

EXECUTION VERSION

AMENDED AND RESTATED TRUST DEED

DATED 24 NOVEMBER 2022

UNITED UTILITIES PLC

AND

UNITED UTILITIES WATER FINANCE PLC

AND

UNITED UTILITIES WATER LIMITED

AND

THE LAW DEBENTURE TRUST CORPORATION P.L.C.

RELATING TO A

GBP 10,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

ALLEN & OVERY

Allen & Overy LLP

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THIS AMENDED AND RESTATED TRUST DEED is made on 24 November, 2022

BETWEEN:

- (1) **UNITED UTILITIES PLC**, a company incorporated under the laws of the England, whose registered office is at Haweswater House, Lingley Mere Business Park, Lingley Green Avenue, Great Sankey, Warrington WA5 3LP, England (**UU**);
- (2) **UNITED UTILITIES WATER FINANCE PLC**, a company incorporated under the laws of England, whose registered office is at Haweswater House, Lingley Mere Business Park, Lingley Green Avenue, Great Sankey, Warrington WA5 3LP, England (**UUWF** and, together with **UU**, the **Issuers** and each an **Issuer**);
- (3) **UNITED UTILITIES WATER LIMITED**, a company incorporated under the laws of England, whose registered office is at Haweswater House, Lingley Mere Business Park, Lingley Green Avenue, Great Sankey, Warrington WA5 3LP, England (**UUW** and the **Guarantor**); and
- (4) **THE LAW DEBENTURE TRUST CORPORATION p.l.c.**, a company incorporated under the laws of England, whose registered office is at 8th Floor, 100 Bishopsgate, London EC2N 4AG, England (the **Trustee**, which expression shall, wherever the context so admits, include such company and all other persons or companies for the time being the trustee or trustees of these presents) as trustee for the Noteholders, Receiptholders and the Couponholders (each as defined below).

WHEREAS:

- (A) **UU**, United Utilities Electricity Limited (as it was known whilst it remained part of the United Utilities group) (**UUE**) (under its then name of **NORWEB plc**), North West Water Finance PLC (**NWW**), **UUW** (under its then name of North West Water Limited) as guarantor of Notes issued by **NWW** and the Trustee entered into a Trust Deed dated 13th October, 1998 and two trust deeds supplemental thereto dated 5th October, 1999 and 4th October, 2000 (the **Existing Trust Deeds**) relating to a U.S.\$3,000,000,000 (now GBP10,000,000,000) Euro Medium Term Note Programme established by the Issuers and **NWW**.
- (B) **UU**, **UUE**, **UUW** and the Trustee entered into an Amended and Restated Trust Deed dated 4th October, 2001 (the **2001 Amended and Restated Trust Deed**) which amended and restated the Existing Trust Deeds.
- (C) Under the 2001 Amended and Restated Trust Deed **UUW** became a party to these presents as an issuer of Notes under the Programme and **NWW** was removed as an Issuer of Notes under the Programme.
- (D) **UU**, **UUE**, **UUW** and the Trustee entered into an Amended and Restated Trust Deed dated 4th October, 2002 (the **2002 Amended and Restated Trust Deed**) which amended and restated the 2001 Amended and Restated Trust Deed.
- (E) **UU**, **UUE**, **UUW** and the Trustee entered into an Amended and Restated Trust Deed dated 3rd October, 2003 (the **2003 Amended and Restated Trust Deed**) which amended and restated the 2002 Amended and Restated Trust Deed.
- (F) **UU**, **UUE**, **UUW** and the Trustee entered into an Amended and Restated Trust Deed dated 23rd November, 2005 (the **2005 Amended and Restated Trust Deed**) which amended and restated the 2003 Amended and Restated Trust Deed.

- (G) UU, UUE, UUW and the Trustee entered into an Amended and Restated Trust Deed dated 23rd November, 2006 (the **2006 Amended and Restated Trust Deed**) which amended and restated the 2005 Amended and Restated Trust Deed.
- (H) UU, UUW and the Trustee entered into an Amended and Restated Trust Deed dated 20th November, 2007 (the **2007 Amended and Restated Trust Deed**) which amended and restated the 2006 Amended and Restated Trust Deed. UUE ceased to be an Issuer under the Programme on such date.
- (I) UU, UUW and the Trustee entered into an Amended and Restated Trust Deed dated 14th November, 2008 (the **2008 Amended and Restated Trust Deed**) which amended and restated the 2007 Amended and Restated Trust Deed.
- (J) UU, UUW and the Trustee entered into an Amended and Restated Trust Deed dated 12th November, 2010 (the **2010 Amended and Restated Trust Deed**) which amended and restated the 2008 Amended and Restated Trust Deed.
- (K) UU, UUW and the Trustee entered into an Amended and Restated Trust Deed dated 19th November, 2012 (the **2012 Amended and Restated Trust Deed**) which amended and restated the 2010 Amended and Restated Trust Deed.
- (L) UU, UUW and the Trustee entered into an Amended and Restated Trust Deed dated 21st November, 2013 (the **2013 Amended and Restated Trust Deed**) which amended and restated the 2012 Amended and Restated Trust Deed.
- (M) UU, UUW, UUWF and the Trustee entered into an Amended and Restated Trust Deed dated 21 November 2014 (the **2014 Amended and Restated Trust Deed**) which amended and restated the 2013 Amended and Restated Trust Deed.
- (N) UU, UUW, UUWF and the Trustee entered into an Amended and Restated Trust Deed dated 15 November 2016 (the **2016 Amended and Restated Trust Deed**) which amended and restated the 2014 Amended and Restated Trust Deed.
- (O) UU, UUW, UUWF and the Trustee entered into an Amended and Restated Trust Deed dated 26 November 2021 (the **2021 Amended and Restated Trust Deed**) which amended and restated the 2016 Amended and Restated Trust Deed.
- (P) The parties hereto have determined to amend and restate the 2021 Amended and Restated Trust Deed in the manner hereinafter appearing in relation to issues of Notes made under the Programme on and after the date hereof other than any such issues which are to be consolidated and form a single series with any Series of Notes issued prior to the date hereof.
- (Q) By resolutions of the Board of Directors of UU dated 26th May, 1998, 25th September, 2001, 24th September, 2002, 30th September, 2003, 22nd February, 2005, 28th February, 2006, 27th March, 2007, 1st April, 2008, 27th April, 2010, 28th April, 2011, 9th May, 2012, 2nd May, 2013 and 30th April, 2014, 26th April 2016, 4 May 2021 and 29 April 2022 and of the financing committee of the Board of Directors of UU dated 5th October, 1998 and of the Treasury Committee of the Board of Directors of UU dated 17th November, 2006 and by written resolutions made on behalf of, and with authority of, the Treasury Committee of the Board of Directors of UU dated 15th November, 2007, 11th November, 2008, 5th November, 2010 and 7th November, 2011 and by power of attorney given by the Board of Directors dated 2nd May, 2013, 30th April, 2014, 26th April 2016, 4 May 2021 and 29 April 2022 and by resolutions of the Board of Directors of UUWF dated 13th November, 2014, 26th April 2016, 4 May 2021 and 29 April 2022 and by power of attorney given by the Board of Directors dated 26th April 2016, 4 May 2021 and 29 April 2022 each of them has resolved to establish a single Euro Medium Term Note Programme pursuant to which each of them may from

time to time issue Notes as set out herein. Notes up to a maximum nominal amount (calculated in accordance with Clause 3.5 of the Programme Agreement (as defined below)) from time to time outstanding of GBP 10,000,000,000 (subject to increase as provided in the Programme Agreement) (the **Programme Limit**) may be issued pursuant to the said Programme.

- (R) By resolutions of the Board of Directors of the Guarantor dated 29th April 2014, 26th April 2016, 27 April 2021, and 26 April 2022 and by power of attorney given by the Board of Directors dated 29th April 2014, 26th April 2016, 27 April 2021 and 26 April 2022 the Guarantor has resolved to guarantee all Notes issued by UUWF under the said Programme.
- (S) The Trustee has agreed to act as trustee of these presents for the benefit of the Noteholders, the Receiptholders and the Couponholders upon and subject to the terms and conditions of these presents.

NOW THIS TRUST DEED WITNESSES AND IT IS AGREED AND DECLARED as follows:

1. DEFINITIONS

- 1.1 In these presents unless there is anything in the subject or context inconsistent therewith the following expressions shall have the following meanings:

Agency Agreement means the amended and restated agreement dated 26 November, 2021, as amended and/or supplemented and/or restated from time to time, pursuant to which the Issuers and the Guarantor have appointed the Principal Paying Agent, the Registrar, the Transfer Agent and the other Paying Agents in relation to all or any Series of the Notes and any other agreement for the time being in force appointing further or other Paying Agents or Transfer Agents or another Principal Paying Agent or Registrar in relation to all or any Series of the Notes, or in connection with their duties, the terms of which have previously been approved in writing by the Trustee, 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;

Appointee means any attorney, manager, agent, delegate, nominee, custodian, receiver or other person appointed by the Trustee under these presents;

Auditors means the independent auditors for the time being of the relevant Issuer or, as the case may be, the Guarantor or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of these presents, such other firm of accountants or such financial advisers as may be nominated by the relevant Issuer and approved by the Trustee or, failing such nomination and/or approval, as may be nominated by the Trustee, in each case for the purposes of these presents;

Bearer Global Note means a Temporary Bearer Global Note and/or a Permanent Bearer Global Note, as the context may require;

Bearer Notes means those of the Notes which are for the time being in bearer form;

Calculation Agent means, in relation to all or any Series of the Notes, the person initially appointed as calculation agent in relation to such Notes by the relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor pursuant to the Agency Agreement or, if applicable, any Successor calculation agent in relation to all or any Series of the Notes;

CGN means a Temporary Bearer Global Note or a Permanent Bearer Global Note and in either case in respect of which the applicable Final Terms indicate is not a New Global Note;

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

Conditions means, in relation to the Notes of any Series, the terms and conditions endorsed on or incorporated by reference into the Note or Notes constituting such Series, such terms and conditions being in or substantially in the form set out in Schedule 1 or in such other form, having regard to the terms of the Notes of the relevant Series, as may be agreed between the relevant Issuer, the Trustee and the relevant Dealer(s) as completed by the applicable Final Terms, as from time to time modified in accordance with the provisions of these presents;

Coupon means an interest coupon appertaining to a definitive Bearer Note (other than a Zero Coupon Note in bearer form), such coupon being:

- (a) if appertaining to a Fixed Rate Note, in the form or substantially in the form set out in Part 5 of Schedule 2 or in such other form, having regard to the terms of issue of the Notes of the relevant Series, as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s); or
- (b) if appertaining to a Floating Rate Note or an Index Linked Note, in the form or substantially in the form set out in Part 5 of Schedule 2 or in such other form, having regard to the terms of issue of the Notes of the relevant Series, as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s); or
- (c) if appertaining to a definitive Bearer Note which is neither a Fixed Rate Note, a Floating Rate Note nor an Index Linked Note, in such form as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s),

and includes, where applicable, the Talon(s) appertaining thereto and any replacements for Coupons and Talons issued pursuant to Condition 13;

Couponholders means the several persons who are for the time being holders of the Coupons and includes, where applicable, the Talonholders;

CPI means the UK Consumer Price Index (for all items) published by the Office for National Statistics (2015 = 100), or any comparable index which may replace the UK Consumer Price Index for the purpose of calculating the amount payable;

CPIH means the UK Consumer Price Index including owner occupier's housing costs (for all items) published by the Office for National Statistics (2015 = 100), or any comparable index which may replace UK Consumer Price Index including owner occupier's housing costs for the purpose of calculating the amount payable;

Dealers means Bank of China Limited, London Branch, Barclays Bank PLC, Bayerische Landesbank, BNP Paribas, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, Mizuho International plc, MUFG Securities EMEA plc, NatWest Markets Plc, RBC Europe Limited, The Toronto-Dominion Bank and any other entity which the relevant Issuer and the Guarantor may appoint as a Dealer and notice of whose appointment has been given to the Principal Paying Agent and the Trustee by the relevant Issuer in accordance with the provisions of the Programme Agreement but excluding any entity whose appointment has been terminated in accordance with the provisions of the Programme Agreement and notice of such termination has been given to the Principal Paying Agent and the Trustee by the relevant Issuer in accordance with the provisions of the Programme Agreement and references to a **relevant Dealer** or **relevant Dealer(s)** mean, in relation to any Tranche or Series of Notes, the Dealer or Dealers with whom the relevant Issuer has agreed the issue of the Notes of such Tranche or Series and **Dealer** means any one of them;

Definitive Bearer Note means a Bearer Note in definitive form issued or, as the case may require, to be issued by the relevant Issuer in accordance with the provisions of the Programme Agreement or any other agreement between the relevant Issuer and the relevant Dealer(s) in relation to the Programme in exchange for either a Temporary Bearer Global Note or part thereof or a Permanent Bearer Global Note (all as indicated in the applicable Final Terms), such Bearer Note in definitive form being in the form or substantially in the form set out in Part 3 of Schedule 2 with such modifications (if any) as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s) and having the Conditions endorsed thereon or, if permitted by the relevant Stock Exchange, incorporating the Conditions by reference (where applicable to this Trust Deed) as indicated in the applicable Final Terms and having the relevant information supplementing, replacing or modifying the Conditions appearing in the applicable Final Terms endorsed thereon or attached thereto and (except in the case of a Zero Coupon Note in bearer form) having Coupons and, where appropriate, Receipts and/or Talons attached thereto on issue;

Definitive Note means a Definitive Bearer Note and/or, as the context may require, a Definitive Registered Note;

Definitive Registered Note means a Registered Note in definitive form issued or, as the case may require, to be issued by the relevant Issuer in accordance with the provisions of the Programme Agreement or any other agreement between the relevant Issuer and the relevant Dealer(s), the Agency Agreement and these presents either on issue or in exchange for a Registered Global Note or part thereof (all as indicated in the applicable Final Terms), such Registered Note in definitive form being in the form or substantially in the form set out in Part 8 of Schedule 2 with such modifications (if any) as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s) and having the Conditions endorsed thereon or, if permitted by the relevant Stock Exchange, incorporating the Conditions by reference (where applicable to this Trust Deed) as indicated in the applicable Final Terms and having the relevant information supplementing, replacing or modifying the Conditions appearing in the applicable Final Terms endorsed thereon or attached thereto and having a Form of Transfer endorsed thereon;

Early Redemption Amount has the meaning ascribed thereto in Condition 9.6;

Euroclear means Euroclear Bank SA/NV;

Eurosystem-eligible NGN means a NGN which is intended to be held in a manner which would allow Eurosystem eligibility, as stated in the applicable Final Terms;

Event of Default means any of the conditions, events or acts provided in Condition 12.1 to be events upon the happening of which the Notes of any Series would, subject only to notice by the Trustee as therein provided, become immediately due and repayable;

Extraordinary Resolution has the meaning ascribed thereto in paragraph 1 of Schedule 3;

Final Terms has the meaning set out in the Programme Agreement;

Fixed Rate Note means a Note on which interest is calculated at a fixed rate payable in arrear on a fixed date or fixed dates in each year and on redemption or on such other dates as may be agreed between the relevant Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms);

Floating Rate Note means a Note on which interest is calculated at a floating rate payable one-, two-, three-, six- or twelve-monthly or in respect of such other period or on such date(s) as may be agreed between the relevant Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms);

Form of Transfer means the form of transfer endorsed on a Definitive Registered Note in the form or substantially in the form set out in Part 8 of Schedule 2;

Global Note means a Temporary Bearer Global Note and/or a Permanent Bearer Global Note and/or a Registered Global Note, as the context may require;

Index Linked Note means a Note in respect of which the amount payable in respect of interest and principal is calculated by reference to RPI, CPI or CPIH as the relevant Issuer and the relevant Dealer(s) may agree (as indicated in the applicable Final Terms);

Interest Commencement Date means, in the case of interest-bearing Notes, the date specified in the applicable Final Terms from (and including) which such Notes bear interest, which may or may not be the Issue Date;

Interest Payment Date means, in relation to any Floating Rate Note or Index Linked Note, either:

- (a) the date which falls the number of months or other period specified as the **Interest Period** in the applicable Final Terms after the preceding Interest Payment Date or the Interest Commencement Date (in the case of the first Interest Payment Date); or
- (b) such date or dates as are indicated in the applicable Final Terms;

Issue Date means, in respect of any Note, the date of issue and purchase of such Note pursuant to and in accordance with the Programme Agreement or any other agreement between the relevant Issuer and the relevant Dealer(s), being in the case of any Definitive Note represented initially by a Global Note, the same date as the date of issue of the Global Note which initially represented such Note;

Issue Price means the price, generally expressed as a percentage of the nominal amount of the Notes, at which the Notes will be issued;

Liability means any loss, damage, 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;

London Business Day has the meaning set out in Condition 6.2(f);

London Stock Exchange means the London Stock Exchange plc or such other body to which its functions have been transferred;

Material Subsidiary has the meaning ascribed thereto in Condition 12.2;

Maturity Date means the date on which a Note is expressed to be redeemable;

month means a calendar month;

NGN means a Temporary Bearer Global Note or a Permanent Bearer Global Note and in either case in respect of which the applicable Final Terms indicates is a New Global Note;

Non-eligible NGN means a NGN which is not intended to be held in a manner which would allow Eurosystem eligibility, as stated in the applicable Final Terms;

Note means a note issued pursuant to the Programme and denominated in such currency or currencies as may be agreed between the relevant Issuer and the relevant Dealer(s) which has such

maturity and denomination as may be agreed between the relevant Issuer and the relevant Dealer(s) and issued or to be issued by the relevant Issuer pursuant to the Programme Agreement or any other agreement between the relevant Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and these presents and which shall, in the case of Bearer Notes, initially be represented by, and comprised in, either (a) a Temporary Bearer Global Note which may (in accordance with the terms of such Temporary Bearer Global Note) be exchanged for Definitive Bearer Notes or a Permanent Bearer Global Note which Permanent Bearer Global Note may (in accordance with the terms of such Permanent Bearer Global Note) in turn be exchanged for Definitive Bearer Notes or (b) a Permanent Bearer Global Note which may (in accordance with the terms of such Permanent Bearer Global Note) be exchanged for Definitive Bearer Notes (all as indicated in the applicable Final Terms) and which may, in the case of Registered Notes, either be in definitive form or be represented by, and comprised in, one or more Registered Global Notes each of which may (in accordance with the terms of such Registered Global Note) be exchanged for Definitive Registered Notes or another Registered Global Note (all as indicated in the applicable Final Terms) and includes any replacements for a Note (whether a Bearer Note or a Registered Note, as the case may be) issued pursuant to Condition 13;

Noteholders means the several persons who are for the time being holders of outstanding Notes (being, in the case of Bearer Notes, the bearers thereof and, in the case of Registered Notes, the several persons whose names are entered in the register of holders of the Registered Notes as the holders thereof) save that, in respect of the Notes of any Series, for so long as such Notes or any part thereof are represented by a Global Note deposited with a common depository (in the case of a CGN) or common safekeeper (in the case of a NGN) for Euroclear and Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an accountholder of Euroclear and Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg) as the holder of a particular nominal amount of the Notes of such Series shall be deemed to be the holder of such nominal amount of such Notes (and the holder of the relevant Global Note shall be deemed not to be the holder) for all purposes of these presents other than with respect to the payment of principal or interest on such nominal amount of such Notes, the rights to which shall be vested, as against the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) and the Trustee, solely in such common depository or common safekeeper and for which purpose such common depository or common safekeeper shall be deemed to be the holder of such nominal amount of such Notes in accordance with and subject to its terms and the provisions of these presents and the expressions **Noteholder**, **holder** and **holder of Notes** and related expressions shall be construed accordingly;

notice means, in respect of a notice to be given to Noteholders, a notice validly given pursuant to Condition 16;

Official List has the meaning given in Section 103 of the Financial Services and Markets Act 2000;

outstanding means, in relation to the Notes of all or any Series, all the Notes of such Series issued other than:

- (a) those Notes which have been redeemed pursuant to these presents;
- (b) those Notes in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest payable thereon) have been duly paid to the Trustee or to the Principal Paying Agent in the manner provided in the Agency Agreement (and, where appropriate, notice to that effect has been given to the relative Noteholders in accordance with Condition 16) and remain available for payment against presentation of the relevant Notes and/or Coupons;

- (c) those Notes which have been purchased and cancelled in accordance with Conditions 9.7 and 9.8;
- (d) those Notes which have become void under Condition 11;
- (e) those mutilated or defaced Notes which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Condition 13;
- (f) (for the purpose only of ascertaining the nominal amount of the Notes outstanding and without prejudice to the status for any other purpose of the relevant Notes) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacement notes have been issued pursuant to Condition 13; and
- (g) any Global Note to the extent that it shall have been exchanged for Definitive Notes or another Global Note pursuant to its provisions, the provisions of these presents and the Agency Agreement,

PROVIDED THAT for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of the holders of the Notes of any Series or an Extraordinary Resolution in writing;
- (ii) the determination of how many and which Notes of any Series are for the time being outstanding for the purposes of Clause 9.1, Conditions 12 and 17 and paragraphs 4, 7, 8 and 12 of Schedule 3;
- (iii) any discretion, power or authority (whether contained in these presents or vested by operation of law) which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the holders of the Notes of any Series; 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 holders of the Notes of any Series,

those Notes of the relevant Series (if any) which are for the time being held by or on behalf of the relevant Issuer, the Guarantor, any Subsidiary or holding company of the relevant Issuer or the Guarantor or any other Subsidiary of any such holding company, in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

Paying Agents means, in relation to all or any Series of the Notes, the several institutions (including, where the context permits, the Principal Paying Agent) at their respective specified offices initially appointed as paying agents in relation to such Notes by the relevant Issuer and the Guarantor and pursuant to the Agency Agreement and/or, if applicable, any Successor paying agents at their respective specified offices in relation to all or any Series of the Notes;

Permanent Bearer Global Note means a global note in the form or substantially in the form set out in Part 2 of Schedule 2 with such modifications (if any) as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s), together with the copy of the applicable Final Terms annexed thereto, comprising some or all of the Bearer Notes of the same Series, issued by the relevant Issuer pursuant to the Programme Agreement or any other agreement between the relevant Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and these presents either on issue or in exchange for the whole or part of any Temporary Bearer Global Note issued in respect of such Bearer Notes or on issue;

Potential Event of Default means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Event of Default;

Principal Paying Agent means, in relation to all or any Series of the Notes, Citibank, N.A., London Branch at its office at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB or, if applicable, any Successor principal paying agent in relation to all or any Series of the Notes;

Programme means the Euro Medium Term Note Programme established by, or otherwise contemplated in, the Programme Agreement;

