given by Extraordinary Resolution; and
- (j) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

19. Extraordinary Resolution binds all holders

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

20. Minutes

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

21. Electronic Consent and Written Resolutions

For so long as the Notes are in the form of a Global Note Certificate registered in the name of any nominee for one or more of Euroclear, Clearstream, Luxembourg or another clearing system, then, in respect of any resolution proposed by the Issuer or the Trustee:

- (a) where the terms of the proposed resolution have been notified to the Noteholders through the relevant clearing system(s), each of the Issuer, and the Trustee shall be entitled to rely upon approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an "**Electronic Consent**"). None of the Issuer or the Trustee shall be liable or responsible to anyone for such reliance; and
- (b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by accountholders in the clearing system with entitlements to such Global Note Certificate or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and **provided that**, in each case, the Issuer and the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "**commercially reasonable evidence**" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

An Electronic Consent shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution. An Electronic Consent will be binding on all Noteholders, whether or not they participated in such Electronic Consent.

A Written Resolution shall take effect as an Extraordinary Resolution. A Written Resolution will be binding on all Noteholders, whether or not they participated in such a Written Resolution.

22. Further regulations

Subject to all other provisions contained in this Trust Deed, the Trustee may without the consent of the Issuer or the Noteholders prescribe such further regulations regarding the holding of Meetings and attendance (whether in person or Virtually) and voting at them as the Trustee may in its sole discretion determine, including (without limitation) such requirements as the Trustee thinks reasonable to satisfy itself that the persons who purport to make any requisition in accordance with this Trust Deed are entitled to do so and to satisfy itself that persons who purport to attend or vote at a meeting are entitled to do so.

This Trust Deed is delivered on the date stated at the beginning.

Executed as a deed by) (signed)

ADMIRAL GROUP PLC acting by a director) Director: Geraint Jones

in the presence of:)

Signature of witness: (signed)

Name of witness: Dan Caunt

Address:

Executed as a deed by

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED acting by two directors

By: (signed)

By: (signed)