Programme Agreement means the amended and restated agreement of even date herewith between the Issuers, the Guarantor and the Dealers named therein concerning the purchase of Notes to be issued pursuant to the Programme together with any agreement for the time being in force amending, replacing, novating or modifying such agreement and any accession letters and/or agreements supplemental thereto;

Receipt means a receipt attached on issue to a Definitive Bearer Note redeemable in instalments for the payment of an instalment of principal, such receipt being in the form or substantially in the form set out in Part 4 of Schedule 2 or in such other form as may be agreed between the Issuer, the Agent, the Trustee and the relevant Dealer(s) and includes any replacements for Receipts issued pursuant to Condition 13;

Receiptholders means the several persons who are for the time being holders of the Receipts;

Reference Banks means (i) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market; (ii) in the case of a determination of TIBOR, the principal Tokyo office of four major banks in the Tokyo inter-bank market; (iii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market; (iv) in the case of a determination of PRIBOR, the principal Prague office of four major banks in the Prague inter-bank market; (v) in the case of a determination of CDOR, the principal Toronto office of four major banks in the Canadian inter-bank market; and (vi) in the case of a determination of BBSW, the principal Sydney office in the Australian inter-bank market, in each case selected by the Principal Paying Agent;

Registered Global Note means a registered global note in the form or substantially in the form set out in Part 7 of Schedule 2 with such modifications (if any) as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s), together with the copy of the applicable Final Terms annexed thereto, comprising some or all of the Registered Notes of the same Series sold to non-US persons outside the United States in reliance on Regulation S under the Securities Act, issued by the relevant Issuer pursuant to the Programme Agreement or any other agreement between the relevant Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and these presents;

Registered Notes means those of the Notes which are for the time being in registered form;

Registrar means, in relation to all or any Series of the Registered Notes, Citibank, N.A., London Branch at its office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB or, if applicable, any Successor registrar in relation to all or any Series of the Notes;

Relevant Date has the meaning set out in Condition 10;

repay, redeem and pay shall each include both the others and cognate expressions shall be construed accordingly;

RPI means the UK Retail Prices Index (for all items) published by the Office for National Statistics (January 1987 = 100) or any comparable index which may replace the UK Retail Prices Index for the purpose of calculating the amount payable;

Securities Act means the United States Securities Act of 1933, as amended;

Series means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices and the expressions **Notes of the relevant Series, holders of Notes of the relevant Series** and related expressions shall be construed accordingly;

Specified Time means (i) in the case of a determination of EURIBOR, 11:00am (Brussels time); (ii) in the case of a determination of TIBOR, 11:00am (Tokyo time); (iii) in the case of a determination of HIBOR, 11:00am (Hong Kong time); (iv) in the case of a determination of PRIBOR, 11:00am (Prague time); (v) in the case of a determination of CDOR, 10:00am (Toronto time); or (vi) in the case of a determination of BBSW, 10:10am (Sydney time);

Stock Exchange means the London Stock Exchange, or any other or further stock exchange(s) on which any Notes may from time to time be listed, and references in these presents to the **relevant Stock Exchange** shall, in relation to any Notes, be references to the Stock Exchange on which such Notes are, from time to time, or are intended to be, listed;

Subsidiary means any company which is for the time being a subsidiary within the meaning of Section 1159 of the Companies Act 2006 or a subsidiary undertaking (within the meaning of Section 1162 of the Companies Act 2006);

Successor means, in relation to the Principal Paying Agent, the other Paying Agents, the Registrar, the Transfer Agent and the Calculation Agent, any successor to any one or more of them in relation to the Notes which shall become such pursuant to the provisions of these presents and/or the Agency Agreement (as the case may be) and/or such other or further principal paying agent, paying agents, reference banks, registrar, transfer agents or calculation agent (as the case may be) in relation to the Notes as may (with the prior approval of, and on terms previously approved by, the Trustee in writing) from time to time be appointed as such, and/or, if applicable, such other or further specified offices (in the case of the Principal Paying Agent and the Registrar being within the same city as those for which they are substituted) as may from time to time be nominated, in each case by the relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor, and (except in the case of the initial appointments and specified offices made under and specified in the Conditions and/or the Agency Agreement, as the case may be) notice of whose appointment or, as the case may be, nomination has been given to the Noteholders;

Talontholders means the several persons who are for the time being holders of the Talons;

Talons means the talons (if any) appertaining to, and exchangeable in accordance with the provisions therein contained for further Coupons appertaining to, the Definitive Bearer Notes (other than the Zero Coupon Notes in bearer form), such talons being in the form or substantially in the form set out in Part 5 of Schedule 2 or in such other form as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s) and includes any replacements for Talons issued pursuant to Condition 13;

Temporary Bearer Global Note means a temporary bearer global note in the form or substantially in the form set out in Part 1 of Schedule 2 with such modifications (if any) as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s), together with the copy of the applicable Final Terms annexed thereto, comprising some or all of the Bearer Notes of the same Series, issued by the relevant Issuer pursuant to the Programme Agreement or any other agreement between the relevant Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and these presents;

these presents means this Amended and Restated Trust Deed and the Schedules and any trust deed supplemental hereto and the Schedules (if any) thereto and the Notes, the Receipts, the Coupons, the Talons, the Conditions and, unless the context otherwise requires, the Final Terms, all as from time to time modified in accordance with the provisions herein or therein contained;

Tranche means all Notes which are identical in all respects (including as to listing);

Transfer Agents means, in relation to all or any Series of the Registered Notes, the several institutions at their respective specified offices initially appointed as transfer agents in relation to such Notes by the relevant Issuer and the Guarantor pursuant to the Agency Agreement and/or, if applicable, any Successor transfer agents at their respective specified offices in relation to all or any Series of the Notes;

Trust Corporation means a corporation entitled by rules made under the Public Trustee Act 1906 of Great Britain or entitled pursuant to any other comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee;

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

Zero Coupon Note means a Note on which no interest is payable;

words denoting the singular shall include the plural and vice versa;

words denoting one gender only shall include the other genders; and

words denoting persons only shall include firms and corporations and vice versa.

- 1.2
- (a) All references in these presents to principal and/or principal amount and/or interest in respect of the Notes or to any moneys payable by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor under these presents shall, unless the context otherwise requires, be construed in accordance with Condition 8.7.
 - (b) All references in these presents to any statute or any 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 any such modification or re-enactment.
 - (c) All references in these presents to guarantees or to an obligation being guaranteed shall be deemed to include respectively references to indemnities or to an indemnity being given in respect thereof.
 - (d) All references in these presents to any action, remedy or method of proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than England, references to such action, remedy or method of proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as

shall most nearly approximate to such action, remedy or method of proceeding described or referred to in these presents.

- (e) All references in these presents to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits (but not in the case of any NGN), be deemed to include references to any successor operator and/or successor clearing system and/or any additional or alternative clearing system specified in the applicable Final Terms or otherwise approved by the Trustee, the relevant Issuer and the Principal Paying Agent. All references in these presents to the common depositary shall, whenever the context so permits, be deemed to include references to any successor common depositary or any additional or alternative common depositary as is approved by the relevant Issuer, the Principal Paying Agent and the Trustee. All references in these presents to the common safekeeper shall, whenever the context so permits, be deemed to include references to any successor common safekeeper or any additional or alternative common safekeeper as is approved by the relevant Issuer, the Principal Paying Agent and the Trustee.
- (f) Unless the context otherwise requires words or expressions used in these presents shall bear the same meanings as in the Companies Act 2006 of Great Britain.
- (g) In this Trust Deed references to Schedules, Clauses, sub-clauses, paragraphs and sub-paragraphs shall be construed as references to the Schedules to this Trust Deed and to the Clauses, sub-clauses, paragraphs and sub-paragraphs of this Trust Deed respectively.
- (h) All references in these presents involving compliance by the Trustee with a test of reasonableness shall be deemed to include a reference to a requirement that such reasonableness shall be determined by reference primarily to the interests of the holders of the Notes of the relevant one or more Series as a class and in the event of any conflict between such interests and the interests of any other person, the former shall prevail as being paramount.
- (i) In these presents tables of contents and Clause headings are included for ease of reference and shall not affect the construction of these presents.
- (j) The **records** of Euroclear and Clearstream, Luxembourg shall be to the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customers' interest in the Notes.

1.3 Words and expressions defined in these presents or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used herein unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and these presents, these presents shall prevail and, in the event of inconsistency between the Agency Agreement or these presents and the applicable Final Terms, the applicable Final Terms shall prevail.

1.4 Subject to the provisions of Condition 5, all references in these presents to the **relevant currency** shall be construed as references to the currency in which payments in respect of the Notes and/or Receipts and/or Coupons of the relevant Series are to be made as indicated in the applicable Final Terms.

1.5 All references in these presents to Notes being **listed** or **having a listing** shall, (i) in relation to the London Stock Exchange, be construed to mean that such Notes have been admitted to the Official List maintained by the Financial Conduct Authority in its capacity as competent authority and admitted to trading on the London Stock Exchange's main market and (ii) in relation to any Stock Exchange within the European Economic Area, be construed to mean that such Notes have been

admitted to trading on a market within that jurisdiction which is a regulated market for the purpose of the Markets in Financial Instruments Directive (Directive 2014/65/EU) (the **Markets in Financial Instruments Directive**), and all references in these presents to **listing** or **listed** shall include references to **quotation** and **quoted**, respectively to the extent applicable to the Notes.

2. AMOUNT AND ISSUE OF THE NOTES

2.1 Amount of the Notes, Final Terms and Legal Opinions

The Notes will be issued in Series in an aggregate nominal amount from time to time outstanding not exceeding the Programme Limit from time to time and for the purpose of determining such aggregate nominal amount Clause 3.5 of the Programme Agreement shall apply.

By not later than 3.00 p.m. (London time) on the second London Business Day preceding each proposed Issue Date, the relevant Issuer shall deliver or cause to be delivered to the Trustee a copy of the applicable Final Terms and drafts of all legal opinions to be given in relation to the relevant issue and shall notify the Trustee in writing without delay of the relevant Issue Date and the nominal amount of the Notes to be issued. Upon the issue of the relevant Notes, such Notes shall become constituted by these presents without further formality.

On such occasions as the Trustee so requests (on the basis that the Trustee considers it necessary in view of a change (or proposed change) in applicable law affecting the relevant Issuer or, as the case may be, the Guarantor, these presents, the Programme Agreement or the Agency Agreement or the Trustee has other reasonable grounds), the relevant Issuer or, as the case may be, the Guarantor will procure that (a) further legal opinion(s) (relating, if applicable, to any such change or proposed change) in such form and with such content as the Trustee may require from the legal advisers specified in the Programme Agreement or such other legal advisers as the Trustee may require is/are delivered to the Trustee. Whenever such a request is made with respect to any Notes to be issued, the receipt of such opinion in a form satisfactory to the Trustee shall be a further condition precedent to the issue of those Notes.

2.2 Covenant to repay principal and to pay interest

The relevant Issuer covenants with the Trustee that it will, as and when the Notes of any Series or any of them or any instalment of principal in respect thereof becomes due to be redeemed, in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in the relevant currency in immediately available funds the principal amount in respect of the Notes of such Series or the amount of such instalment becoming due for redemption on that date and (except in the case of Zero Coupon Notes) shall (subject to the provisions of the Conditions) in the meantime and until redemption in full of the Notes of such Series (both before and after any judgment or other order of a court of competent jurisdiction) unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid interest (which shall accrue from day to day) on the nominal amount of the Notes outstanding of such Series at rates and/or in amounts calculated from time to time in accordance with, or specified in, and on the dates provided for in, the Conditions (subject to Clause 2.4) **PROVIDED THAT:**

- (a) every payment of principal or interest or other sum due in respect of the Notes made to or to the order of the Principal Paying Agent in the manner provided in the Agency Agreement shall be in satisfaction *pro tanto* of the relative covenant by the relevant Issuer in this Clause contained in relation to the Notes of such Series except to the extent that there is a default in the subsequent payment thereof in accordance with the Conditions to the relevant Noteholders, Receiptholders or Couponholders (as the case may be);

- (b) in the case of any payment of principal which is not made to the Trustee or the Principal Paying Agent on or before the due date or which is so made on or after accelerated maturity following an Event of Default, interest shall (subject, where applicable, as provided in the Conditions) continue to accrue on the nominal amount of the relevant Notes (except in the case of Zero Coupon Notes to which the provisions of Condition 9.9 shall apply) (both before and after any judgment or other order of a court of competent jurisdiction) at the rates aforesaid up to and including the date which the Trustee determines to be the date on and after which payment is to be made in respect thereof as stated in a notice given to the holders of such Notes (such date to be not later than 30 days after the day on which the whole of such principal amount, together with an amount equal to the interest which has accrued and is to accrue pursuant to this proviso up to and including that date, has been received by the Trustee or the Principal Paying Agent); and
- (c) in any case where payment of the whole or any part of the principal amount of any Note is improperly withheld or refused upon due presentation thereof (other than in circumstances contemplated by (ii) above) interest shall accrue on the nominal amount of such Note (except in the case of Zero Coupon Notes to which the provisions of Condition 9.9 shall apply) payment of which has been so withheld or refused (both before and after any judgment or other order of a court of competent jurisdiction) at the rates aforesaid from the date of such withholding or refusal until the date on which, upon further presentation of the relevant Note, payment of the full amount (including interest as aforesaid) in the relevant currency payable in respect of such Note is made or (if earlier) the seventh day after notice is given to the relevant Noteholder(s) (whether individually or in accordance with Condition 16) that the full amount (including interest as aforesaid) in the relevant currency in respect of such Note is available for payment, provided that, upon further presentation thereof being duly made, such payment is made.

The Trustee will hold the benefit of this covenant on trust for the Noteholders, the Receiptholders and the Couponholders and itself in accordance with these presents.

2.3 Trustee's requirements regarding Paying Agents etc

At any time after an Event of Default or a Potential Event of Default shall have occurred or the Notes of all or any Series shall otherwise have become due and repayable or the Trustee shall have received any money which it proposes to pay under Clause 10 to the relevant Noteholders, Receiptholders and/or Couponholders, the Trustee may:

- (a) by notice in writing to the relevant Issuer, the Guarantor, the Principal Paying Agent, the Registrar, the Transfer Agent and the other Paying Agents require the Principal Paying Agent, the Registrar, the Transfer Agent and the other Paying Agents pursuant to the Agency Agreement:
 - (i) to act thereafter as Principal Paying Agent, Registrar, Transfer Agent and other Paying Agents respectively of the Trustee in relation to payments to be made by or on behalf of the Trustee under the terms of these presents *mutatis mutandis* on the terms provided in the Agency Agreement (save that the Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Principal Paying Agent, Registrar, Transfer Agent and the other Paying Agents shall be limited to the amounts for the time being held by the Trustee on the trusts of these presents relating to the Notes of the relevant Series and available for such purpose) and thereafter to hold all Notes, Receipts and Coupons and all sums, documents and records held by them in respect of Notes, Receipts and Coupons on behalf of the Trustee; or

(ii) to deliver up all Notes, Receipts and Coupons and all sums, documents and records held by them in respect of Notes, Receipts and Coupons to the Trustee or as the Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any documents or records which the Principal Paying Agent, the Registrar, the Transfer Agent or relevant other Paying Agent is obliged not to release by any law or regulation; and

(b) by notice in writing to the relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor require each of them to make all subsequent payments in respect of the Notes, Receipts and Coupons to or to the order of the Trustee and not to the Principal Paying Agent and, with effect from the issue of any such notice to the relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor and until such notice is withdrawn, paragraph (a) of Clause 2.2 relating to the Notes shall cease to have effect.

2.4 If the Floating Rate Notes or Index Linked Notes of any Series become immediately due and repayable under Condition 12 the rate and/or amount of interest payable in respect of them will be calculated by the Calculation Agent at the same intervals as if such Notes had not become due and repayable, the first of which will commence on the expiry of the Interest Period during which the Notes of the relevant Series become so due and repayable *mutatis mutandis* in accordance with the provisions of Condition 6 except that the rates of interest need not be published.

2.5 Currency of payments

All payments in respect of, under and in connection with these presents and the Notes of any Series to the relevant Noteholders, Receiptholders and Couponholders shall be made in the relevant currency.

2.6 Further Notes

The relevant Issuer shall be at liberty from time to time (but subject always to the provisions of these presents) without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further Notes (whether in bearer or registered form) having terms and conditions the same as the Notes or the same in all respects save for the date from which interest thereon accrues and the amount of the first payment of interest on such further Notes) and so that the same shall be consolidated and form a single series with the outstanding Notes of a particular Series.

2.7 Separate Series

The Notes of each Series shall form a separate Series of Notes and accordingly, unless for any purpose the Trustee in its absolute discretion shall otherwise determine, the provisions of this Clause and of Clauses 3 to 23 (both inclusive), 24.2 and Schedule 3 shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses and Schedule the expressions **Notes, Noteholders, Receipts, Receiptholders, Coupons, Couponholders, Talons and Talonholders** shall be construed accordingly.

2.8 Without prejudice to its continuing obligations in relation to outstanding Notes issued by it, from the 20th November, 2007 UUE ceased to be an Issuer under the Programme. It was agreed as recorded in the 2007 Amended and Restated Trust Deed that, notwithstanding the amendment and restatement of the 2006 Amended and Restated Trust Deed, UUE shall remain bound by the provisions of the 2006 Amended and Restated Trust Deed in respect of all outstanding Notes issued by it.

3. FORMS OF THE NOTES

3.1 Bearer Global Notes

- (a) The Bearer Notes of each Tranche will be represented on issue by either a single Temporary Bearer Global Note or a single Permanent Bearer Global Note, as indicated in the applicable Final Terms. Each Temporary Bearer Global Note shall be exchangeable for either Definitive Bearer Notes together with, where applicable, Receipts and (except in the case of Zero Coupon Notes in bearer form) Coupons and, where applicable, Talons attached, or a Permanent Bearer Global Note in each case in accordance with the provisions of such Temporary Bearer Global Note. Each Permanent Bearer Global Note shall be exchangeable for Definitive Bearer Notes together with, where applicable, Receipts and (except in the case of Zero Coupon Notes in bearer form) Coupons and, where applicable, Talons attached, in accordance with the provisions of such Permanent Bearer Global Note. All Bearer Global Notes shall be prepared, completed and delivered to a common depositary (in the case of a CGN) or common safekeeper (in the case of a NGN) for Euroclear and Clearstream, Luxembourg in accordance with the provisions of the Programme Agreement or to another appropriate depositary in accordance with any other agreement between the relevant Issuer and the relevant Dealer(s) and, in each case, the Agency Agreement.
- (b) Each Temporary Bearer Global Note shall be printed or typed in the form or substantially in the form set out in Part 1 of Schedule 2 and may be a facsimile. Each Temporary Bearer Global Note shall have annexed thereto a copy of the applicable Final Terms and shall be signed manually or in facsimile by a person duly authorised by the relevant Issuer on behalf of the relevant Issuer and shall be authenticated by or on behalf of the Principal Paying Agent and shall, in the case of a Eurosystem-eligible NGN or in the case of a Non-eligible NGN in respect of which the relevant Issuer has notified the Principal Paying Agent that effectuation is to be applicable, be effectuated by the common safekeeper acting on the instructions of the Principal Paying Agent. Each Temporary Bearer Global Note so executed and authenticated shall be a binding and valid obligation of the relevant Issuer and title thereto shall pass by delivery.
- (c) Each Permanent Bearer Global Note shall be printed or typed in the form or substantially in the form set out in Part 2 of Schedule 2 and may be a facsimile. Each Permanent Bearer Global Note shall have annexed thereto a copy of the applicable Final Terms and shall be signed manually or in facsimile by a person duly authorised by the relevant Issuer on behalf of the relevant Issuer and shall be authenticated by or on behalf of the Principal Paying Agent and shall, in the case of a Eurosystem-eligible NGN or in the case of a Non-eligible NGN in respect of which the relevant Issuer has notified the Principal Paying Agent that effectuation is to be applicable, be effectuated by the common safekeeper acting on the instructions of the Principal Paying Agent. Each Permanent Bearer Global Note so executed and authenticated shall be a binding and valid obligation of the relevant Issuer and title thereto shall pass by delivery.

3.2 Registered Global Notes

- (a) The Registered Notes of each Tranche will initially be represented by a Registered Global Note deposited with a common depositary for, and registered in the name of a nominee of such common depositary for, Euroclear and Clearstream, Luxembourg.
- (b) Registered Global Notes shall be exchangeable and transferable only in accordance with, and subject to, the provisions of the Registered Global Notes and the Agency Agreement and the rules and operating procedures for the time being of Euroclear and Clearstream, Luxembourg.
- (c) Each Registered Global Note shall be printed or typed in the form or substantially in the form set out in Part 7 of Schedule 2 and may be a facsimile. Each Registered Global Note shall have annexed thereto a copy of the applicable Final Terms and shall be signed manually or in facsimile by a person

duly authorised by the relevant Issuer on behalf of the relevant Issuer and shall be authenticated by or on behalf of the Registrar. Each Registered Global Note so executed and authenticated shall be a binding and valid obligation of the relevant Issuer.

3.3 Definitive Bearer Notes and Definitive Registered Notes

- (a) The Definitive Bearer Notes, the Receipts, the Coupons and the Talons shall be to bearer in the respective forms or substantially in the respective forms set out in Parts 3, 4, 5 and 6, respectively, of Schedule 2. The Definitive Bearer Notes, the Receipts, the Coupons and the Talons shall be serially numbered and, if listed or quoted, shall be security printed in accordance with the requirements (if any) from time to time of the relevant Stock Exchange and the relevant Conditions shall be incorporated by reference (where applicable to these presents) into such Definitive Bearer Notes if permitted by the relevant Stock Exchange (if any), or, if not so permitted, the Definitive Bearer Notes shall be endorsed with or have attached thereto the relevant Conditions, and, in either such case, the Definitive Bearer Notes shall have endorsed thereon or attached thereto a copy of the applicable Final Terms (or the relevant provisions thereof). Title to the Definitive Bearer Notes, the Receipts, the Coupons and the Talons shall pass by delivery.
- (b) The Definitive Registered Notes shall be in registered form and shall be issued in the form or substantially in the form set out in Part 8 of Schedule 2, shall be serially numbered, shall be endorsed with a legend and a Form of Transfer and, if listed or quoted, shall be security printed in accordance with the requirements (if any) from time to time of the relevant Stock Exchange and the relevant Conditions may be incorporated by reference (where applicable to these presents) into such Definitive Registered Notes unless not permitted by the relevant Stock Exchange (if any), or, if not so permitted, the Definitive Registered Notes shall be endorsed with or have attached thereto the Conditions, and, in either such case, the Definitive Registered Notes shall have endorsed thereon or attached thereto a copy of the applicable Final Terms (or the relevant provisions thereof). Title to the Definitive Registered Notes shall pass upon the registration of transfers in the register kept by the Registrar in respect thereof in accordance with the provisions of the Agency Agreement and these presents.
- (c) The Definitive Notes shall be signed manually or in facsimile by a person duly authorised by the relevant Issuer on behalf of the relevant Issuer and shall be authenticated by or on behalf of the Principal Paying Agent (in the case of the Definitive Bearer Notes) or the Registrar (in the case of the Definitive Registered Notes). The Definitive Notes so executed and authenticated, and the Receipts, the Coupons and Talons, upon execution and authentication of the relevant Definitive Notes, shall be binding and valid obligations of the relevant Issuer. The Receipts, the Coupons and the Talons shall not be signed. No Definitive Bearer Note and none of the Receipts, Coupons or Talons appertaining to such Definitive Bearer Note shall be binding or valid until such Definitive Bearer Note shall have been executed and authenticated as aforesaid. No Bearer Note may be exchanged for a Registered Note or vice versa.

3.4 Facsimile signatures

The relevant Issuer may use the facsimile signature of any person who at the date such signature is affixed to a Note is duly authorised by the relevant Issuer notwithstanding that at the time of issue of any of the Notes he may have ceased for any reason to be so authorised.

3.5 Persons to be treated as Noteholders

Except as ordered by a court of competent jurisdiction or as required by law, the relevant Issuer, the Guarantor, the Trustee, the Principal Paying Agent, the Registrar, the Transfer Agent and the other Paying Agents (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notation of ownership or writing thereon or notice of any previous loss or theft

thereof) may (a) for the purpose of making payment thereon or on account thereof deem and treat the bearer of any Bearer Global Note, Definitive Bearer Note, Receipt, Coupon or Talon and the registered holder of any Registered Global Note or Definitive Registered Note as the absolute owner thereof and of all rights thereunder free from all encumbrances, and shall not be required to obtain proof of such ownership or as to the identity of the bearer, or, as the case may be, the registered holder and (b) for all other purposes deem and treat:

- (a) the bearer of any Definitive Bearer Note, Receipt, Coupon, Talon or the registered holder of any Definitive Registered Note; and
- (b) each person for the time being shown in the records of Euroclear or Clearstream, Luxembourg as having a particular nominal amount of Notes credited to his securities account,

as the absolute owner thereof and of all rights thereunder free from all encumbrances and shall not be required to obtain proof of such ownership (other than, in the case of any person for the time being so shown in such records, a certificate or letter of confirmation signed on behalf of Euroclear or Clearstream, Luxembourg or any other form of record made by any of them) or as to the identity of the bearer of any Bearer Global Note, Definitive Bearer Note, Receipt, Coupon or Talon or of the registered holder of any Registered Global Note or Definitive Registered Note.

3.6 Certificates of Euroclear and Clearstream, Luxembourg

Without prejudice to the provisions of Clause 16(t) or 16(x), the relevant Issuer, the Guarantor and the Trustee may call for and, except in the case of manifest error, shall be at liberty to accept and place full reliance on as sufficient evidence thereof a certificate or letter of confirmation issued on behalf of Euroclear or Clearstream, Luxembourg or any form of record made by either of them or such other form of evidence and/or information and/or certification as it shall, in its absolute discretion, think fit 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 the holder of a particular nominal amount of Notes represented by a Global Note and, if it does so rely, such letter of confirmation, form of record, evidence, information or certification shall be conclusive and binding on all concerned. Neither the Issuers 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 Euroclear or Clearstream, Luxembourg and subsequently found to be forged or not authentic.

4. FEES, DUTIES AND TAXES

The relevant Issuer, failing whom (where the relevant Issuer is UUWF) the Guarantor, will pay any stamp, issue, registration, documentary and other fees, duties and taxes, including interest and penalties, payable on or in connection with (a) the execution and delivery of these presents, (b) the constitution and original issue of the Notes, the Receipts and the Coupons and (c) any action taken by or on behalf of the Trustee or (where permitted under these presents so to do) any Noteholder, Receiptholder or Couponholder to enforce, or to resolve any doubt concerning, or for any other purpose in relation to, these presents.

5. COVENANT OF COMPLIANCE

Each of the relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor severally covenants with the Trustee that it will comply with and perform and observe all the provisions of these presents which are expressed to be binding on it. The Conditions shall be binding on the relevant Issuer, (where the relevant Issuer is UUWF) the Guarantor, the Noteholders, the Receiptholders and the Couponholders. The Trustee shall be entitled to enforce the obligations of the

relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor under the Notes, the Receipts and the Coupons as if the same were set out and contained in this Trust Deed, which shall be read and construed as one document with the Notes, the Receipts and the Coupons. The Trustee shall hold the benefit of this covenant upon trust for itself and the Noteholders, the Receiptholders and the Couponholders according to its and their respective interests.

6. CANCELLATION OF NOTES AND RECORDS

6.1 The relevant Issuer shall procure that all Notes issued by it which are (a) redeemed or (b) purchased and surrendered for cancellation by or on behalf of the relevant Issuer, the Guarantor or any Subsidiary of the relevant Issuer or the Guarantor or (c) which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 13 (together in each case, in the case of Definitive Bearer Notes, with all unmatured Receipts and Coupons attached thereto or delivered therewith) and all relative Receipts and Coupons paid in accordance with the relevant Conditions or which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 13 shall forthwith be cancelled by or on behalf of the relevant Issuer and a certificate stating:

- (a) the aggregate principal amount of Notes which have been redeemed and the aggregate amounts in respect of Receipts and Coupons which have been paid;
- (b) the serial numbers of such Notes in definitive form and Receipts distinguishing between Bearer Notes and Registered Notes;
- (c) the total numbers (where applicable, of each denomination) by maturity date of such Receipts and Coupons;
- (d) the aggregate amount of interest paid (and the due dates of such payments) on Global Notes and/or on Definitive Registered Notes;
- (e) the aggregate nominal amount of Notes (if any) which have been purchased by or on behalf of the relevant Issuer, the Guarantor or any Subsidiary of the relevant Issuer or the Guarantor and cancelled and the serial numbers of such Notes in definitive form and, in the case of Definitive Bearer Notes, the total number (where applicable, of each denomination) by maturity date of the Receipts, Coupons and Talons attached thereto or surrendered therewith;
- (f) the aggregate nominal amounts of Notes and Receipts and the aggregate amounts in respect of Coupons which have been so surrendered and replaced and the serial numbers of such Notes in definitive form and the total number (where applicable, of each denomination) by maturity date of such Coupons and Talons;
- (g) the total number (where applicable, of each denomination) by maturity date of the unmatured Coupons missing from Definitive Bearer Notes bearing interest at a fixed rate which have been redeemed or surrendered and replaced and the serial numbers of the Definitive Bearer Notes to which such missing unmatured Coupons appertained; and
- (h) the total number (where applicable, of each denomination) by maturity date of Talons which have been exchanged for further Coupons

shall be given to the Trustee by or on behalf of the relevant Issuer as soon as possible and in any event within four months after the date of such redemption, purchase, payment, exchange or replacement (as the case may be). The Trustee may accept such certificate as conclusive evidence of redemption, purchase or replacement *pro tanto* of the Notes or payment of interest thereon or exchange of the relative Talons respectively and of cancellation of the relative Notes and Coupons.

6.2 The relevant Issuer shall procure (a) that the Principal Paying Agent shall keep a full and complete record of all Notes, Receipts, Coupons and Talons issued by it (other than serial numbers of Receipts and Coupons) and of their redemption, purchase by or on behalf of the relevant Issuer or any Subsidiary of the relevant Issuer and of all replacement notes, receipts, coupons or talons issued in substitution for lost, stolen, mutilated, defaced or destroyed Notes, Receipts, Coupons or Talons (b) that the Principal Paying Agent shall in respect of the Coupons of each maturity retain (in the case of Coupons other than Talons) until the expiry of 10 years from the Relevant Date in respect of such Coupons and (in the case of Talons indefinitely) either all paid or exchanged Coupons of that maturity or a list of the serial numbers of Coupons of that maturity still remaining unpaid or unexchanged and (c) that such records and Coupons (if any) shall be made available to the Trustee at all reasonable times.

7. **GUARANTEE**

7.1 The Guarantor hereby irrevocably and unconditionally and notwithstanding the release of any other guarantor or any other person under the terms of any composition or arrangement with any creditors of UUWF or any other Subsidiary of the Guarantor, guarantees to the Trustee:

(a) the due and punctual payment in accordance with the provisions of these presents of the principal, premium (if any) and interest on all Notes issued by UUWF and of any other amounts payable by UUWF under these presents; and

(b) the due and punctual performance and observance by UUWF of each of the other provisions of these presents to be performed or observed by UUWF.

7.2 As between the Guarantor and the Trustee, the Noteholders, the Receiptholders and the Couponholders, but without affecting UUWF's obligations, the Guarantor will be liable under this Clause 7 as if it were the sole principal debtor and not merely a surety (but without affecting the nature of UUWF's obligations) to the intent that the holder of the relevant Note, Receipt or Coupon or the Trustee (as the case may be) shall receive the same amounts in respect of principal, interest or such other amount as would have been receivable had such payments been made by UUWF.

7.3 The Guarantor's obligations under these presents are and will remain in full force and effect by way of continuing security until no sum remains payable under these presents. Furthermore, those obligations of the Guarantor are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise. The Guarantor irrevocably waives all diligence, presentment, demand of payment, filing of claims with a court in the event of dissolution, liquidation, merger or bankruptcy of UUWF and all notices and demands whatsoever.

7.4 So long as any sum remains payable under these presents, any right of the Guarantor, by reason of performance of any of its obligations under this Clause 7, to be indemnified by UUWF or to take the benefit of or to enforce any security or other guarantee or indemnity will be exercised and enforced by the Guarantor only in such manner and on such terms as the Trustee may require or approve.

7.5 If any payment received by the Trustee or any Noteholder, Receiptholder or Couponholder pursuant to the provisions of these presents is, on the subsequent bankruptcy or insolvency of UUWF or, without limitation, on any other event, avoided or set aside for any reason, such payment will not be considered as having discharged or diminished the liability of the Guarantor and this guarantee will continue to apply as if such payment had at all times remained owing by UUWF and the Guarantor shall indemnify the Trustee and the Noteholders and/or Receiptholders and/or Couponholders (as the case may be) in respect thereof.

- 7.6 If any moneys become payable by the Guarantor under this guarantee, UUWF will not (except in the event of the liquidation of UUWF) so long as any such moneys remain unpaid, pay any moneys for the time being due from UUWF to the Guarantor.
- 7.7 If any moneys become payable by the Guarantor under this guarantee, the Guarantor shall not, so long as any such moneys remain unpaid, without the prior written consent of the Trustee:
- (a) in respect of any amounts paid or payable by it under this guarantee, exercise any rights of subrogation or contribution or, without limitation, any other right or remedy which may accrue to it in respect of or as a result of any such payment or any such obligation to make such payment; or
 - (b) in respect of any other moneys for the time being due to the Guarantor by UUWF, claim payment thereof or exercise any other right or remedy;
- (including in either case claiming the benefit of any security or right of set-off, contribution or, on the liquidation of UUWF, proving in competition with the Trustee). If, notwithstanding the foregoing, upon the bankruptcy, insolvency or liquidation of UUWF any payment or distribution of assets of UUWF of any kind or character, whether in cash, property or securities, shall be received by the Guarantor before payment in full of all amounts payable under these presents shall have been made to the relevant Noteholders, Receiptholders or Couponholders and the Trustee, such payment or distribution shall be received by the Guarantor on trust for, and pay the same over immediately to, the Trustee for application in or towards the payment of all sums due and unpaid under these presents in accordance with Clause 10 on the basis that Clause 10 does not apply separately and independently to each Series of Notes, save that nothing in this Clause 7.7 shall operate so as to create any charge by the Guarantor over any such payment or distribution.
- 7.8 Until all amounts which may be or become payable by UUWF under these presents have been irrevocably paid in full, the Trustee may:
- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Trustee in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise), and the Guarantor shall not be entitled to the benefit of the same; and
 - (b) hold in a suspense account any moneys received from the Guarantor or on account of the Guarantor's liability under this guarantee, without liability to pay interest on those moneys.
- 7.9 The obligations of the Guarantor under these presents constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank *pari passu* with all other outstanding unsecured obligations and unsubordinated obligations of the Guarantor, present and future, from time to time outstanding.
- 7.10 The Guarantor unconditionally and irrevocably agrees that any sum expressed to be payable by UUWF under these presents but which is for any reason (whether or not now known or becoming known to UUWF, the Guarantor, the Trustee or any Noteholder, Receiptholder or Couponholder) not recoverable from the Guarantor on the basis of a guarantee then (a) it will nevertheless be recoverable from it as if it were the sole principal debtor and will be paid by it to the Trustee on demand; and (b) the Guarantor agrees, as a primary obligation, to indemnify each of the Trustee, each Noteholder, each Receiptholder and each Couponholder in respect of such sum by way of a full indemnity in the manner and currency as is provided for in the Notes, the Receipts, the Coupons or these presents (as the case may be) and to indemnify each Noteholder, each Receiptholder and each Couponholder against all losses, claims, costs, charges and expenses to which it may be subject or which it may reasonably incur in recovering such sums. This indemnity constitutes a separate and

independent obligation from the other obligations in these presents, gives rise to a separate and independent cause of action and will apply irrespective of any indulgence granted by the Trustee or any Noteholder, Receiptholder or Couponholder.

- 7.11 Without prejudice to the provisions of Clause 9.1, the Trustee may determine from time to time whether or not it will enforce this guarantee which it may do without making any demand of or taking any proceedings against UUWF and may from time to time make any arrangement or compromise with the Guarantor in relation to this guarantee which the Trustee may consider expedient in the interests of the Noteholders, Receiptholders or Couponholders.
- 7.12 The Guarantor hereby agrees that its obligations under this clause shall be unconditional and that the Guarantor shall be fully liable irrespective of the validity, regularity, legality or enforceability against UUWF of, or of any defence or counter-claim whatsoever available to UUWF in relation to, its obligations under these presents, whether or not any action has been taken to enforce the same or any judgment obtained against UUWF, whether or not any of the other provisions of these presents have been modified, whether or not any time, indulgence, waiver, authorisation or consent has been granted to UUWF by or on behalf of the Noteholders, the Receiptholders or the Couponholders or the Trustee, whether or not any determination has been made by the Trustee pursuant to Clause 19.1, whether or not there have been any dealings or transactions between UUWF, any of the Noteholders, the Receiptholders or Couponholders or the Trustee, whether or not UUWF has been dissolved, liquidated, merged, consolidated, bankrupted or has changed its status, functions, control or ownership and whether or not any other circumstances have occurred which might otherwise constitute a legal or equitable discharge of or defence to a guarantor. Accordingly the validity of this guarantee shall not be affected by reason of any invalidity, irregularity, illegality or unenforceability of all or any of the obligations of UUWF under these presents and this guarantee shall not be discharged nor shall the liability of the Guarantor under these presents be affected by any act, thing or omission or means whatever whereby its liability would not have been discharged if it had been the principal debtor.

8. NON-PAYMENT

- 8.1 Proof that as regards any specified Note, Receipt or Coupon the relevant Issuer or (where the Issuer is UUWF) the Guarantor has made default in paying any amount due in respect of such Note, Receipt or Coupon shall (unless the contrary be proved) be sufficient evidence that the same default has been made as regards all other Notes, Receipts or Coupons (as the case may be) in respect of which the relevant amount is due and payable.
- 8.2 References in paragraphs (b) and (c) of Clause 2.2 and the provisions of any trust deed supplemental to this Trust Deed corresponding to paragraphs (b) and (c) to Clause 2.2 to **the rates aforesaid** shall, in the event of the Notes having become immediately due and repayable, with effect from the expiry of the interest period during which such Notes become due and repayable, be construed as references to rates of interest calculated *mutatis mutandis* in accordance with the Conditions except that no notices need be published in respect thereof.

9. PROCEEDINGS, ACTION AND INDEMNIFICATION

- 9.1 The Trustee shall not be bound to take any proceedings mentioned in Condition 12 or any other action in relation to these presents unless respectively directed or requested to do so (a) by an Extraordinary Resolution or (b) in writing by the holders of at least one-quarter in aggregate amount of the Notes then outstanding and in either case then only if it shall be indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing, including the costs of its management's time and/or other internal resources, calculated using its normal hourly rates in force from time to time.

- 9.2 Only the Trustee may enforce the provisions of these presents. No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor to enforce the performance of any of the provisions of these presents unless the Trustee having become bound as aforesaid to take proceedings fails to do so within a reasonable period and such failure is continuing.

10. APPLICATION OF MONEYS

All moneys received by the Trustee under these presents from the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor (including any moneys which represent principal or interest in respect of Notes, Receipts or Coupons which have become void under Condition 11) shall, unless and to the extent attributable, in the opinion of the Trustee, to a particular Series of the Notes issued by the relevant Issuer, be apportioned *pari passu* and rateably between each Series of the Notes issued by the relevant Issuer, and all moneys received by the Trustee under these presents from the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor to the extent attributable in the opinion of the Trustee to a particular Series of the Notes issued by the relevant Issuer or which are apportioned to such Series as aforesaid, be held by the Trustee upon trust to apply them (subject to Clause 12):

FIRST in payment or satisfaction of all amounts then due and unpaid under Clauses 15 and/or 16(j) to the Trustee and/or any Appointee;

SECONDLY in or towards payment *pari passu* and rateably of all principal and interest then due and unpaid in respect of the Notes of that Series;

THIRDLY in or towards payment *pari passu* and rateably of all principal and interest then due and unpaid in respect of the Notes of each other Series issued by the relevant Issuer; and

FOURTHLY in payment of the balance (if any) to the relevant Issuer (without prejudice to, or liability in respect of, any question as to how such payment to the relevant Issuer shall be dealt with as between the relevant Issuer, (where the relevant Issuer is UUWF) the Guarantor and any other person).

Without prejudice to this Clause 10, if the Trustee holds any moneys which represent principal or interest in respect of Notes issued by the relevant Issuer which have become void or in respect of which claims have been prescribed under Condition 11, the Trustee will hold such moneys on the above trusts.

11. NOTICE OF PAYMENTS

The Trustee shall give notice to the relevant Noteholders in accordance with Condition 16 of the day fixed for any payment to them under Clause 10. Such payment may be made in accordance with Condition 8 and any payment so made shall be a good discharge to the Trustee.

12. INVESTMENT BY TRUSTEE

- 12.1 The Trustee may at its discretion and pending payment invest moneys at any time available for the payment of principal and interest on the Notes in some or one of the investments hereinafter authorised for such periods as it may consider expedient with power from time to time at the like discretion to vary such investments and to accumulate such investments and the resulting interest and other income derived therefrom. The accumulated investments shall be applied under Clause 10. All interest and other income deriving from such investments shall be applied first in payment or satisfaction of all amounts then due and unpaid under Clause 15 to the Trustee and/or any Appointee

and otherwise held for the benefit of and paid to the Noteholders or holders of the related Receipts and/or Coupons, as the case may be.

- 12.2 Any moneys which under the trusts of these presents ought to or may be invested by the Trustee may be invested in the name or under the control of the Trustee in any investments or other assets in any part of the world, in each case authorised by English law for the investment by the trustees of trust moneys whether or not they produce income or by placing the same on deposit 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. If that bank or institution is the Trustee or a Subsidiary, holding or associated company of the Trustee, it need only account for an amount of interest equal to the amount of interest which would, at then current rates, be payable by it on such a deposit to an independent customer. The Trustee may at any time vary any such investments for or into other investments authorised as referred to above or convert any moneys so deposited into any other currency and shall not be responsible for any loss resulting from any such investments or deposits, whether due to depreciation in value, fluctuations in exchange rates or otherwise.

13. PARTIAL PAYMENTS

Upon any payment under Clause 10 (other than payment in full against surrender of a Note, Receipt or Coupon) the Note, Receipt or Coupon in respect of which such payment is made shall be produced to the Trustee, the Paying Agent or the Registrar by or through whom such payment is made and the Trustee shall or shall cause the Paying Agent or, as the case may be, such Registrar to enface thereon a memorandum of the amount and the date of payment but the Trustee may in any particular case or generally in relation to Registered Notes dispense with such production and enfacement upon such indemnity being given as it shall think sufficient.

14. COVENANTS BY THE ISSUERS AND THE GUARANTOR

Each of the relevant Issuers and the Guarantor severally covenants with the Trustee that, so long as any of the Notes remains outstanding (or, in the case of paragraphs (g), (h), (l), (m), (o) and (p) below, so long as any of such Notes or the relative Receipts or Coupons remains liable to prescription or, in the case of paragraph (n) below, until the expiry of a period of 30 days after the Relevant Date) it shall:

- (a) give or procure to be given to the Trustee such opinions, certificates and information as it shall require and in such form as it shall require (including without limitation the procurement of all such certificates called for by the Trustee pursuant to Clause 16(c)) for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in it under these presents or by operation of law;
- (b) prepare and cause to be certified by its Auditors in respect of each financial accounting period accounts in such form as will comply with all relevant legal and accounting requirements and all requirements for the time being of the relevant Stock Exchange;
- (c) at all times keep proper books of account and allow the Trustee and any person appointed by the Trustee to whom the relevant Issuer or the Guarantor shall have no reasonable objection free access to such books of account at all reasonable times during normal business hours;
- (d) send to the Trustee (in addition to any copies to which it may be entitled as a holder of any securities of that Issuer or Guarantor) one electronic copy in English of every balance sheet, profit and loss account, report, circular and notice of general meeting and every other document issued or sent to its shareholders together with any of the foregoing, and every document issued or sent to holders of securities other than its shareholders (including the Noteholders) as soon as practicable after the issue or publication thereof;

- (e) forthwith give notice in writing to the Trustee of the coming into existence of any security interest which would require any security to be given to the Notes pursuant to Condition 4 or upon becoming aware of the occurrence of any Event of Default or any Potential Event of Default;
- (f) give to the Trustee (i) within seven days after demand by the Trustee therefor and (ii) (without the necessity for any such demand) promptly after the publication of its audited accounts in respect of each financial year commencing with the financial year ending 31st March, 2023 and in any event not later than 180 days after the end of each such financial year a certificate signed by one Director or duly authorised signatory of the relevant Issuer and one Director or duly authorised signatory of the Guarantor, to the effect that as at a date not more than seven days before delivering such certificate (the **relevant certification date**) there did not exist and had not existed since the relevant certification date of the previous certificate (or in the case of the first such certificate the date hereof) any Event of Default or any Potential Event of Default (or if such exists or existed specifying the same);
- (g) at all times execute and do all such further documents, acts and things as may be necessary at any time or times in the reasonable opinion of the Trustee for the purpose of discharging its functions under, or giving effect to, these presents;
- (h) at all times maintain a Principal Paying Agent and other Paying Agents and (whilst any Registered Notes are outstanding) a Registrar and (whilst any Registered Notes are outstanding) a Transfer Agent in accordance with the Conditions;
- (i) use all reasonable endeavours to procure the Principal Paying Agent to notify the Trustee forthwith in the event that it does not, on or before the due date for any payment in respect of the Notes issued by it or any of them or any of the relative Receipts or Coupons, receive unconditionally pursuant to the Agency Agreement payment of the full amount in the requisite currency of the moneys payable on such due date on all such Notes, Receipts or Coupons as the case may be;
- (j) 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 or any of the relative Receipts or Coupons being made after the due date for payment thereof forthwith give or procure to be given notice to the relevant Noteholders in accordance with Condition 16 that such payment has been made;
- (k) use all reasonable endeavours to maintain the listing on the relevant Stock Exchange of those of the Notes which are listed on the relevant Stock Exchange or, if it is unable to do so having used such endeavours, use all reasonable endeavours to obtain and maintain a quotation or listing of such Notes issued by it on such other stock exchange or exchanges or securities market or markets as the relevant Issuer may (with the prior written approval of the Trustee) decide and shall also upon obtaining a quotation or listing of such Notes issued by it on such other stock exchange or exchanges or securities market or markets enter into a trust deed supplemental to this Trust Deed to effect such consequential amendments to these presents as the Trustee may require or as shall be requisite to comply with the requirements of any such stock exchange or securities market;
- (l) give notice to the Noteholders in accordance with Condition 16 of any appointment, resignation or removal of any Principal Paying Agent, Calculation Agent, Registrar, Transfer Agent or other Paying Agent (other than the appointment of the initial Principal Paying Agent, Calculation Agent, Registrar, Transfer Agent and other Paying Agents) after having obtained the prior written approval of the Trustee thereto or any change of any Paying Agent's, Registrar's or Transfer Agent's specified office and (except as provided by the

Agency Agreement or the Conditions) at least 30 days prior to such event taking effect; **PROVIDED ALWAYS THAT** so long as any of the Notes remains liable to prescription in the case of the termination of the appointment of the Principal Paying Agent no such termination shall take effect until a new Principal Paying Agent has been appointed on terms previously approved in writing by the Trustee;

- (m) obtain the prior written approval of the Trustee to, and promptly give to the Trustee two copies of, the form of every notice given to the holders of any Notes issued by it in accordance with Condition 16 (such approval, unless so expressed, not to constitute approval of any such notice for the purposes of Section 21 of the Financial Services and Markets Act 2000 of the United Kingdom of a communication within the meaning of such Section);
- (n) if the relevant Issuer or the Guarantor shall become subject generally to the taxing jurisdiction of any territory or any political sub-division or any authority therein or thereof having power to tax other than or in addition to the United Kingdom or any political sub-division or any authority therein or thereof having power to tax, immediately upon becoming aware thereof notify the Trustee of such event and (unless the Trustee otherwise agrees) enter forthwith into a trust deed supplemental to this Trust Deed, giving to the Trustee an undertaking or covenant in form and manner satisfactory to the Trustee in terms corresponding to the terms of Condition 10 with the substitution for (or, as the case may be, the addition to) the references therein to the United Kingdom or any political sub-division thereof or any authority therein or thereof having power to tax of references to that other or additional territory or any political sub-division thereof or any authority therein or thereof having power to tax to whose taxing jurisdiction the relevant Issuer or the Guarantor shall have become subject generally as aforesaid such trust deed also (where applicable) to modify Condition 9.2 so that such Condition shall make reference to the other or additional territory, any political sub-division thereof and any authority therein or thereof having power to tax;
- (o) comply with and perform all its obligations under the Agency Agreement and use all reasonable endeavours to procure that the Principal Paying Agent, the Registrar, the Transfer Agent and the other Paying Agents comply with and perform all their respective obligations thereunder and any notice given by the Trustee pursuant to Clause 2.3(a) and not make any amendment or modification to such Agreement without the prior written approval of the Trustee;
- (p) in order to enable the Trustee to ascertain the nominal amount of the Notes of each Series issued by the relevant Issuer for the time being outstanding for any of the purposes referred to in the proviso to the definition of **outstanding** in Clause 1, deliver to the Trustee as soon as practicable upon being so requested in writing by the Trustee a certificate in writing signed by one Director or duly authorised signatory of the relevant Issuer or the Guarantor, setting out the total number and aggregate nominal amount of the Notes of each Series issued which:
 - (i) up to and including the date of such certificate have been purchased by the relevant Issuer, the Guarantor, any Subsidiary or holding company of the relevant Issuer or the Guarantor or any other Subsidiary of such holding company and cancelled; and
 - (ii) are at the date of such certificate held by, for the benefit of, or on behalf of, the relevant Issuer, the Guarantor, any Subsidiary or holding company of the relevant Issuer or the Guarantor or any other Subsidiary of such holding company;
- (q) procure its Subsidiaries to comply with all applicable provisions of Condition 9.7;

- (r) use all reasonable endeavours to procure that:
 - (i) each of the Paying Agents, the Transfer Agent and the Registrar make available for inspection by Noteholders, Receiptholders and Couponholders at its specified office copies of these presents, the Agency Agreement, the applicable Final Terms and the then latest audited balance sheet and profit and loss account (consolidated if applicable) of the relevant Issuer and the Guarantor;
 - (ii) the relevant Paying Agent and the Registrar provide by email to a Noteholder following their prior written request and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent or Registrar, as the case may be) a copy of these presents, the Agency Agreement and the applicable Final Terms.
- (s) if, in accordance with the provisions of the Conditions, interest in respect of the Notes becomes payable at the specified office of any Paying Agent in the United States of America promptly give notice thereof to the relative Noteholders in accordance with Condition 16;
- (t) give to the Trustee at the same time as sending to it the certificates referred to in paragraph (f) above, a certificate by the Auditors listing those Subsidiaries of the relevant Issuer and the Guarantor which as at the relevant certification date (as defined in paragraph (f) above) of the relevant certificate given under paragraph (f) above or, as the case may be, as at the last day of the most recently ended financial period of the relevant Issuer and the Guarantor were Material Subsidiaries for the purposes of Condition 12 and so that any certificate given under this paragraph may be relied upon by the Trustee whether or not it is addressed to the Trustee, whether or not it contains any limit on liability (monetary or otherwise) of the Auditors and whether or not it is given in conjunction with an engagement letter;
- (u) give to the Trustee, as soon as reasonably practicable after the acquisition or disposal of any company which thereby becomes or ceases to be a Material Subsidiary or after any transfer is made to any Subsidiary of the relevant Issuer or the Guarantor which thereby becomes a Material Subsidiary, a certificate by the Auditors to such effect and so that any certificate given under this paragraph may be relied upon by the Trustee whether or not it is addressed to the Trustee, whether or not it contains any limit on liability (monetary or otherwise) of the Auditors and whether or not it is given in conjunction with an engagement letter;
- (v) give prior notice to the Trustee of any proposed redemption pursuant to Condition 9.2, 9.3 or 9.4 and, if it shall have given notice to the Noteholders of its intention to redeem any Notes pursuant to Condition 9.3, duly proceed to make drawings (if appropriate) and to redeem Notes accordingly; and
- (w) use all reasonable endeavours to procure that Euroclear and/or Clearstream, Luxembourg (as the case may be) issue(s) any record, certificate or other document requested by the Trustee under Clause 16(t) and 16(x) or otherwise as soon as practicable after such request.

15. REMUNERATION AND INDEMNIFICATION OF TRUSTEE

- 15.1 The relevant Issuer shall pay to the Trustee remuneration for its services as trustee of these presents such amount as shall be agreed from time to time in writing between the relevant Issuer and the Trustee. Such remuneration shall accrue from day to day and be payable (in priority to payments to Noteholders, Receiptholders and Couponholders) 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 of any Note, Receipt or Coupon or any cheque payment of the moneys due in

respect thereof is improperly withheld or refused, remuneration will commence again to accrue until payment to such Noteholder, Receipholder or Couponholder is duly made.

- 15.2 In the event of the occurrence of an Event of Default or a Potential Event of Default or the Trustee considering it expedient or necessary or being requested by the relevant Issuer or the Guarantor to undertake duties which the Trustee and the relevant Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under these presents the relevant 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).
- 15.3 The relevant Issuer shall in addition pay to the Trustee an amount equal to the amount of any value added tax or similar tax properly chargeable on any supply to which its remuneration under these presents relates.
- 15.4 In the event of the Trustee and the relevant Issuer failing to agree:
- (a) (in a case to which Clause 15.1 above applies) upon the amount of the remuneration; or
 - (b) (in a case to which Clause 15.2 above applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under these presents, or upon such additional remuneration,

such matters shall be determined by an investment bank or other person (acting as an expert and not as an arbitrator) selected by the Trustee and approved by the relevant 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 investment bank or other person being payable by the relevant Issuer) and the determination of any such person shall be final and binding upon the Trustee and the relevant Issuer.

- 15.5 The relevant Issuer shall, on written request, also pay or discharge all Liabilities properly 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, these presents, including but not limited to properly incurred travelling expenses and any stamp, issue, properly incurred legal costs, 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, these presents.
- 15.6 All amounts payable pursuant to Clause 15.5 above and/or Clause 16(j) shall be payable by the relevant Issuer on the date specified in a demand by the Trustee and in the case of payments actually made by the Trustee prior to such demand shall (if not paid within three days after such demand and the Trustee so requires) carry interest at the rate of two per cent. per annum above the Base Rate from time to time of National Westminster Bank Plc from the date specified in such demand, and in all other cases shall (if not paid on the date specified in such demand or, if later, within three days after such demand and, in either case, the Trustee so requires) carry interest at such rate from the date specified in such demand. All remuneration payable to the Trustee shall carry interest at such rate from the due date therefor.
- 15.7 Unless otherwise specifically stated in any discharge of these presents the provisions of this Clause and Clause 16(j) shall continue in full force and effect notwithstanding such discharge.
- 15.8 The Trustee shall be entitled in its absolute discretion to determine in respect of which Series of Notes any Liabilities incurred under these presents have been incurred or to allocate any such Liabilities between the Notes of any Series.

15.9 All payments to be made by the relevant Issuer or the Guarantor to the Trustee under these presents shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within any relevant jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor, as the case may be, shall pay such additional amount as will, after such deduction or withholding has been made, leave the Trustee with the full amount which would have been received by it had no such withholding or deduction been required.

16. SUPPLEMENT TO TRUSTEE ACTS

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by these presents. Where there are any inconsistencies between the Trustee Acts and the provisions of these presents, the provisions of these presents shall, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of these presents shall constitute a restriction or exclusion for the purposes of that Act. The Trustee shall have all the powers conferred upon trustees by the Trustee Acts and by way of supplement thereto it is expressly declared as follows:

- (a) The Trustee may in relation to these presents act or rely on the advice or opinion of or any information (whether addressed to the Trustee or not) obtained from any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert whether obtained by the relevant Issuer, the Guarantor, the Trustee or otherwise and shall not be responsible for any Liability occasioned by so acting. The Trustee may rely without liability to Noteholders, Receiptholders or Couponholders on any certificate or report prepared by the Auditors pursuant to the Conditions and/or the Trust Deed whether or not addressed to the Trustee.
- (b) Any such advice, opinion, certificate or information may be sent or obtained by letter, facsimile transmission or electronic mail and the Trustee shall not be liable for acting in good faith on any advice, opinion, certificate or information purporting to be conveyed by any such letter, facsimile transmission or electronic mail although the same shall contain some error or shall not be authentic.
- (c) The Trustee may call for and shall be at liberty to accept as sufficient evidence of any fact or matter or the expediency of any transaction or thing a certificate signed by one Director or duly authorised signatory of the relevant Issuer and/or the Guarantor and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by it or any other person acting on such certificate.
- (d) The Trustee shall be at liberty to hold these presents and any other documents relating thereto or to deposit them in any part of the world with any banker or banking company or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Trustee to be of good repute and the Trustee shall not be responsible for or required to insure against any Liability incurred in connection with any such holding or deposit and may pay all sums required to be paid on account of or in respect of any such deposit.
- (e) The Trustee shall not be responsible for the receipt or application of the proceeds of the issue of any of the Notes by the relevant Issuer, the exchange of any Global Note for another Global Note or Definitive Notes or the delivery of any Global Note or Definitive Notes to the person(s) entitled to it or them.
- (f) The Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in these presents or to monitor the financial performance

of the Issuers or to take any steps to ascertain whether any Event of Default or any Potential Event of Default has occurred and, until it shall have actual knowledge or express notice pursuant to these presents to the contrary, the Trustee shall be entitled to assume that no Event of Default or Potential Event of Default has occurred and that each of the Issuer(s) and the Guarantor is/are observing and performing all its/their obligations under these presents.

- (g) Save as expressly otherwise provided in these presents, the Trustee shall have absolute and uncontrolled discretion as to the exercise or non-exercise of its trusts, powers, authorities and discretions under these presents (the exercise or non-exercise of which as between the Trustee and the Noteholders, the Receipholders and the Couponholders shall be conclusive and binding on the Noteholders, the Receipholders and the Couponholders) and shall not be responsible for any Liability which may result from their exercise or non-exercise.
- (h) The Trustee shall not be liable to any person by reason of having acted upon any Extraordinary Resolution in writing or any Extraordinary Resolution or other resolution purporting to have been passed at any meeting of the holders of Notes of all or any Series in respect whereof minutes have been made and signed or any Extraordinary Resolution passed by way of electronic consents received through the relevant Clearing System(s) in accordance with these presents or any direction or request of the Noteholders even though subsequent to its acting it may be found that there was some defect in the constitution of the meeting or the passing of the resolution, or (in the case of an Extraordinary Resolution in writing) that not all such holders had signed the Extraordinary Resolution or (in the case of a direction or request) it was not signed by the requisite numbers of Noteholders or (in case of an Extraordinary Resolution passed by electronic consents received through the relevant clearing system(s)) it was not approved by the requisite number of Noteholders or that for any reason the resolution, direction or request was not valid or binding upon such holders and the relative Receipholders and Couponholders.
- (i) The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any Note, Receipt or Coupon purporting to be such and subsequently found to be forged or not authentic.
- (j) Without prejudice to the right of indemnity by law given to trustees, the relevant Issuer and the Guarantor shall indemnify the Trustee and every Appointee and keep it or him indemnified against all Liabilities to which it or he may be or become subject or which may be incurred by it or him in the execution or purported execution of any of its or his trusts, powers, authorities and discretions under these presents or its or his functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to these presents or any such appointment.
- (k) Any consent or approval given by the Trustee for the purposes of these presents may be given on such terms and subject to such conditions (if any) as the Trustee thinks fit and notwithstanding anything to the contrary in these presents may be given retrospectively. The Trustee may give any consent or approval, exercise any power, authority or discretion or take any similar action (whether or not such consent, approval, power, authority, discretion or action is specifically referred to in these presents) if it is satisfied that the interests of the Noteholders will not be materially prejudiced thereby. For the avoidance of doubt, the Trustee shall not have any duty to the Noteholders in relation to such matters other than that which is contained in the preceding sentence.
- (l) The Trustee shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Noteholder, Receipholder or Couponholder any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available to the Trustee by the relevant Issuer, the Guarantor or any

other person in connection with these presents and no Noteholder, Receiptholder or Couponholder shall be entitled to take any action to obtain from the Trustee any such information.

- (m) Where it is necessary or desirable for any purpose in connection with these presents to convert any sum from one currency to another it shall (unless otherwise provided by these presents 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 agreed by the Trustee in consultation with the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor and any rate, method and date so agreed shall be binding on the relevant Issuer, (where the relevant Issuer is UUWF) the Guarantor, the Noteholders, the Receiptholders and the Couponholders.
- (n) The Trustee as between itself and the Noteholders, the Receiptholders and the Couponholders may determine all questions and doubts arising in relation to any of the provisions of these presents. Every such determination, whether or not relating in whole or in part to the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Noteholders, the Receiptholders and the Couponholders.
- (o) In connection with the exercise by it of any of its trusts, powers, authorities or discretions under these presents (including, without limitation, any modification, waiver, authorisation or determination), 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, Receiptholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of such exercise for individual Noteholders, Receiptholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the relevant Issuer, (where the relevant Issuer is UUWF) the Guarantor, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 10 and/or any undertaking given in addition thereto or in substitution therefor under these presents.
- (p) Any trustee of these presents being a lawyer, accountant, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual and proper professional and other charges for business transacted and acts done by him or his firm in connection with the trusts of these presents and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with these presents including reimbursement in respect of matters which might or should be attended to in person by a trustee not being a banker, lawyer, broker or other professional person.
- (q) The Trustee may whenever it thinks fit delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons (whether being a joint trustee of these presents or not) all or any of its trusts, powers, authorities and discretions under these presents. Such delegation may be made upon such terms (including power to sub-delegate) and subject to such conditions and regulations as the Trustee may in the interests of the Noteholders think fit. Provided that the Trustee shall have exercised reasonable care in the selection of any such delegate the Trustee shall not be under any obligation to supervise the proceedings or acts of any such delegate or sub-delegate or be in any way responsible for any Liability incurred by reason of any misconduct or default on the part of any such

delegate or sub-delegate. The Trustee shall within a reasonable time after any such delegation or any renewal, extension or termination thereof give notice thereof to the relevant Issuer.

- (r) The Trustee may in the conduct of the trusts of these presents instead of acting personally employ and pay an agent (whether being 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 in connection with these presents (including the receipt and payment of money). Provided that the Trustee shall have exercised reasonable care in the selection of any such agent the Trustee shall not be in any way responsible for any Liability incurred by reason of any misconduct or default on the part of any such agent or be bound to supervise the proceedings or acts of any such agent.
- (s) The Trustee shall not be responsible for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of these presents or any other document relating or expressed to be supplemental thereto and shall not be liable for any failure to obtain any licence, consent or other authority for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of these presents or any other document relating or expressed to be supplemental thereto.
- (t) The Trustee may call for any certificate or other document to be issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes represented by a Global Note standing to the account of any person. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Creation Online system) in accordance with its usual procedures and in which the holder of a particular principal amount of Notes is clearly identified together with the amount of such holding.
- (u) The Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to the Notes of any Series or for checking or commenting upon the content of any such legal opinion.
- (v) The Trustee shall not be concerned, and need not enquire, as to whether or not any Notes are issued in breach of the Programme Limit.
- (w) The Trustee may rely on any certificate or report (whether or not addressed to the Trustee) of the Auditors or any other person called for by or provided to the Trustee for the purposes of these presents notwithstanding that such certificate or report and/or any engagement letter or other document entered into by the Trustee in connection therewith contains a monetary or other limit on the liability of the Auditors or such other person in respect thereof.
- (x) The Trustee may call for and shall rely on any records, certificate or other document of or to be issued by Euroclear or Clearstream, Luxembourg in relation to any determination of the principal amount of Notes represented by a NGN. Any such records, certificate or other document shall be conclusive and binding for all purposes. The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any such records, certificate or other document to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg and subsequently found to be forged or not authentic.
- (y) No provision of this Trust Deed or the Conditions shall require the Trustee to do anything which may in its opinion be illegal or contrary to applicable law, directive or regulation and

the Trustee may without liability do anything which is, in its opinion, necessary to comply with such law, directive or regulation.

- (z) Nothing contained in this Trust Deed 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 prefunding or security for, such risk or liability is not assured to it.
- (aa) The Trustee shall not be bound to take any steps to enforce the performance of any provisions of this Trust Deed, the Notes, the Receipts or the Coupons or to appoint an independent financial adviser pursuant to the Conditions of the Notes unless it shall be indemnified and/or secured and/or prefunded by the relevant Noteholders and/or Receiptholders and/or Couponholders to its satisfaction against all proceedings, claims and demands to which it may be liable and against all costs, charges, liabilities and expenses which may be incurred by it in connection with such enforcement or appointment, including the cost of its management's time and/or other internal resources, calculated using its normal hourly rates in force from time to time.
- (bb) When determining whether an indemnity or any prefunding or security is satisfactory to it, the Trustee shall be entitled to evaluate its risk in given circumstances by considering the worst-case scenario and, for this purpose, it may take into account, without limitation, the potential costs of defending or commencing proceedings in England or elsewhere and the risk however remote, of an award of damages against it in England or elsewhere.
- (cc) The Trustee shall be entitled to require that any indemnity or security given to it by the Noteholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security.

17. TRUSTEE'S LIABILITY

- 17.1 Nothing in these presents shall in any case in which the Trustee has failed to show the degree of care and diligence required of it as trustee having regard to the provisions of these presents conferring on it any trusts, powers, authorities or discretions exempt the Trustee from or indemnify it against any liability for any negligence, default, breach of duty, breach of trust or fraud of which it may be guilty in relation to its duties under these presents.

18. TRUSTEE CONTRACTING WITH ISSUERS AND THE GUARANTOR

Neither the Trustee nor any director or officer or holding company, Subsidiary or associated company of a corporation acting as a trustee under these presents shall by reason of its or his fiduciary position be in any way precluded from:

- (a) entering into or being interested in any contract or financial or other transaction or arrangement with the relevant Issuer or the Guarantor or any person or body corporate associated with the relevant Issuer or the Guarantor (including without limitation any contract, transaction or arrangement of a banking or insurance nature or any contract, transaction or arrangement in relation to the making of loans or the provision of financial facilities or financial advice to, or the purchase, placing or underwriting of or the subscribing or procuring subscriptions for or otherwise acquiring, holding or dealing with, or acting as paying agent in respect of, the Notes or any other notes, bonds, stocks, shares, debenture

stock, debentures or other securities of, the relevant Issuer, the Guarantor or any person or body corporate associated as aforesaid); or

- (b) accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to the relevant Issuer or the Guarantor or any such person or body corporate so associated or any other office of profit under the relevant Issuer or the Guarantor or any such person or body corporate so associated,

and shall be entitled to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such contract, transaction or arrangement as is referred to in paragraph (a) above or, as the case may be, any such trusteeship or office of profit as is referred to in paragraph (b) above without regard to the interests of the Noteholders and notwithstanding that the same may be contrary or prejudicial to the interests of the Noteholders and shall not be responsible for any Liability occasioned to the Noteholders thereby and shall be entitled to retain and shall not be in any way liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

Where any holding company, Subsidiary or associated company of the Trustee or any director or officer of the Trustee acting other than in his capacity as such a director or officer has any information, the Trustee shall not thereby be deemed also to have knowledge of such information and, unless it shall have actual knowledge of such information, shall not be responsible for any loss suffered by Noteholders resulting from the Trustee's failing to take such information into account in acting or refraining from acting under or in relation to these presents.

19. WAIVER, AUTHORISATION AND DETERMINATION

- 19.1 The Trustee may without the consent or sanction of the Noteholders, the Receiptholders or the Couponholders and without prejudice to its rights in respect of any subsequent breach, Event of Default or Potential Event of Default 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 waive or authorise any breach or proposed breach by the relevant Issuer or the Guarantor of any of the covenants or provisions contained in these presents or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of these presents **PROVIDED ALWAYS THAT** the Trustee shall not exercise any powers conferred on it by this Clause in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 12 but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Trustee may determine, shall be binding on the Noteholders, the Receiptholders and the Couponholders and, if, but only if, the Trustee shall so require, shall be notified by the relevant Issuer to the Noteholders in accordance with Condition 16 as soon as practicable thereafter.

20. MODIFICATION

- 20.1 The Trustee may without the consent or sanction of the Noteholders, the Receiptholders or the Couponholders at any time and from time to time concur with the relevant Issuer and the Guarantor in making any modification (a) to these presents, the Conditions and/or the Agency Agreement (other than the proviso to paragraph 7 of Schedule 3 or any matters referred to in that proviso) which in the opinion of the Trustee it may be proper to make **PROVIDED THAT** the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Noteholders or (b) to these presents, the Conditions and/or the Agency Agreement if in the opinion of the Trustee such modification is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification may be made on such terms and subject to such conditions (if any) as the Trustee may determine, shall be binding upon the Noteholders, the

Receiptholders and the Couponholders and, unless the Trustee agrees otherwise, shall be notified by the relevant Issuer to the Noteholders in accordance with Condition 16 as soon as practicable thereafter. In addition, the Trustee shall be obliged to use its reasonable efforts to concur with the relevant Issuer and/or the Guarantor to give effect to any Benchmark Amendments on the terms and subject to the conditions set out in Condition 6.2(i) (*Interest on Floating Rate Notes - Benchmark Discontinuation*) without the consent or approval of the Noteholders, Receiptholders or Couponholders.

21. BREACH

21.1 Any breach of or failure to comply with any such terms and conditions as are referred to in Clauses 19.1 and 20.1 shall constitute a default by the relevant Issuer or the Guarantor in the performance or observance of a covenant or provision binding on it under or pursuant to these presents.

22. HOLDERS OF DEFINITIVE NOTES ASSUMED TO BE RECEIPTHOLDERS AND COUPONHOLDERS

22.1 Wherever in these presents the Trustee is required or entitled to exercise a power, trust, authority or discretion under these presents, except as ordered by a court of competent jurisdiction or as required by applicable law, the Trustee shall, notwithstanding that it may have express notice to the contrary, assume that each Noteholder is the holder of all Receipts and Coupons appertaining to each Definitive Note of which he is the holder.

No Notice to Receiptholders or Couponholders

22.2 Neither the Trustee nor the relevant Issuer nor the Guarantor shall be required to give any notice to the Receiptholders or Couponholders for any purpose under these presents and the Receiptholders or Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with Condition 16.

23. CURRENCY INDEMNITY

Each of the relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor shall severally indemnify the Trustee, every Appointee, the Noteholders, the Receiptholders and the Couponholders and keep them indemnified against:

- (a) any Liability incurred by any of them arising from the non-payment by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor of any amount due to the Trustee or the Noteholders of the Notes and the relative Receiptholders or Couponholders under these presents by reason of any variation in the rates of exchange between those used for the purposes of calculating the amount due under a judgment or order in respect thereof and those prevailing at the date of actual payment by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor; and
- (b) any deficiency arising or resulting from any variation in rates of exchange between (i) the date as of which the local currency equivalent of the amounts due or contingently due under these presents (other than this Clause) is calculated for the purposes of any bankruptcy, insolvency or liquidation of the relevant Issuer or, as the case may be, the Guarantor and (ii) the final date for ascertaining the amount of claims in such bankruptcy, insolvency or liquidation. The amount of such deficiency shall be deemed not to be reduced by any variation in rates of exchange occurring between the said final date and the date of any distribution of assets in connection with any such bankruptcy, insolvency or liquidation.

The above indemnities shall constitute obligations of the relevant Issuer and the Guarantor separate and independent from its other obligations under the other provisions of these presents and shall apply irrespective of any indulgence granted by the Trustee or the Noteholders, the Receiptholders or the Couponholders from time to time and shall continue in full force and effect notwithstanding the judgment or filing of any proof or proofs in any bankruptcy, insolvency or liquidation of the relevant Issuer or, as the case may be, the Guarantor for a liquidated sum or sums in respect of amounts due under these presents (other than this Clause). Any such deficiency as aforesaid shall be deemed to constitute a loss suffered by the Noteholders, the Receiptholders and the Couponholders and no proof or evidence of any actual loss shall be required by the relevant Issuer or the Guarantor or its liquidator or liquidators.

24. NEW TRUSTEE

24.1 The power to appoint a new trustee of these presents shall be vested in the Issuers jointly but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution. One or more persons may hold office as trustee or trustees of these presents but such trustee or trustees shall be or include a Trust Corporation. Whenever there shall be more than two trustees of these presents the majority of such trustees shall be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Trustee by these presents provided that a Trust Corporation shall be included in such majority. Any appointment of a new trustee of these presents shall as soon as practicable thereafter be notified by the Issuers to the Principal Paying Agent, the Registrar, and, in accordance with Condition 16, the Noteholders.

Separate and co-trustees

24.2 Notwithstanding the provisions of Clause 24.1 above, the Trustee may, upon giving prior written notice to each Issuer and the Guarantor (but without the consent of the Issuers, the Guarantor or the Noteholders, Receiptholders or Couponholders), 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:

- (a) if the Trustee considers such appointment to be in the interests of the Noteholders;
- (b) for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts is or are to be performed; or
- (c) for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction of either a judgment already obtained or any of the provisions of these presents against any of the Issuers.

Each of the Issuers and the Guarantor 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 these presents) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Trustee by these presents) and such duties and obligations as shall be conferred or imposed by the instrument of appointment. The Trustee shall have power in like manner to remove any such person. Such reasonable remuneration as the Trustee may pay to any such person, together with any attributable Liabilities incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of these presents be treated as Liabilities incurred by the Trustee.

25. TRUSTEE'S RETIREMENT AND REMOVAL

A trustee of these presents may retire at any time on giving not less than three months' prior written notice to the Issuers and the Guarantor without giving any reason and without being responsible for

any Liabilities incurred by reason of such retirement. The Noteholders may by Extraordinary Resolution remove any trustee or trustees for the time being of these presents. The Issuers and the Guarantor jointly undertake that in the event of the only trustee of these presents which is a Trust Corporation giving notice under this Clause or being removed by Extraordinary Resolution they will use all reasonable endeavours to procure that a new trustee of these presents being a Trust Corporation is appointed as soon as reasonably practicable thereafter. The retirement or removal of any such trustee shall not become effective until a successor trustee being a Trust Corporation is appointed.

26. TRUSTEE'S POWERS TO BE ADDITIONAL

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

27. SUBSTITUTION

27.1 (a) The Trustee may without the consent of the Noteholders, Receiptholders or Couponholders at any time agree with the relevant Issuer and (where applicable) the Guarantor to the substitution:

- (i) in place of UU (or of the previous substitute under this Clause) as the principal debtor under these presents of any Subsidiary of UU, provided that UU unconditionally and irrevocably guarantees to the satisfaction of the Trustee all amounts payable by such Subsidiary under these presents; or
- (ii) in place of UUWF (or of the previous substitute under this Clause) as the principal debtor under these presents of any Subsidiary of UUWF, provided that UUWF unconditionally and irrevocably guarantees to the satisfaction of the Trustee all amounts payable by such Subsidiary under these presents; or
- (iii) in place of UUWF (or of the previous substitute under this Clause) as the principal debtor under these presents of the Guarantor or any Subsidiary of the Guarantor, provided that, in the case of the substitution of any Subsidiary of the Guarantor, the Guarantor unconditionally and irrevocably guarantees to the satisfaction of the Trustee all amounts payable by such Subsidiary under these presents; or
- (iv) in place of the Guarantor (or of the previous substitute under this Clause) as guarantor under these presents of any holding company or Subsidiary of the Guarantor, subject to such guarantor having the benefit of the Appointment (as defined in Condition 12.2) held by the Guarantor,

(such substituted issuer being, in each case, hereinafter called the **New Company**) and provided further that a trust deed is executed or some other form of undertaking is given by the New Company in form and manner satisfactory to the Trustee, agreeing to be bound by the provisions of these presents with any consequential amendments which the Trustee may deem appropriate as fully as if the New Company had been named in these presents as the principal debtor in place of the relevant Issuer (or of the previous substitute under this Clause).

(b) The following further conditions shall apply to paragraph (a) above:

- (i) the relevant Issuer and the New Company shall comply with such other requirements as the Trustee may direct in the interests of the Noteholders;

to UUWF: Haweswater House
Lingley Mere Business Park,
Lingley Green Avenue,
Great Sankey
Warrington WA5 3LP

(Attention: The Treasurer)
Facsimile No. 020 3070 0012

(with a copy to the Guarantor)

to the Guarantor: Haweswater House
Lingley Mere Business Park,
Lingley Green Avenue,
Great Sankey
Warrington WA5 3LP

(Attention: The Treasurer)
Facsimile No. 020 3070 0012

to the Trustee: 8th Floor
100 Bishopsgate
London
EC2N 4AG

(Attention: the Manager, Commercial Trusts, Ref: 18238)
Facsimile No. 0207 696 5261

or to such other address or facsimile number as shall have been notified (in accordance with this Clause) to the other parties hereto and any notice or demand sent by post as aforesaid shall be deemed to have been given, made or served three days in the case of inland post or seven days in the cases of overseas post after despatch and any notice or demand sent by facsimile transmission as aforesaid shall be deemed to have been given, made or served 24 hours after the time of despatch, provided that in the case of a notice or demand given by facsimile transmission such notice or demand shall forthwith be confirmed by post. In the latter case, the failure of the addressee to receive such confirmation shall not invalidate the relevant notice or demand given by facsimile transmission.

29. GOVERNING LAW

These presents and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

30. COUNTERPARTS

This Trust Deed and any trust deed supplemental hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same deed and any party to this Trust Deed or any trust deed supplemental hereto may enter into the same by executing and delivering a counterpart.

31. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Trust Deed or any trust deed supplemental hereto has no right by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Trust Deed or

any trust deed supplemental hereto, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

IN WITNESS whereof this Trust Deed has been executed as a deed by the Issuers, the Guarantor and the Trustee and delivered on the date stated on page 1.

SCHEDULE 1

TERMS AND CONDITIONS OF THE NOTES

This Note is one of a Series (as defined below) of Notes issued by United Utilities PLC (“UU”) or United Utilities Water Finance PLC (“UUWF”) (each an “Issuer” and, together, the “Issuers”) constituted by an Amended and Restated Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the “Trust Deed”) dated 24 November 2022 made between the Issuers and United Utilities Water Limited (the “Guarantor”) as guarantor of Notes issued by UUWF and The Law Debenture Trust Corporation p.l.c. (the “Trustee”, which expression shall include any successor as trustee).

References herein to the “Notes” shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a “Global Note”), units of the lowest Specified Denomination in the Specified Currency;
- (b) any Global Note;
- (c) any definitive Notes in bearer form (“Bearer Notes”) issued in exchange for a Global Note in bearer form; and
- (d) any definitive Notes in registered form (“Registered Notes”) (whether or not issued in exchange for a Global Note in registered form).

References herein to the “relevant Issuer” shall be to the Issuer of the Notes named as such in the applicable Final Terms (as defined below). References in these Terms and Conditions to the “Guarantor” shall only be applicable if UUWF is specified as the Issuer of the Notes in the applicable Final Terms.

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Agency Agreement, as amended and/or supplemented and/or restated from time to time, the “Agency Agreement”) dated 26 November 2021 and made between the Issuers, the Guarantor, Citibank, N.A., London Branch as issuing and principal paying agent and agent bank (the “Principal Paying Agent”, which expression shall include any successor principal paying agent), the other paying agents named therein (together with the Principal Paying Agent, the “Paying Agents”, which expression shall include any additional or successor paying agents), Citibank, N.A., London Branch as registrar (in such capacity, the “Registrar”, which expression shall include any successor registrar) and as transfer agent (in such capacity, the “Transfer Agent”, which expression shall include any additional or successor transfer agents) and the Trustee. The Principal Paying Agent, the Registrar, the Paying Agents and other Transfer Agents together referred to as the “Agents”.

The Final Terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplements these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References to the “applicable Final Terms” are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

Interest bearing definitive Bearer Notes have interest coupons (“Coupons”) and, in the case of Bearer Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (“Talons”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Notes in definitive bearer form which are repayable in instalments have receipts (“Receipts”) for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The Trustee acts for the benefit of the Noteholders (which expression shall mean (in the case of Bearer Notes) the holders for the time being of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below), the holders of the Coupons (the "Couponholders", which expression shall, unless the context otherwise requires, include the holders of the Talons) and the holders of Receipts (the "Receipholders"), in accordance with the provisions of the Trust Deed.

As used herein, "Tranche" means Notes which are identical in all respects (including as to listing and admission to trading) and "Series" means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the Trust Deed, the Agency Agreement and the applicable Final Terms (i) are available for inspection or collection during normal business hours at the registered office for the time being of the Trustee (being at 24 November 2022 at 8th Floor, 100 Bishopsgate, London EC2N 4AG) and at the specified office of each of the Paying Agents and the Registrar or (ii) may be provided by email to a Noteholder following their prior written request to the Trustee, any Paying Agent or the Registrar and provision of proof of holding and identity (in a form satisfactory to the Trustee, the relevant Paying Agent or the Registrar, as the case may be). If the Notes are to be admitted to trading on the main market of the London Stock Exchange the applicable Final Terms will be published on the website of the London Stock Exchange through a regulatory information service. If this Note is not to be admitted to trading on the main market of the London Stock Exchange, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the relevant Issuer and the Trustee, the relevant Paying Agent or, as the case may be, the Registrar as to its holding of such Notes and identity. The Noteholders, the Couponholders and the Receipholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Agency Agreement or the Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the currency (the "Specified Currency") and the denominations (the "Specified Denomination(s)") specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Instalment Note or an Index Linked Note, or a combination of any of the foregoing, depending upon the Interest Basis and Redemption Basis shown in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable. Instalment Notes which are Bearer Notes are issued with one or more Receipts attached.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The relevant Issuer, the Guarantor (where the relevant Issuer is UUWF), any Paying Agent and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof

(whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (“Euroclear”) and/or Clearstream Banking S.A. (“Clearstream, Luxembourg”), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF), the Paying Agents and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) any Paying Agent and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly. In determining whether a particular person is entitled to a particular amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any successor operator and/or successor clearing system and/or any additional or alternative clearing system specified in Part B of the applicable Final Terms.

2. TRANSFERS OF REGISTERED NOTES

2.1 Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note of the same series only in the Specified Denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Trust Deed and the Agency Agreement.

2.2 Transfers of Registered Notes in definitive form

Subject as provided in Condition 2.3 below, upon the terms and subject to the conditions set forth in the Trust Deed and the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the Specified Denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (A) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the relevant Issuer and the Registrar may from time to time prescribe, the initial such regulations being set out in Schedule 3 to the Agency Agreement. Subject as provided above, the relevant Transfer Agent will, as soon as reasonably practicable (upon receipt of the relevant request), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or

(at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

2.3 Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 9, the relevant Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

2.4 Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the relevant Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

3. STATUS OF THE NOTES AND THE GUARANTEE

3.1 Status of the Notes

The Notes and any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the relevant Issuer and rank *pari passu* among themselves and (subject as aforesaid and save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the relevant Issuer, from time to time outstanding.

3.2 Status of the Guarantee

The payment of principal, premium (if any) and interest in respect of the Notes issued by UUWF and all other moneys payable by UUWF under or pursuant to the Trust Deed has been unconditionally and irrevocably guaranteed by the Guarantor in the Trust Deed (the "Guarantee"). The obligations of the Guarantor under the Guarantee are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and (subject as aforesaid and save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor, from time to time outstanding.

4. NEGATIVE PLEDGE

So long as any of the Notes remains outstanding (as defined in the Trust Deed) neither the relevant Issuer nor (where the relevant Issuer is UUWF) the Guarantor will create or permit to subsist any mortgage, charge, pledge, lien or other form of security interest upon the whole or any part of its undertaking, revenues or assets, present or future, to secure payment of any present or future Relevant Indebtedness (as defined below) of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor or any Subsidiary (as defined in the Trust Deed) of either the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor or to secure any guarantee or indemnity in respect thereof, without at the same time according to the Notes or, as the case may be, to the obligations under the Guarantee, to the satisfaction of the Trustee, the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity, or such other security as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

“Relevant Indebtedness” means any present or future indebtedness (whether being principal, premium or interest) for borrowed money (other than indebtedness for borrowed money with an initial maturity falling 20 years or more after the Issue Date of the first Tranche of the Notes and having a maximum principal amount outstanding at any time not exceeding the greater of £250,000,000 and 20 per cent. of Adjusted Capital and Reserves (as defined in Condition 12.2) or indebtedness for borrowed money which has a stated maturity not exceeding one year) which is in the form of, or represented or evidenced by, bonds, notes, debentures, debenture stock, loan stock or other securities, whether issued for cash or in whole or in part for a consideration other than cash and which, with the agreement of the relevant Issuer, are quoted, listed, dealt in or traded on a stock exchange or over the counter or other recognised securities market (whether or not distributed by way of private placement).

5. REDENOMINATION

5.1 Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the relevant Issuer may, without the consent of the Trustee, the Noteholders and the Couponholders, on giving prior notice to the Trustee, the Principal Paying Agent, Euroclear and Clearstream, Luxembourg and at least 30 days’ prior notice to the Noteholders in accordance with Condition 16, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (a) the Notes shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Note equal to the nominal amount of that Note in the Specified Currency, converted into euro at the Established Rate, provided that, if the relevant Issuer determines, with the consent of the Trustee and the Principal Paying Agent, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the relevant Issuer shall promptly notify the Noteholders in accordance with Condition 16, the stock exchange or other relevant authority (if any) on which the Notes are listed and the Paying Agents of such deemed amendments;
- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Receipts or Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the relevant Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Trustee and the Principal Paying Agent may approve) euro 0.01 and such other denominations as the Trustee and the Principal Paying Agent shall determine and as shall be notified to the Noteholders in accordance with Condition 16;
- (d) if definitive Notes have been issued prior to the Redenomination Date, all unmatured Receipts and Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the relevant Issuer gives notice (the “Exchange Notice”) that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such Notes, Receipts and/or Coupons are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes so issued will also become void on that date although those Notes will continue to constitute valid exchange obligations of the relevant Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes and Coupons denominated in the Specified Currency in such manner as the Trustee and the Principal Paying Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No

Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

- (e) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date it will be calculated:
 - (i) in the case of the Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note; and
 - (ii) in the case of definitive Notes, by applying the Rate of Interest to the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction (as defined in Condition 6.1), and rounding the resultant figure to the nearest sub-unit (as defined in Condition 6.1) of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with the applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding;

- (g) if the Notes are Floating Rate Notes the applicable Final Terms specifies any relevant changes to the provisions relating to interest.

5.2 Definitions

In these Terms and Conditions, the following expressions have the following meanings:

“Established Rate” means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty;

“euro” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

“Redenomination Date” means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the relevant Issuer in the notice given to the Noteholders pursuant to Condition 5.1 above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union or otherwise participates in European economic and monetary union in a manner with similar effect to such third stage; and

“Treaty” means the Treaty establishing the European Community, as amended.

6. INTEREST

6.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest, payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, “Fixed Interest Period” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (a) in the case of Fixed Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Notes; or
- (b) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction. The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the aggregate outstanding nominal amount of Fixed Rate Notes which are Registered Notes in definitive form or the Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

“Day Count Fraction” means, in respect of the calculation of an amount of interest in accordance with this Condition 6.1.

- (a) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
 - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “Accrual Period”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

- (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
 - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
- (b) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360;
 - (c) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
 - (d) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
 - (e) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

“Determination Period” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“sub-unit” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

6.2 Interest on Floating Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Terms and Conditions, "Interest Period" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 6.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition, "Business Day" means a day which is:

- (1) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (2) if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the "TARGET2 System") is open; and
- (3) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which, if the Specified Currency is New Zealand dollars, shall be Auckland) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(i) ISDA Determination for Floating Rate Notes

Where “ISDA Determination” is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (i), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating (I) if “2006 ISDA Definitions” is specified in the applicable Final Terms, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (“ISDA”) and as amended and updated as at the Issue Date of the first Tranche of the Notes; or (II) if “2021 ISDA Definitions” is specified in the applicable Final Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, as published by ISDA as at the Issue Date of the first Tranche of the Notes (each, the “ISDA Definitions”) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms;
- (C) the relevant Reset Date is the day specified in the applicable Final Terms; and
- (D) if the Floating Rate Option is an Overnight Floating Rate Option:
 - (1) Compounding with Lookback is the Overnight Rate Compounding Method if specified in the applicable Final Terms;
 - (2) Compounding with Observation Period Shift is the Overnight Rate Compounding Method if specified in the applicable Final Terms;
 - (3) Compounding with Lockout is the Overnight Rate Compounding Method if specified in the applicable Final Terms; or
 - (4) OIS Compounding is the Overnight Rate Compounding Method if specified in the applicable Final Terms; and
 - (5) in connection with the Overnight Rate Compounding Method, references in the ISDA Definitions to numbers, financial centres or other items specified in the relevant confirmation shall be deemed to be references to the numbers, financial centres or other items specified for such purpose in the applicable Final Terms.

For the purposes of this sub-paragraph (i), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity”, “Reset Date”, “Overnight Floating Rate Option”, “Overnight Rate Compounding Method”, “Set-In-Advance”, “Compounding with Lookback”, “Compounding with Observation Period Shift”, “Compounding with Lockout” and “OIS Compounding” have the meanings given to those terms in the ISDA Definitions.

(ii) Screen Rate Determination for Floating Rate Notes – Term Rate

Where the applicable Final Terms specifies (1) “Screen Rate Determination” as the manner in which the Rate of Interest is to be determined and (2) “Term Rate” to be “Applicable”, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Relevant Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

For the purposes of this Condition 6.2(b)(ii):

“Interest Determination Date” shall mean the date specified as such in the Final Terms or if none is so specified:

- (i) if the Reference Rate is the Euro-zone interbank offered rate (“EURIBOR”), the second day on which the TARGET2 System is open prior to the start of each Interest Period;
- (ii) if the Reference Rate is the Tokyo interbank offered rate (“TIBOR”), the second Tokyo business day prior to the start of each Interest Period;
- (iii) if the Reference Rate is the Hong Kong interbank offered rate (“HIBOR”), the first day of each Interest Period;
- (iv) if the Reference Rate is the Prague interbank offered rate (“PRIBOR”), the second Prague business day prior to the start of each Interest Period;
- (v) if the Reference Rate is the Canadian dealer offered rate (“CDOR”), the first day of each Interest Period; or
- (vi) if the Reference Rate is the Australian bank bill swap interest rate (“BBSW”), the first day of each Interest Period.

“Reference Rate” shall mean (i) EURIBOR; (ii) TIBOR; (iii) HIBOR; (iv) PRIBOR; (v) CDOR; or (vi) BBSW, in each case for the relevant period, as specified in the applicable Final Terms.

“Relevant Financial Centre” shall mean (i) Brussels, in the case of a determination of EURIBOR; (ii) Tokyo, in the case of a determination of TIBOR; (iii) Hong Kong, in the case of a determination of HIBOR; (iv) Prague, in the case of a determination of PRIBOR; (v) Toronto, in the case of a determination of CDOR; or (vi) Sydney, in the case of determination of BBSW.

“Relevant Time” shall mean the time specified in the Final Terms or if none is specified: (i) in the case of EURIBOR, 11.00 a.m.; (ii) in the case of TIBOR, 11.00 a.m.; (iii) in the case of HIBOR, 11.00 a.m.; (iv) in the case of PRIBOR, 11.00 a.m.; (v) in the case of CDOR, 10.00 a.m.; or (vi) in the case of BBSW, 10.10 a.m., in each case in the Relevant Financial Centre.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, which provisions are subject to the application of Condition 6.2(i) below.

(iii) Screen Rate Determination for Floating Rate Notes – Overnight Rate – Compounded Daily SONIA – Non-Index Determination

This Condition 6.2(b)(iii) applies where the applicable Final Terms specifies: (1) “Screen Rate Determination” as the manner in which the Rate of Interest is to be determined; (2) “Overnight Rate” to be “Applicable”; (3) “Compounded Daily SONIA” as the Reference Rate; and (4) “Index Determination” to be “Not Applicable”.

(A) The Rate of Interest for an Interest Accrual Period (as defined in Condition 6.2(b)(v) below) will, subject to Condition 6.2(i) and as provided below, be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Principal Paying Agent or (if applicable) such other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest.

“Compounded Daily SONIA” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Principal Paying Agent or (if applicable) such other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest, in each case as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“d” is the number of calendar days in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

“d₀” means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Interest Accrual Period; or

- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Observation Period;

“i” is a series of whole numbers from one to “d_o”, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day to, and including, the last London Banking Day, in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

“London Banking Day” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“n_i” for any London Banking Day “i”, means the number of calendar days from (and including) such London Banking Day “i” up to (but excluding) the following London Banking Day;

“Observation Period” means the period from (and including) the date falling “p” London Banking Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling “p” London Banking Days prior to (A) (where the relevant Interest Accrual Period is a full Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

“p” means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “Lag Period” in the applicable Final Terms (or, if no such number is so specified, five London Banking Days); or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “Observation Shift Period” in the applicable Final Terms (or, if no such number is specified, five London Banking Days);

the “SONIA reference rate”, in respect of any London Banking Day (“LBDx”), is a reference rate equal to the daily Sterling Overnight Index Average (“SONIA”) rate for such LBDx as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such administrator or authorised distributors) on the London Banking Day immediately following LBDx; and

“SONIA_i” means the SONIA reference rate for:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the London Banking Day falling “p” London Banking Days prior to the relevant London Banking Day “i”; or

(ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant London Banking Day “i”.

(B) Subject to Condition 6.2(i), if, where any Rate of Interest is to be calculated pursuant to Condition 6.2(b)(iii)(A) above, in respect of any London Banking Day on which an applicable SONIA reference rate is required to be determined, such SONIA reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the administrator or relevant authorised distributors, then the SONIA reference rate in respect of such London Banking Day shall be the rate determined by the Principal Paying Agent or (if applicable) such other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest as:

- (1) the sum of (I) the Bank of England’s Bank Rate (the “Bank Rate”) prevailing at 5.00 p.m. (London time) (or, if earlier, close of business) on such London Banking Day; and (II) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (2) if the Bank Rate under (1)(I) above is not available at the relevant time, either (I) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the administrator or relevant authorised distributors) for the first preceding London Banking Day in respect of which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (II) if this is more recent, the latest rate determined under (1) above,

and, in each case, references to “SONIA reference rate” in Condition 6.2(b)(iii)(A) above shall be construed accordingly.

(C) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6.2(b)(iii), and without prejudice to Condition 6.2(i), the Rate of Interest shall be:

- (1) that determined as at the last preceding Interest Determination Date on which the Rate of Interest was so determined (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period); or
- (2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case determined by the Principal Paying Agent or (if applicable) such other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest.

(iv) Screen Rate Determination for Floating Rate Notes – Overnight Rate – Compounded Daily SONIA – Index Determination

This Condition 6.2(b)(iv) applies where the applicable Final Terms specifies: (1) “Screen Rate Determination” as the manner in which the Rate of Interest is to be determined, (2) “Overnight Rate” to be “Applicable”; (3) “Compounded Daily SONIA” as the Reference Rate; and (4) “Index Determination” to be “Applicable”.

(A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 6.2(i) and as provided below, be the Compounded Daily SONIA Index Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Principal Paying Agent or (if applicable) such other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest.

“Compounded Daily SONIA Index Rate” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Principal Paying Agent or (if applicable) such other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest, in each case in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\text{Compounded Daily SONIA Index Rate} = \left(\frac{\text{SONIA Compounded Index}_{\text{End}}}{\text{SONIA Compounded Index}_{\text{Start}}} - 1 \right) \times \frac{365}{d}$$

where:

“d” is the number of calendar days from (and including) the day in relation to which SONIA Compounded Index_{Start} is determined to (but excluding) the day in relation to which SONIA Compounded Index_{End} is determined;

“London Banking Day” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“Relevant Number” is the number specified as such in the applicable Final Terms (or, if no such number is specified, five);

the “SONIA Compounded Index” means, with respect to any London Banking Day, the value of the SONIA compounded index that is provided by the administrator of the SONIA reference rate to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) in respect of such London Banking Day;

“SONIA Compounded Index_{End}” means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (A) (where the relevant Interest Accrual Period is a full Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due; and

“SONIA Compounded Index_{Start}” means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of such Interest Accrual Period.

(B) If the relevant SONIA Compounded Index required to determine SONIA Compounded Index_{Start} or SONIA Compounded Index_{End} is not published or displayed by the administrator of the SONIA reference rate (as defined in Condition 6.2(b)(iii)(A)) or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or of such other information service, as the case may be) on the relevant Interest Determination Date, the Compounded Daily SONIA Index Rate for the applicable Interest Accrual Period for which the SONIA Compounded Index is not available shall be “Compounded Daily SONIA” determined in accordance with Condition 6.2(b)(iii) above as if “Index Determination” were specified in the applicable Final Terms as being “Not Applicable”, and for these purposes: (i) the “Observation Method” shall be deemed to be “Observation Shift” and (ii) the “Observation Shift Period” shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the applicable Final Terms.

(v) Interest Accrual Period

As used in this Condition 6.2(b), an “Interest Accrual Period” means (A) each Interest Period and (B) any other period (if applicable) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Notes become due and payable in accordance with Condition 12, shall be the date on which such Notes become due and payable).

(c) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 6.2(b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 6.2(b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) Determination of Rate of Interest and calculation of Interest Amounts

The Principal Paying Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the “Interest Amount”) payable on the Floating Rate Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to:

(i) in the case of Floating Rate Notes which are (A) represented by a Global Note or (B) Registered Notes in definitive form, the aggregate outstanding nominal amount of (I) the Notes represented by such Global Note or (II) such Registered Notes; or

- (ii) in the case of Floating Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

“Day Count Fraction” means, in respect of the calculation of an amount of interest in accordance with this Condition 6.2:

- (a) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (b) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (c) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (d) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (e) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (f) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (g) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(y_2 - Y_1)] + [30x(m_2 - D_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and in which case D₂ will be 30.

“sub-unit” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(e) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter, or, as the case may be, next longer, then the Principal Paying Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

“Designated Maturity” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(f) Notification of Rate of Interest and Interest Amounts

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the relevant Issuer and any stock exchange or other relevant authority on which the relevant Floating Rate Notes are for the time being listed or by which they have been admitted to listing and notice thereof to be published in accordance with Condition 16 as soon as possible after their determination but in no event later than (i) where the applicable Final Terms specifies “Screen Rate Determination” and “Overnight Rate” to be “Applicable”, the second London Banking Day (as defined in Condition 6.2(b)) thereafter or (ii) in any other case, the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange or other relevant authority on which the relevant Floating Rate Notes are for the time being listed or by which they have been admitted to listing and to the Noteholders in accordance with Condition 16. For the purposes of this paragraph, the expression “London Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(g) Determination or Calculation by Trustee

If for any reason at any relevant time the Principal Paying Agent defaults in its obligation to determine the Rate of Interest or in its obligation to calculate any Interest Amount in accordance with sub-paragraph (b)(i) or (ii) above as the case may be, and in each case (d) above, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Principal Paying Agent.

(h) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.2, whether by the Principal Paying Agent, any other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest (if applicable) or the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF), the Trustee, the Principal Paying Agent, the other Paying Agents, any other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest (if applicable) and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF), the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent, such other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(i) Benchmark Discontinuation

(i) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate at any time when these Conditions provide for any remaining Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the relevant Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 6.2(i)(ii)) and, in either case, an Adjustment Spread (in accordance with Condition 6.2(i)(iii)) and any Benchmark Amendments (in accordance with Condition 6.2(i)(iv)).

An Independent Adviser appointed pursuant to this Condition 6.2(i) shall act in good faith in a commercially reasonable manner and (in the absence of wilful default, bad faith or fraud) shall have no liability whatsoever to the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF), the Agents, any other party specified in the applicable Final Terms as being responsible for calculating the Rate of Interest, the Noteholders, the Receiptholders or the Couponholders for any determination made by it pursuant to this Condition 6.2(i).

(ii) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

- (A) there is a Successor Rate, then (provided that the Independent Adviser has determined an Adjustment Spread for such Successor Rate in accordance with Condition 6.2(i)(iii) below) such Successor Rate (as adjusted by the applicable Adjustment Spread) shall, with effect from the date agreed between the relevant Issuer and the Independent Adviser, be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 6.2(i)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then (provided that the Independent Adviser has determined an Adjustment Spread for such Successor Rate in accordance with Condition 6.2(i)(iii) below) such Alternative Rate (as adjusted by the applicable Adjustment Spread) shall, with effect from the date agreed between the relevant Issuer and the Independent Adviser, be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 6.2(i)).

(iii) Adjustment Spread

The Independent Adviser shall determine an Adjustment Spread, which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with this Condition 6.2(i) and the Independent Adviser determines (A) that amendments to these Conditions, the Trust Deed and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “Benchmark Amendments”) and (ii) the terms of the Benchmark Amendments, then the relevant Issuer shall, subject to giving notice thereof in accordance with Condition 6.2(i)(v), without any requirement for the consent or approval of Noteholders, Receiptholders or Couponholders, vary these Conditions, the Trust Deed and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the relevant Issuer, but subject to receipt by the Trustee and the Agents of a certificate signed by one Director or duly authorised signatory of the relevant Issuer or (where the relevant Issuer is UUWF) of the Guarantor, in each case pursuant to Condition 6.2(i)(v), the Trustee and the Agents shall, without any requirement for the consent or approval of the Noteholders, the Receiptholders or the Couponholders, be obliged to concur with the relevant Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to the Trust Deed) and neither the Trustee nor any Agent shall be liable to any party for any consequences thereof, provided that neither the Trustee nor any Agent shall be obliged so to concur if in the sole opinion of the Trustee or the relevant Agent (as applicable) doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce rights and/or the protective provisions afforded to the Trustee in these Terms and Conditions, the Trust Deed or the Agency Agreement, as applicable, (including, for the avoidance of doubt, any supplemental trust deed) in any way.

In connection with any such variation in accordance with this Condition 6.2(i)(iv), the relevant Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) *Notices, etc.*

The relevant Issuer will notify the Principal Paying Agent, any other party specified in the applicable Final Terms as being responsible for calculating the Rate of Interest, the other Agents, the Trustee and, in accordance with Condition 16, the Noteholders, promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 6.2(i). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

Prior to any Benchmark Amendments taking effect and no later than notifying the Trustee of the same, the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor shall deliver to the Trustee and the Agents a certificate signed by one Director or duly authorised signatory of the relevant Issuer or the Guarantor, as applicable:

- (A) confirming (I) that a Benchmark Event has occurred, (II) the Successor Rate or, as the case may be, the Alternative Rate, (III) the applicable Adjustment Spread and (IV) where applicable, the specific terms

of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 6.2(i); and

- (B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread, as applicable.

The Trustee and the Agents shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof, and none of the Trustee and the Agents shall be liable to the Noteholders, the Receiptholders, the Couponholders or any other person for acting on relying on such certificate, irrespective of whether any related modification is or may be prejudicial to the interests of any such person. The Successor Rate or Alternative Rate (as applicable), the applicable Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate (as applicable), the applicable Adjustment Spread and/or the Benchmark Amendments (if any)) be binding on the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF), the Principal Paying Agent, any other party specified in the applicable Final Terms as being responsible for calculating the Rate of Interest, the other Agents, the Trustee, the Noteholders, the Receiptholders and the Couponholders as of their effective date.

(vi) *Survival of Original Reference Rate*

Subject to Condition 6.2(i)(vii) and without prejudice to the obligations of the relevant Issuer under Conditions 6.2(i)(i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 6.2(b)(ii), (iii) or (iv), as the case may be, will continue to apply unless and until a Benchmark Event has occurred.

(vii) *Fallbacks*

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the relevant Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) or (in either case) applicable Adjustment Spread is determined and notified to the Principal Paying Agent or such other party as is specified in the applicable Final Terms as being responsible for calculating the Rate of Interest (as applicable), in each case pursuant to this Condition 6.2(i), prior to such Interest Determination Date, the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided for in Condition 6.2(b)(ii), (iii) or (iv), as the case may be, will (if applicable) continue to apply to such determination.

For the avoidance of doubt, this Condition 6.2(i)(vii) shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date only, and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 6.2(i).

(viii) *Definitions*

For the purposes of this Condition 6.2(i):

“Adjustment Spread” means either (A) a spread (which may be positive, negative or zero), or (B) a formula or methodology for calculating a spread (which calculated spread shall, in each case, be the “Adjustment Spread”), in either case which is to be applied to the relevant Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (I) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (II) in the case of a Successor Rate for which no such recommendation (as referred to in sub-paragraph (I) above) has been made or in the case of an Alternative Rate, the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital market transactions to produce an industry-accepted replacement rate for the Original Reference Rate;
- (III) if the Independent Adviser determines that neither sub-paragraph (I) nor (II) above applies, the Independent Adviser determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (IV) if the Independent Adviser determines that neither sub-paragraph (I), (II) nor (III) above applies, the Independent Adviser acting in good faith, determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be);

“Alternative Rate” means an alternative to the Original Reference Rate which the Independent Adviser determines in accordance with Condition 6.2(i)(ii) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for debt securities denominated in the same Specified Currency as the Notes and with an interest period of comparable duration to the relevant Interest Period or, if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser determines in its sole discretion is most comparable to the relevant Original Reference Rate;

“Benchmark Amendments” has the meaning given to it in Condition 6.2(i)(iv);

“Benchmark Event” means:

- (A) the Original Reference Rate ceasing to be published for a period of at least five consecutive Business Days or ceasing to exist or be administered; or
- (B) the later of (I) the making of a public statement by the administrator of the Original Reference Rate that it will, on or by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (II) the date falling six months prior to the specified date referred to in (B)(I); or
- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued; or
- (D) the later of (I) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or by a specified date, be permanently or indefinitely discontinued and (II) the date falling six months prior to the specified date referred to in (D)(I); or

- (E) the later of (I) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or by a specified date and (II) the date falling six months prior to the specified date referred to in (E)(I); or
- (F) it has or will, prior to the next Interest Determination Date, become unlawful for the Principal Paying Agent, any other party specified in the applicable Final Terms as being responsible for calculating the Rate of Interest, the Trustee or the relevant Issuer to calculate any payments due to be made to any Noteholder, Receipholder or Couponholder using the Original Reference Rate; or
- (G) the making of a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used; or
- (H) the later of (I) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or by a specified date, no longer be representative of its relevant underlying market and (II) the date falling six months prior to the specified date referred to in (H)(I);

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise to carry out the functions expressed to be carried out by an Independent Adviser under this Condition 6.2(i), as appointed by the relevant Issuer under Condition 6.2(i)(i);

“Original Reference Rate” means the Reference Rate originally specified in the Final Terms used to determine the relevant Rate of Interest (or any component part thereof) in respect of any Interest Period(s) (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term “Original Reference Rate” shall include any such Successor Rate or Alternative Rate);

“Relevant Nominating Body” means, in respect of an Original Reference Rate:

- (A) the central bank for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (I) the central bank for the currency to which the Original Reference Rate relates, (II) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (III) a group of the aforementioned central banks or other supervisory authorities or (IV) the Financial Stability Board or any part thereof; and

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

6.3 Interest on Index Linked Notes

This Condition 6.3 applies to Index Linked Notes only.

(a) Interest Payment Dates

Each Index Linked Note bears interest on its outstanding nominal amount (in the case of Index Linked Notes represented by a Global Note) or the Calculation Amount (in the case of Index Linked Notes in definitive form) from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest, and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 6.3(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (1) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (2) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition, “Business Day” means a day which is both:

- I. a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms; and
- II. either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business

(including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and Any Additional Business Centre and which, if the Specified Currency is New Zealand dollars shall be Auckland) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Index Linked Notes will be the product of the rate per annum specified in the applicable Final Terms and the Index Ratio (as determined in accordance with Condition 7.1) rounded to six decimal places (0.0000005 being rounded upwards).

(c) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 6.3(b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 6.3(b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) Determination of Rate of Interest and calculation of Interest Amounts

The Calculation Agent will, at or as soon as practicable after each time at which the Rate of Interest is capable of being determined, determine the applicable Rate of Interest and notify the Principal Paying Agent as soon as practicable after determining the same.

The amount of interest payable on each Index Linked Note for any Interest Period (the "Interest Amount") will be calculated by the Calculation Agent by applying the Rate of Interest to:

- (i) in the case of Index Linked Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Index Linked Notes represented by such Global Note; or
- (ii) in the case of Index Linked Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such product by the Day Count Fraction specified in the applicable Final Terms and:

- (A) defined in Condition 6.1;
- (B) defined in Condition 6.2; or
- (C) in the case of Notes which pay interest on a semi-annual basis, the Day Count Fraction which is a fraction (1) the numerator of which is the number of days from and including the most recent Interest Payment Date (or Interest Commencement Date if such period is before the first scheduled Interest Payment Date) (to but excluding the next Interest Payment Date or, if earlier, the date of payment); and (2) the denominator of which is two times the number of days (including the first and excluding the last) in the Interest Period (the "Index Day Count Fraction"),

and rounding the resulting figure to the nearest sub-unit of the relevant Specified Currency (half of any such sub-unit being rounded upwards or otherwise in accordance with the applicable market convention).

Where the Specified Denomination of an Index Linked Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

(e) Notification of Rate of Interest and Interest Amounts

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the relevant Issuer, the Trustee, the other Paying Agents and any stock exchange, or other relevant authority, on which the relevant Index Linked Notes are for the time being listed, or by which they have been admitted to listing, and notice thereof to be published in accordance with Condition 16 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange, or other relevant listing authority, on which the relevant Index Linked Notes are for the time being listed, or by which they have been admitted to listing, and to the Noteholders in accordance with Condition 16. For the purpose of this paragraph, the expression “London Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(f) Determination or Calculation by the Trustee

If for any reason the Calculation Agent at any time after the Issue Date defaults in its obligation to determine or calculate:

- (i) the Rate of Interest;
- (ii) any Interest Amount in accordance with Condition 6.3(c) above;
- (iii) in relation to Notes redeemable in instalments, the Instalment Amount(s);
- (iv) the Final Redemption Amount; or
- (v) the Early Redemption Amount,

the Trustee shall determine or calculate the same in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition 6.3 and to the provisions of Condition 7) and in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Calculation Agent (and, where practicable, in accordance with this Condition).

(g) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.3, whether by the Calculation Agent, the Principal Paying Agent or the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF), the Calculation Agent, the Principal Paying Agent, the Trustee, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence of the aforesaid) no liability to the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF), the Noteholders, the Receiptholders or

the Couponholders shall attach to the Calculation Agent, the Principal Paying Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.4 Accrual of interest

Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

7. INDEXATION

This Condition 7 is applicable only if the applicable Final Terms specifies the Notes as Index Linked Notes.

7.1 Definitions

In these Conditions:

“Base Index Figure” means (subject to Condition 7.3) the base index figure as specified in the applicable Final Terms;

“Calculation Date” means any date when an Interest Amount or principal amount, as the case may be, falls due;

“CPI” means the U.K. Consumer Price Index (for all items) published by the Office for National Statistics (2015 = 100), or any comparable index which may replace such index for the purpose of calculating the amount payable on repayment of the Indexed Benchmark Gilt (if any);

“CPIH” means the U.K. Consumer Price Index including owner occupier’s housing costs (for all items) published by the Office for National Statistics (2015 = 100), or any comparable index which may replace such index for the purpose of calculating the amount payable on repayment of the Indexed Benchmark Gilt (if any);

“Expert” means a gilt-edged market maker, an independent investment bank or other expert in London appointed by the relevant Issuer;

“Index” or “Index Figure” means, subject as provided in Conditions 7.3, 7.5 and 9.3, either RPI, CPI or CPIH as specified in the applicable Final Terms;

Where RPI is specified as the Index in the applicable Final Terms, any reference to the “Index Figure applicable” to a particular Calculation Date shall, subject as provided in Conditions 7.3, 7.5 and 9.3, and if “3 months lag” is specified in the applicable Final Terms, be calculated in accordance with the following formula:

$$RPI_{m-3} + \frac{(\text{Day of Calculation Date} - 1)}{(\text{Days in month of Calculation Date})} + (RPI_{m-2} - RPI_{m-3})$$

and rounded to five decimal places (0.000005 being rounded upwards) and where:

“RPI_{m-3}” means the Index Figure for the first day of the month that is three months prior to the month in which the payment falls due; and

“RPI_{m-2}” means the Index Figure for the first day of the month that is two months prior to the month in which the payment falls due;

Where RPI is specified as the Index in the applicable Final Terms, any reference to the “Index Figure applicable” to a particular Calculation Date shall, subject as provided in Conditions 7.3, 7.5 and 9.3, and if “8 months lag” is specified in the applicable Final Terms, mean the Index Figure for the first day of the month that is eight months prior to the month in which the payment falls due;

Where CPI is specified as the Index in the applicable Final Terms, any reference to the “Index Figure applicable” to a particular Calculation Date shall, subject as provided in Conditions 7.3, 7.5 and 9.3, be calculated in accordance with the following formula:

$$CPI_{m-t} + \frac{(Day\ of\ Calculation\ Date - 1)}{(Days\ in\ month\ of\ Calculation\ Date)} + (CPI_{m-(t-1)} - CPI_{m-t})$$

and rounded to five decimal places (0.000005 being rounded upwards) and where:

“CPI_{m-t}” means the Index Figure for the first day of the month that is t months prior to the month in which the payment falls due, where the lag period “t” has a value of 2 to 24 as specified in the applicable Final Terms;

Where CPIH is specified as the Index in the applicable Final Terms, any reference to the “Index Figure applicable” to a particular Calculation Date shall, subject as provided in Conditions 7.3, 7.5 and 9.3, be calculated in accordance with the following formula:

$$CPIH_{m-t} + \frac{(Day\ of\ Calculation\ Date - 1)}{(Days\ in\ month\ of\ Calculation\ Date)} + (CPIH_{m-(t-1)} - CPIH_{m-t})$$

and rounded to five decimal places (0.000005 being rounded upwards) and where:

“CPIH_{m-t}” means the Index Figure for the first day of the month that is t months prior to the month in which the payment falls due, where the lag period “t” has a value of 2 to 24 as specified in the applicable Final Terms;

“His Majesty’s Treasury” means His Majesty’s Treasury or any officially recognised party performing the function of a calculation agent (whatever such party’s title), on its or its successor’s behalf, in respect of the relevant Reference Gilt ;

“Indexed Benchmark Gilt” means the index-linked sterling obligation of the United Kingdom Government listed on the Official List of the Financial Conduct Authority (in its capacity as competent authority under the Financial Services and Markets Act 2000, as amended) and traded on the London Stock Exchange that is indexed to the same Index as the Notes and whose average maturity most closely matches that of the Notes as the Expert shall determine to be appropriate;

“Index Ratio” applicable to any Calculation Date means the Index Figure applicable to such month or date divided by the Base Index Figure and rounded to five decimal places (0.000005 being rounded upwards);

“Reference Gilt” means the Treasury Stock specified in the applicable Final Terms (or, if such stock is not in existence, such other index-linked stock issued by or on behalf of HM Government as the relevant Issuer, on the advice of the Expert, may consider to be the most appropriate reference government stock for the Index Linked Notes); and

“RPI” means the U.K. Retail Price Index (for all items) published by the Office for National Statistics (January 1987 = 100) as published by HM Government.

7.2 Indexation of Principal

The Final Redemption Amount, the Early Redemption Amount and the Optional Redemption Amount in respect of the Index Linked Notes shall be the nominal amount of the Index Linked Notes multiplied by the Index Ratio applicable to the date on which the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount (as the case may be) becomes payable (as determined in accordance with Condition 7.1), provided that:

- (a) if a Minimum Final Redemption Amount, Minimum Early Redemption Amount and/or Minimum Optional Redemption Amount is specified in the applicable Final Terms and such amount is greater than the amount of principal in respect of the Notes determined in accordance with this Condition 7.2 (expressed on a per Calculation Amount basis), the Final Redemption Amount, Early Redemption Amount and/or Optional Redemption Amount (as applicable) shall be, respectively, the Minimum Final Redemption Amount, Minimum Early Redemption Amount and/or Minimum Optional Redemption Amount (as applicable) so specified in the applicable Final Terms; and/or
- (b) if a Maximum Final Redemption Amount, Maximum Early Redemption Amount and/or Maximum Optional Redemption Amount is specified in the applicable Final Terms and such amount is less than the amount of principal in respect of the Notes determined in accordance with this Condition 7.2 (expressed on a per Calculation Amount basis), the Final Redemption Amount, Early Redemption Amount and/or Optional Redemption Amount (as applicable) shall be, respectively, the Maximum Final Redemption Amount, Maximum Early Redemption Amount or Maximum Optional Redemption Amount (as applicable) so specified in the applicable Final Terms; and
- (c) the Calculation Agent will calculate the Final Redemption Amount, Early Redemption Amount and Optional Redemption Amount (as the case may be) as soon as reasonably practicable after each time such amount is capable of being determined and will notify the Principal Paying Agent thereof as soon as practicable after calculating the same. The Principal Paying Agent will as soon as practicable thereafter notify the relevant Issuer and any stock exchange on which the Notes are for the time being listed thereof and cause notice thereof to be published in accordance with Condition 16.

7.3 Changes in Circumstances Affecting the Index

- (a) Change in Base: If at any time and from time to time the Index is changed by the substitution of a new base for it, then with effect from (and including) the month in respect of which such substitution takes effect:
 - (i) the definition of Index and Index Figure in Condition 7.1 shall be deemed to refer to the month and/or year (as applicable) in substitution for January 1987 (where RPI is specified as the Index in the applicable Final Terms) or 2015 (where CPI or CPIH is specified as the Index in the applicable Final Terms) (or, as the case may be, for such other date or month as may have been substituted for it); and
 - (ii) the definition of Base Index Figure in Condition 7.1 shall be amended to mean the product of the then existing Base Index Figure and the Index Figure immediately following such substitution, divided by the Index immediately prior to such substitution.
- (b) Delay in publication of the Index: If in relation to a particular Interest Period or to the redemption of all or some only of the Notes and otherwise than in circumstances which the relevant Issuer certifies to the Trustee may fall with Condition 7.5 or Condition 9.3 (notwithstanding that the relevant Issuer may subsequently be advised that they do not fall within Condition 7.5 or Condition 9.3), the Index Figure relating to any month (the “calculation month”) which is required to be taken into account for the purposes of the determination of the Index Figure applicable to any date is not published on or before the fourteenth day before the date on which such payment is due (the “date for payment”), the Index Figure for the relevant calculation month shall be:
 - (i) the substitute index figure (if any) as is published by the Bank of England or the United Kingdom Debt Management Office (or such other United Kingdom authority as may be appropriate) for the purposes of indexation or payments on the Reference Gilt or the Indexed Benchmark Gilt (as applicable) or,

failing such publication, on any one or more of HM Government's index-linked stocks that is indexed to the same Index as the Notes, as determined by the Expert; or

- (ii) if no such determination is made by the Expert within seven days, the Index Figure last published before the date for payment.

7.4 Application of Changes

Where the provisions of Condition 7.3(b) apply, the relevant Issuer shall deliver to the Principal Paying Agent and Calculation Agent a certificate, acting on the sole advice of the Expert, as to the Index Figure applicable to the date for payment which shall be conclusive and binding. If a substitute index is published as specified in Condition 7.3(b)(i) above, a determination made based on that Index shall be final and no further payment by way of adjustment shall be made, notwithstanding that the Index Figure applicable to the date for payment may subsequently be published.

If no substitute index is so published and the index relating to the date for payment is subsequently published then:

- (a) in the case of an Index Linked Note not falling due for redemption on the date for payment of interest or principal (as the case may be), if the index so subsequently published (if published when such Note remains outstanding) is greater or less than the Index applicable by virtue of Condition 7.3(b)(ii), the interest payable on that Note on the Interest Payment Date next succeeding the date of such subsequent publication shall be increased or reduced to reflect the amount by which the interest or principal (as the case may be) next payable on that Note on the date for payment on the basis of the index applicable by virtue of the preceding paragraph fell short of, or (as the case may be) exceeded the interest or principal (as the case may be) which would have been payable on that Note if the Index subsequently published had been published on or before the fourteenth business day before the date for payment; or
- (b) in the case of any Note falling due for final redemption on the date of payment, no subsequent adjustment to amounts paid will be made.

7.5 Cessation of or Changes to the Index

Where CPI or CPIH is specified in the applicable Final Terms as the Index, if the Index ceases to be published or any changes are made to it which, in the opinion of the Expert, constitute a fundamental change in the rules governing the Index and the change would, in the opinion of the Expert, be detrimental to the interests of the relevant Issuer or the Noteholders and if, within 30 days after its appointment (or such longer period as the Trustee may in its sole discretion agree), the Expert recommends for the purposes of the Index Linked Notes one or more adjustments to the Index or a substitute index (with or without adjustments), then provided that such adjustments or substitute index (as the case may be) are not materially detrimental (in the opinion of the Expert) either to the interests of the relevant Issuer or the interests of the Noteholders, as compared to the interests of the relevant Issuer and the Noteholders (as the case may be) as they would have been had the Index continued to be published or such fundamental change in the rules governing the Index had not been made, the Index shall be adjusted as so recommended or (as the case may be) shall be replaced by the substitute index so recommended (as so adjusted, if so recommended) and references in these Conditions to the Index shall be construed accordingly and the relevant Issuer shall notify the Noteholders of the adjustments to the Index or the introduction of the substitute index (with or without adjustments) in accordance with Condition 16.

Where RPI is specified in the applicable Final Terms as the Index and:

- (a) if notice is published by His Majesty's Treasury, or on its behalf, following a change to the coverage or the basic calculation of such Index, then the Calculation Agent shall make any such adjustments to the Index as are consistent with any adjustments made to the Index as applied to the Reference Gilt; and

- (b) if the Index ceases to be published:
 - (i) if at any time a substitute index has been designated by His Majesty's Treasury in respect of the Reference Gilt, the Index shall be replaced for the purposes of the relevant Index Linked Notes by the substitute index so designated, notwithstanding that any other substitute index may previously have been determined under paragraph (ii) below; and
 - (ii) if, within 30 days after its appointment (or such longer period as the Trustee may in its sole discretion agree), the Expert recommends for the purposes of the Index Linked Notes a substitute index (with or without adjustments), then provided that such substitute index is not materially detrimental (in the opinion of the Expert) either to the interests of the relevant Issuer or the interests of the Noteholders, as compared to the interests of the relevant Issuer and the Noteholders (as the case may be) as they would have been had the Index continued to be published, the Index shall be replaced by the substitute index so recommended (as so adjusted, if so recommended),

and references in these Conditions to the Index shall be construed accordingly and the relevant Issuer shall notify the Noteholders of the introduction of the substitute index (with or without adjustments), as applicable, in accordance with Condition 16.

If any payment in respect of the Index Linked Notes is due to be made after the cessation or changes referred to in the preceding paragraphs but before any such adjustment to, or replacement of, the Index takes effect, the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor shall (if the Index Figure applicable (or deemed applicable) to the date of payment is not available in accordance with the provisions of Condition 7.1) make a provisional payment on the basis that the Index Figure applicable to the date for payment is the Index last published. In that event or in the event of any payment on the Index Linked Notes having been made on the basis of an index deemed applicable under Condition 7.3(b)(i) above (also referred to below as a "provisional payment") the Expert subsequently determines that the relevant circumstances fall within this Condition 7.5, then:

- (a) except in the case of a payment on redemption of the Index Linked Notes, if the sum which would have been payable if such adjustments or such substitute index had been in effect on the due date for such provisional payment is greater or less than the amount of such provisional payment, the interest payable on the Index Linked Notes on the Interest Payment Date next succeeding the date on which the relevant Issuer and the Trustee receive such recommendation shall be increased or reduced to reflect the amount by which such provisional payment of interest fell short or, (as the case may be) exceeded, the interest which would have been payable on the Notes if such adjustments or such substituted index had been in effect on that date; or
- (b) in the case of a payment of principal or interest on redemption of the Notes, no subsequent adjustment to amounts paid will be made.

7.6 Trustee Action and/or Steps

The Trustee shall be entitled to assume that no cessation of or change to the Index has occurred until informed otherwise by the relevant Issuer and it will not be responsible for identifying or appointing an Expert. The Trustee may rely absolutely on any determination made or advice given by the Expert without need for further investigation.

8. PAYMENTS

8.1 Method of payment

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is New Zealand dollars, shall be Auckland); and
- (b) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment or other laws and regulations to which the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or any Agent is subject, but without prejudice to the provisions of Condition 10, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "Code") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto and, in each case, the relevant Issuer will not be liable to holders for any taxes or duties of whatsoever nature imposed or levied by such laws, agreements or regulations.

8.2 Presentation of definitive Bearer Notes, Receipts and Coupons

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 8.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Payments of instalments of principal (if any) in respect of definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 8.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in Condition 8.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Note to which they appertain do not constitute valid obligations of the relevant Issuer. Upon the date on which any definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Index Linked Notes) and save as provided in Condition 6.4) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 10) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 11) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Index Linked Note in definitive bearer form becomes due and repayable, unmaturing Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

8.3 Payments in respect of Bearer Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Bearer Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

8.4 Payments in respect of Registered Notes

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the "Register") (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg, are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. For these purposes, "Designated Account" means the account (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and "Designated Bank" means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is New Zealand dollars, shall be Auckland) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note will be made by transfer on the due date to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg, are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the "Record Date"). Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

None of the relevant Issuer, the Guarantor, or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

8.5 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the relevant Issuer or, as the case may be, the Guarantor (where the relevant Issuer is UUWF) will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the relevant Issuer or, as the case may be, the Guarantor (where the relevant Issuer is UUWF) to, or to the order of, the holder of such Global Note.

Notwithstanding the provisions of Condition 8.1 above, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of Bearer Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the relevant Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor, adverse tax consequences to the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor.

8.6 Payment Day

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "Payment Day" means any day which (subject to Condition 11) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (i) in the case of Notes in definitive form only, the relevant place of presentation;
 - (ii) any Additional Financial Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (b) if TARGET2 System is specified as an Additional Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open; and
- (c) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is New Zealand dollars shall be Auckland) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

8.7 Interpretation of principal and interest

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 10 or under any undertaking or covenant given in addition thereto, or in substitution thereof, pursuant to the Trust Deed;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Notes redeemable in instalments, the Instalment Amount(s);
- (f) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 9.6(c)); and
- (g) any premium and any other amounts which may be payable by the relevant Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10 or under any undertaking or covenant given in addition thereto, or in substitution thereof, pursuant to the Trust Deed.

9. REDEMPTION AND PURCHASE

9.1 Redemption by Instalments and Redemption at maturity

- (a) Unless previously redeemed or purchased and in each case cancelled as specified below, each Note (including each Index Linked Note) that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the applicable Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date (as defined in Condition 10) relating to such Instalment Amount.
- (b) Unless previously redeemed or purchased and in each case cancelled as specified below, each Note (including each Index Linked Note) will be redeemed by the relevant Issuer at its Final Redemption Amount specified in the applicable Final Terms or, in the case of a Note falling within sub-paragraph (a) above, its final Instalment Amount (subject, in the case of Index Linked Notes to adjustment in accordance with Condition 7.2) in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

9.2 Redemption for tax reasons

Subject to Condition 9.6, the Notes may be redeemed at the option of the relevant Issuer in whole, but not in part, at any time (if the Note is neither a Floating Rate Note nor an Index Linked Note) or on any Interest Payment Date (if the Note is either a Floating Rate Note or an Index Linked Note), on giving not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms (in the event that such periods are not so specified, the minimum period will be not less than 30 days and the maximum period will be not more than 60 days) to the Trustee and the Principal Paying Agent and, in accordance with Condition 16, the Noteholders (which notice shall be irrevocable), if the relevant Issuer satisfies the Trustee immediately before

the giving of the notice referred to above that on the occasion of the next payment due under the Notes, the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor has or will become obliged to pay additional amounts as provided or referred to in Condition 10 as a result of any change in, or amendment to, the laws or regulations of the United Kingdom or any political subdivision of, or any authority in, or of, the United Kingdom having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the relevant Issuer or, as the case may be, the Guarantor (where the relevant Issuer is UUWF) would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 9.2, the relevant Issuer shall deliver to the Trustee a certificate signed by one Director or duly authorised signatory of the relevant Issuer or, as the case may be, one Director or duly authorised signatory of the Guarantor (where the relevant Issuer is UUWF) stating that the relevant Issuer is entitled to effect such redemption and setting forth a statement of the change or amendment (as referred to above) which has occurred (irrespective of whether such change or amendment is then effective) describing the facts leading thereto and accompanied by an opinion in a form satisfactory to the Trustee of independent legal advisers of recognised standing to the effect that such change or amendment has occurred (irrespective of whether such change or amendment is then effective) and the relevant Issuer or, as the case may be, the Guarantor (where the relevant Issuer is UUWF) has or will become obliged to pay such additional amounts as a result of such change or amendment. The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event they shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

Notes redeemed pursuant to this Condition 9.2 will be redeemed at their Early Redemption Amount referred to in Condition 9.6 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

9.3 Redemption for Index Reasons

- (a) In the case of Index Linked Notes where CPI or CPIH is specified in the applicable Final Terms as the Index, if:
- (i) the Index ceases to be published or any changes are made to it which, in the opinion of an Expert, constitute a fundamental change in the rules governing the Index and the change would, in the opinion of the Expert, be detrimental to the interests of the Noteholders and if the Expert fails within 30 days after its appointment (or such longer period as the Trustee may in its sole discretion agree), or states to the relevant Issuer and the Trustee that it is unable to recommend for the purposes of the Notes any adjustments to the Index or any substitute index (with or without adjustments), as described in Condition 7.5, the relevant Issuer shall, within 14 days of the expiry of such period or (as the case may be) after the date of such statement, give notice (which shall be irrevocable and shall state the date fixed for redemption which shall not be more than 15 days after the date on which the notice is given) to redeem the Notes then outstanding, at a price equal to their nominal amount multiplied by the Index Ratio applicable to the date on which the date fixed for redemption falls, together with accrued interest; or
 - (ii) the Index ceases to be published or any changes are made to it which, in the opinion of an Expert, constitute a fundamental change in the rules governing the Index and the change would, in the opinion of the Expert, be detrimental to the interests of the relevant Issuer and if the Expert fails within 30 days after its appointment (or such longer period as the Trustee may in its sole discretion agree), or states to the relevant Issuer and the Trustee that it is unable to recommend for the purposes of the Notes any adjustments to the Index or any substitute index (with or without adjustments), as described in Condition 7.5, the relevant Issuer may at its option, within 14 days of the expiry of such period or (as the case may be) after the date of such statement, give notice (which shall be irrevocable and shall state

the date fixed for redemption which shall not be more than 15 days after the date on which the notice is given) to redeem the Notes then outstanding, at a price equal to their nominal amount multiplied by the Index Ratio applicable to the date on which the date fixed for redemption falls, together with accrued interest.

- (b) In the case of Index Linked Notes where RPI is specified in the applicable Final Terms as the Index, if:
- (i) the Index ceases to be published and if both (A) no substitute index is designated by His Majesty's Treasury in respect of the Reference Gilt as described in Condition 7.5(b)(i) and (B) the Expert fails within 30 days after its appointment (or such longer period as the Trustee may in its sole discretion agree), or states to the relevant Issuer and the Trustee that it is unable to recommend for the purposes of the Notes any substitute index (with or without adjustments), as described in Condition 7.5(b)(ii), the relevant Issuer shall, within 14 days of the expiry of such period or (as the case may be) after the date of such statement, give notice (which shall be irrevocable and shall state the date fixed for redemption which shall not be more than 15 days after the date on which the notice is given) to redeem the Notes then outstanding, at a price equal to their nominal amount multiplied by the Index Ratio applicable to the date on which the date fixed for redemption falls, together with accrued interest; or
 - (ii) notice is published by His Majesty's Treasury, or on its behalf, following cessation of the Index, offering a right of redemption to the holders of the Reference Gilt, and no amendment or substitution of the Index shall have been designated by His Majesty's Treasury in respect of the Reference Gilt and such circumstances are continuing, the relevant Issuer may at its option, within 14 days of the date of such publication, give notice (which shall be irrevocable and shall state the date fixed for redemption which shall not be more than 15 days after the date on which the notice is given) to redeem the Notes then outstanding, at a price equal to their nominal amount multiplied by the Index Ratio applicable to the date on which the date fixed for redemption falls, together with accrued interest.

9.4 Redemption at the option of the relevant Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Final Terms, the relevant Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms (in the event that such periods are not so specified, the minimum period will be not less than 30 days and the maximum period will be not more than 90 days) to the Noteholders in accordance with Condition 16; (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

In the case of a partial redemption of Notes, the Notes to be redeemed ("Redeemed Notes") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes and, in the case of Redeemed Notes represented by a Global Note, in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), in each case not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "Selection Date"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 16 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that, if necessary, appropriate adjustments shall be made to such nominal amounts to ensure that each represents an integral multiple of the Specified Denomination. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 9.4 and notice to that

effect shall be given by the relevant Issuer to the Noteholders in accordance with Condition 16 at least five days prior to the Selection Date.

9.5 Redemption at the option of the Noteholders (Investor Put)

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the relevant Issuer in accordance with Condition 16 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms (in the event that such periods are not so specified, the minimum period will be not less than 30 days and the maximum period will be not more than 90 days), the relevant Issuer will, upon the expiry of such notice, redeem in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

If this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar, falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a "Put Notice") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2. If this Note is in definitive bearer form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

9.6 Early Redemption Amounts

For the purpose of Condition 9.2 and 9.4 and Condition 12, the Notes will be redeemed at their Early Redemption Amount calculated as follows:

- (a) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (b) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at their nominal amount; or
- (c) in the case of Zero Coupon Notes, at an amount (the "Amortised Face Amount") equal to the sum of:
 - (i) the Reference Price; and

- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date of the first tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Notes become due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made (1) in the case of a Zero Coupon Note other than a Zero Coupon Note payable in euro, on the basis of a 360-day year consisting of 12 months of 30 days each and (2) in the case of a Zero Coupon Note payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non-leap year divided by 365).

- (d) In the case of Index Linked Notes, at the outstanding nominal amount thereof, subject to adjustment in accordance with Condition 7.2.

9.7 Purchases

The relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or any Subsidiary (as defined in the Trust Deed) of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor, surrendered to any Paying Agent or the Registrar for cancellation.

9.8 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and Notes purchased and cancelled pursuant to Condition 9.7 above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

9.9 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Conditions 9.1, 9.2, 9.4 or 9.5 above or upon its becoming due and repayable as provided in Condition 12 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 9.6(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Note has been received by the Principal Paying Agent, the Registrar or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 16.

10. TAXATION

All payments of principal and interest in respect of the Notes, Receipts and Coupons by or on behalf of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the United Kingdom or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the relevant

Issuer or, as the case may be, the Guarantor (where the relevant Issuer is UUWF) will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the United Kingdom other than the mere holding of such Note, Receipt or Coupon; or
- (b) presented for payment in the United Kingdom; or
- (c) presented for payment to, or to a third party on behalf of, a holder who would not be liable to such withholding or deduction if such holder had made a declaration of non-residence or similar claim for exemption to any authority of or in the United Kingdom; or
- (d) where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto; or
- (e) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day.

As used herein, the "Relevant Date" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 16.

11. PRESCRIPTION

The Notes (whether in bearer or registered form), Receipts and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 10) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 8.2 or any Talon which would be void pursuant to Condition 8.2.

12. EVENTS OF DEFAULT AND ENFORCEMENT

12.1 The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to it being indemnified and/or secured and/or pre-funded to its satisfaction), (but, in the case of the happening of any of the events mentioned in Conditions 12.1(b), (c), (e), (f) and (g), below in relation to the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor and (c) to (g) below (inclusive) in relation to a Material Subsidiary, only if the Trustee shall have certified in writing that such event is, in its opinion, materially prejudicial to the interests of the Noteholders) give notice to the relevant Issuer that the Notes are, and they shall accordingly thereupon become, immediately due and

repayable at their Early Redemption Amount, together with accrued interest as provided in the Trust Deed, if any of the following events shall occur and be continuing:

- (a) if default is made by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor for a period of 14 days or more in the payment of any principal or interest due in respect of the Notes or any of them; or
- (b) if default is made by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor in the performance or observance of any material obligation, condition or provision binding upon it under the Notes or the Trust Deed (other than any obligation for the payment of any principal or interest in respect of the Notes) and, except where such default is, in the opinion of the Trustee, not capable of remedy when no such continuation and notice as is hereinafter mentioned will be required, such default continues for 30 days (or such longer period as the Trustee may permit) after written notice thereof has been given by the Trustee to the relevant Issuer or, as the case may be, the Guarantor (where the relevant Issuer is UUWF) requiring the same to be remedied; or
- (c) (1) any indebtedness for moneys borrowed (as defined below) of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor or any Material Subsidiary or (2) any present or future guarantee for, or indemnity in respect of, any indebtedness for moneys borrowed of any person given by the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or any Material Subsidiary where the relevant indebtedness for moneys borrowed when aggregated with all other indebtedness for moneys borrowed in respect of which one or more other events referred to in this paragraph (c) shall have occurred exceeds whichever is the greater of £30,000,000 (or the equivalent in other currencies as determined by the Trustee) and two per cent. of the Adjusted Capital and Reserves:
 - (i) is not paid or repaid or honoured when due or within any applicable grace period; or
 - (ii) is declared to be or becomes enforceable, redeemable or repayable prior to the due date for payment thereof as a result of any actual default by the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or any Material Subsidiary, as the case may be, or as a result of an event of default (howsoever described) in relation thereto, unless such default or event of default is waived or remedied (to the satisfaction of the Trustee) within thirty business days,

except, in any such case, where there is a bona fide dispute as to payment; or

- (d) if an order is made or a resolution is passed for the winding up of, or an administration order is made in relation to, the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or any Material Subsidiary (save, in the case of a Material Subsidiary, (i) with the prior consent of the Trustee or the prior sanction of an Extraordinary Resolution for the purposes of or in connection with an amalgamation or reconstruction, or (ii) a voluntary solvent winding-up where surplus assets are available for distribution); or
- (e) if an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or any substantial part of the undertaking, property and assets of the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or any Material Subsidiary or if a distress, execution or other process is levied or enforced upon or sued out against the whole or any substantial part of the assets of the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or any Material Subsidiary and, in the case of any of the foregoing events, is not discharged within 60 days or such longer period as the Trustee may allow; or
- (f) if the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or any Material Subsidiary is unable to pay its debts within the meaning of Section 123(2) of the Insolvency Act 1986; or

- (g) if the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or any Material Subsidiary shall cease to carry on the whole or substantially the whole of its business, save in any case for the purposes of amalgamation, merger, consolidation, reorganisation, reconstruction or other similar arrangement:
- (i) (where the relevant Issuer is UU) not involving or arising out of the insolvency of UU or a Material Subsidiary and under which all or substantially all of its assets are transferred to UU or a Material Subsidiary or one or more of UU's other Subsidiaries or to a transferee or transferees which is or are, or immediately upon such transfer become(s), a Material Subsidiary or Material Subsidiaries provided that this exception (i) shall not apply where the transferor company is UU unless assets comprising the major part by value of the assets owned by UU immediately prior to such transfer are transferred to a single transferee company and contemporaneously with such transfer (y) such transferee company assumes (to the satisfaction of the Trustee) all the obligations of UU as principal debtor in respect of the Notes and (z) UU unconditionally and irrevocably guarantees (to the satisfaction of the Trustee) the payment of all amounts payable by such transferee company as the new principal debtor; or
 - (ii) (where the relevant Issuer is UUWF) not involving or arising out of the insolvency of UUWF, the Guarantor or a Material Subsidiary and under which all or substantially all of its assets are transferred to UUWF, the Guarantor or a Material Subsidiary or one or more of UUWF's or the Guarantor's Subsidiaries or to a transferee or transferees which is or are, or immediately upon such transfer become(s), a Material Subsidiary or Material Subsidiaries provided that this exception (ii) shall not apply where the transferor company is UUWF or the Guarantor unless assets comprising the major part by value of the assets owned by the relevant transferor company immediately prior to such transfer are transferred to a single transferee company and contemporaneously with such transfer (1) where the transferor company is UUWF (y) such transferee company assumes (to the satisfaction of the Trustee) all the obligations of UUWF as principal debtor in respect of the Notes and (z) UUWF or the Guarantor unconditionally and irrevocably guarantees (to the satisfaction of the Trustee) the payment of all amounts payable by such transferee company as the new principal debtor and (2) where the transferor company is the Guarantor, such transferee company guarantees (to the satisfaction of the Trustee) the payment of all amounts payable by UUWF as the relevant Issuer in respect of the Notes; or
 - (iii) under which all or substantially all of its assets are transferred to a third party or parties (whether associates or not) for full consideration on an arm's length basis; or
 - (iv) the terms of which have previously been approved by the Trustee in writing or by an Extraordinary Resolution of the Noteholders provided that in no event shall the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor or any Material Subsidiary be deemed to have ceased to carry on the whole or substantially the whole of its business solely by reason of any forced divestiture imposed by any government or regulatory body or by reason of the loss of the Appointment; or
- (h) in the case of Notes issued by UUWF, the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect.

12.2 Definitions

For the purposes of this Condition:

"Accounts" means, to the extent an Issuer has Subsidiary Undertakings, a consolidation of the annual accounts of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor and (in each case) its Subsidiary Undertakings as prepared by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor, and audited and reported upon by the Auditors in accordance with

United Kingdom generally accepted accounting practices and principles, including International Financial Reporting Standards as adopted by the European Union, as applicable;

“Adjusted Capital and Reserves” means at any time a sum equal to the aggregate of:

- (a) the amount paid up or credited as paid up on the issued share capital of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor; and
- (b) the amounts standing to the credit of the capital and revenue reserves of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor and its respective Subsidiary Undertakings (including any share premium account and capital redemption reserve) after adding thereto any balance standing to the credit of the profit and loss account;

all based on the consolidated balance sheet of (where the relevant Issuer is UU) UU or (where the relevant Issuer is UUWF) the Guarantor and, in each case, their respective Subsidiary Undertakings as contained in the then latest Accounts but after:

- (i) excluding all sums set aside for taxation (whether in respect of deferred taxation or otherwise);
- (ii) making such adjustments as may be appropriate in respect of any variation in the amount of such share capital or such reserves subsequent to the relevant balance sheet date and so that for this purpose share capital allotted shall be deemed to have been issued and if any issue or proposed issue of shares by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months after the date of allotment) shall to the extent so underwritten be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional in all respects);
- (iii) making such adjustments as may be appropriate in respect of any distributions declared, recommended or made by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor or any of their respective Subsidiary Undertakings out of profits earned up to and including the date of such balance sheet to the extent that such distribution is not provided for in such balance sheet;
- (iv) making such adjustments as may be appropriate in respect of any variation in the interests of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor in their respective Subsidiary Undertakings (including, but without limiting the generality of the foregoing, any acquisition of a new Subsidiary Undertaking or disposal of an interest which causes an undertaking to cease to be a Subsidiary Undertaking) since the date of such balance sheet;
- (v) if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a Subsidiary Undertaking of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor, making all such adjustments as would be appropriate if such transaction had been carried into effect;
- (vi) excluding all minority interests and other third party interests in Subsidiary Undertakings of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor;
- (vii) deducting any balance to the debit of the profit and loss account;
- (viii) deducting all amounts (if any) attributable to goodwill or any other intangible assets;

- (ix) excluding such part of the interests of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor or any of their respective Subsidiary Undertakings in an associated company (as defined in the Trust Deed), not being a Subsidiary Undertaking of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor, as is attributable to any post-acquisition undistributed profits and reserves, but including such interests at original cost or, if lower, book value;
- (x) deducting (if not otherwise excluded) such amount as the Auditors shall consider appropriate in respect of any deferred taxation liabilities on the net amount by which the fixed assets of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor and their respective Subsidiary Undertakings shall have been written up as a result of any revaluation, and for this purpose a transfer of any assets by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor to any of their respective Subsidiary Undertakings, or by any of their respective Subsidiary Undertakings to the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor or another of their respective Subsidiary Undertakings, for a consideration in excess of the book value thereof shall be deemed to be a writing up of the book value of such asset as a result of a revaluation;
- (xi) deducting therefrom all amounts attributable (whether by way of share or loan capital or otherwise) to the interests of the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor and their respective Subsidiary Undertakings (other than Excluded Subsidiaries) in Excluded Subsidiaries; and
- (xii) making such other adjustments (if any) as the Auditors may consider appropriate;

and so that no amount shall be included or excluded more than once in the same calculation.

The certificate of the Auditors as to the amount of the Adjusted Capital and Reserves at any time shall, in the absence of manifest error, be conclusive and binding on all parties.

“Appointment” means the Instrument of Appointment dated 24 August, 1989 under Sections 11 and 14 of the Water Act 1989 (as varied from time to time) appointing United Utilities Water Limited as a water undertaker and sewerage undertaker;

“Auditors” means the auditors for the time being of the relevant Issuer or the Guarantor (as the case may be) or, in the event of their being unable or unwilling to carry out any action requested of them pursuant to the Trust Deed, such other firm of chartered accountants as the Trustee may in writing nominate or approve for the purpose;

“Excluded Subsidiary” means any Subsidiary of UU (where the relevant Issuer is UU) or (where the relevant Issuer is UUWF) the Guarantor (i) which is a single purpose company whose principal assets and business are constituted by the ownership, acquisition, development and/or operation of an asset, (ii) none of whose liabilities in respect of the financing of such ownership, acquisition, development and/or operation of an asset is subject to any recourse whatsoever to any member of the Group other than an Excluded Subsidiary, and (iii) which has been designated as such by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor by written notice to the Trustee; provided that the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor may give written notice to the Trustee at any time that any Excluded Subsidiary is no longer an Excluded Subsidiary, whereupon it shall cease to be an Excluded Subsidiary;

“Group” means (where the relevant Issuer is UU) UU or (where the relevant Issuer is UUWF) the Guarantor and, in each case, their respective Subsidiaries and “member of the Group” shall be construed accordingly;

“indebtedness for moneys borrowed” means any present or future indebtedness (being principal, premium or interest) for or in respect of (a) all moneys borrowed, (b) liabilities under or in respect of any acceptance or acceptance credit and (c) all notes, bonds, debentures, debenture stock, loan stock or other securities offered, issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash

which is not for the time being owned by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor or any of their respective Subsidiary Undertakings and which does not amount to Project Finance Indebtedness;

“Material Subsidiary” means (A) if the relevant Issuer is UU, any Subsidiary of the Issuer or (B) if the relevant Issuer is UUWF, any Subsidiary of the Guarantor (but excluding UUWF) and, in each case, not being an Excluded Subsidiary (i) whose gross revenues earned from outside the Group or whose gross assets (in each case consolidated in respect of a Subsidiary which itself has Subsidiaries, and in each case attributable to UU (where the relevant Issuer is UU) or (where the relevant Issuer is UUWF) the Guarantor all as shown in the latest audited accounts (consolidated or, as the case may be, unconsolidated)) of such Subsidiary represent 20 per cent. or more of the consolidated gross revenues or, as the case may be, consolidated gross assets (in each case attributable to the shareholders of its ultimate parent) of UU (where the relevant Issuer is UU) or (where the relevant Issuer is UUWF) the Guarantor and in each case their respective Subsidiary Undertakings (other than Excluded Subsidiaries) all as shown in the latest Accounts; or (ii) to which is transferred all or substantially all of the business, undertaking or assets of a Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon the transferor Subsidiary shall immediately cease to be a Material Subsidiary and the transferee Subsidiary shall immediately become a Material Subsidiary under this sub-paragraph (ii) but shall cease to be a Material Subsidiary upon publication of its next audited accounts unless it would then be a Material Subsidiary under (i) above. A report by the Auditors (whether or not addressed to the Trustee) that in their opinion a Subsidiary is or is not or was or was not at any particular time a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

“Project Finance Indebtedness” means any indebtedness for moneys borrowed to finance the ownership, acquisition, development and/or operation of an asset (whether or not an asset of a member of the Group):

- (a) which is incurred by an Excluded Subsidiary; or
- (b) in respect of which the person or persons to whom any such indebtedness for moneys borrowed is or may be owed by the relevant borrower (whether or not a member of the Group) has or have no recourse whatsoever to any member of the Group (other than an Excluded Subsidiary) for the repayment thereof other than:
 - (i) recourse for amounts limited to the cash flow or net cash flow (other than historic cash flow or historic net cash flow) from such asset; and/or
 - (ii) recourse for the purpose only of enabling amounts to be claimed in respect of such indebtedness for moneys borrowed in an enforcement of any encumbrance given by such borrower over such asset or the income, cash flow or other proceeds deriving therefrom (or given by any shareholder or the like in the borrower over its shares or the like in the capital of the borrower) to secure such indebtedness for moneys borrowed, provided that (1) the extent of such recourse to such borrower is limited solely to the amount of any recoveries made on any such enforcement, and (2) such person or persons is/are not entitled, by virtue of any right or claim arising out of or in connection with such indebtedness for moneys borrowed, to commence proceedings for the winding up or dissolution of the borrower or to appoint or procure the appointment of any receiver, trustee or similar person or officer in respect of the borrower or any of its assets (save for the assets the subject of such encumbrance); and/or
 - (iii) recourse to such borrower generally, or directly or indirectly to a member of the Group, under any form of assurance, undertaking or support, which recourse is limited to a claim for damages (other than liquidated damages and damages required to be calculated in a specified way) for breach of an obligation by the person against whom such recourse is available (not being a payment obligation or an obligation to procure payment by another or an indemnity in respect thereof or any obligation to comply or to procure compliance by another with any financial ratios or other tests of financial condition);

“Subsidiary” means a subsidiary within the meaning of Section 1159 of the Companies Act 2006; and

“Subsidiary Undertaking” has the meaning ascribed thereto in Section 1162 of the Companies Act 2006 (but, in relation to each Issuer or (where the relevant Issuer is UUWF) the Guarantor, shall exclude any Subsidiary Undertaking whose accounts are not included in the then latest Accounts, or (in the case of a Subsidiary Undertaking which has first become a Subsidiary Undertaking of a member of the Group since the date as at which such Accounts were prepared) would not have been so included or consolidated if it had become so on or before that date).

12.3 Enforcement

The Trustee shall not be bound to take any proceedings or any other action in relation to the Trust Deed, the Notes, the Receipts or the Coupons unless it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-quarter in aggregate amount of the Notes then outstanding and in either case then only if it shall be indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities which it may incur by so doing.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure is continuing.

13. REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes, Coupons or Receipts) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the relevant Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14. AGENTS

The initial Paying Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The relevant Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent and, whilst any Registered Notes are outstanding, a Registrar and, whilst any Index Linked Notes are outstanding, a Calculation Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Registrar and Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor is incorporated.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of trust with, any Noteholder, Receiptholder or Couponholder. The Agency Agreement contains provisions permitting

any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

15. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 11.

16. NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that such publication will be made in the Financial Times in London. The relevant Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or any other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee may approve.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that relevant authority or stock exchange so require, such notice will be published in a daily newspaper of general circulation in the places or places required by that competent authority or stock exchange.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or admitted to trading by any other relevant authority and the rules of that stock exchange or other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that stock exchange or other relevant authority. Any such notice shall be deemed to have been given to the holders of the Notes on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes is represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

17. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

The Trust Deed contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of

a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the relevant Issuer or the Trustee or (where the relevant Issuer is UUWF) the Guarantor and shall be convened by the relevant Issuer or (where the relevant Issuer is UUWF) the Guarantor at the request of Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, the Receipts, the Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate or amount of interest payable in respect of the Notes or altering the currency of payment of the Notes, the Receipts or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders, or as a resolution in writing signed by or on behalf of all the Noteholders, or consented to by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee), shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (a) any modification of any of the provisions of these Terms and Conditions, the Notes, the Receipts, the Coupons or the Trust Deed which is not in the opinion of the Trustee materially prejudicial to the interests of the Noteholders;
or
- (b) any modification of the provisions of any of these Terms and Conditions, the Notes, the Receipts, the Coupons or the Trust Deed which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law.

The Trustee may also agree, without the consent of the Noteholders, Receiptholders or Couponholders, to the waiver or authorisation of any breach or proposed breach of any of these Terms and Conditions or any of the provisions of the Trust Deed or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, which in any such case is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders. In addition, the Trustee shall be obliged to concur with the relevant Issuer in effecting any Benchmark Amendments in the circumstances and as otherwise set out in Condition 6.2(i) without the consent or approval of the Noteholders, Receiptholders or Couponholders.

In connection with the exercise by it of any of its trusts, powers, authorities or discretions (including, but without limitation, any modification, waiver, authorisation or determination), 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, Receiptholders or Couponholders (whatever their number) and, in particular, but without limitation, shall not have regard to the consequences of such exercise for individual Noteholders, Receiptholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political subdivision thereof and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the relevant Issuer, the Guarantor (where the relevant Issuer is UUWF), the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders, Receiptholders or Couponholders except, in the case of the relevant Issuer and (where the relevant Issuer is UUWF) the Guarantor, to the extent provided for in Condition 10 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 10 pursuant to the Trust Deed.

Any such modification shall be binding on the Noteholders, Receiptholders and the Couponholders and, unless the Trustee otherwise agrees, any such modification shall be notified to the Noteholders in accordance with Condition 16 as soon as practicable thereafter.

18. INDEMNIFICATION OF THE TRUSTEE AND ITS CONTRACTING WITH THE RELEVANT ISSUER AND (WHERE THE RELEVANT ISSUER IS UUWF) THE GUARANTOR

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, inter alia, (i) to enter into business transactions with the relevant Issuer and/or (where the relevant Issuer is UUWF) the Guarantor and/or any of their respective Subsidiaries and to act as trustee for the holders of any other securities issued by, or relating to, the relevant Issuer and/or (where the relevant Issuer is UUWF) the Guarantor and/or any of their other Subsidiaries; (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, Receiptholders or Couponholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

19. FURTHER ISSUES

The relevant Issuer is at liberty from time to time without the consent of the Noteholders, Receiptholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date on which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of Notes of other Series in certain circumstances where the Trustee so decides.

20. SUBSTITUTION

The Trustee may agree, without the consent of the Noteholders or the Couponholders, to the substitution at any time or times:

- (a) of any Subsidiary of UU in place of UU as principal debtor, subject to the irrevocable and unconditional guarantee of UU; or
- (b) of any Subsidiary of UUWF in place of UUWF as principal debtor, subject to the irrevocable and unconditional guarantee of UUWF; or
- (c) of the Guarantor or any other Subsidiary of the Guarantor in place of UUWF as principal debtor subject, in the case of any other Subsidiary of the Guarantor, to the irrevocable and unconditional guarantee of the Guarantor; or
- (d) of any holding company or Subsidiary of the Guarantor as guarantor under the Trust Deed and the Notes subject to such guarantor having the benefit of the Appointment held by the Guarantor.

Any such substitution shall also be subject to the relevant provisions of the Trust Deed.

21. GOVERNING LAW

The Trust Deed (including the Guarantee), the Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection therewith are governed by, and construed in accordance with, English law.

22. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

SCHEDULE 2

FORMS OF GLOBAL AND DEFINITIVE NOTES, RECEIPTS, COUPONS AND TALONS

PART 1

FORM OF TEMPORARY BEARER GLOBAL NOTE

[UNITED UTILITIES PLC
(the Issuer)

(incorporated with limited liability in England)/

UNITED UTILITIES WATER FINANCE PLC
(the Issuer)

(incorporated with limited liability in England)

unconditionally and irrevocably guaranteed by

UNITED UTILITIES WATER LIMITED
(the Guarantor)

(incorporated with limited liability in England)]¹

TEMPORARY BEARER GLOBAL NOTE

This Global Note is a Temporary Bearer Global Note in respect of a duly authorised issue of Notes of the Issuer (the **Notes**) of the Nominal Amount, Specified Currency(ies) and Specified Denomination(s) as are specified in Part A of the Final Terms applicable to the Notes (the **Final Terms**), a copy of which is annexed hereto. References herein to the Conditions shall be to the Terms and Conditions of the Notes as set out in Schedule 1 to the Trust Deed (as defined below) as completed by the information set out in the Final Terms, but in the event of any conflict between the provisions of the said Conditions and the information in the Final Terms, the Final Terms will prevail. Words and expressions defined in the Conditions and the Trust Deed shall bear the same meanings when used in this Global Note.

This Global Note is issued subject to, and with the benefit of, the Conditions and an Amended and Restated Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 15 November 2016 and made between (*inter alios*) the Issuer[, the Guarantor]² and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Notes.

The Issuer, subject as hereinafter provided and subject to and in accordance with the Conditions and the Trust Deed, promises to pay to the bearer hereof on each Instalment Date (if the Notes are repayable in instalments) and on the Maturity Date and/or on such earlier date(s) as all or any of the Notes represented by this Global Note may become due and repayable in accordance with the Conditions and the Trust Deed, the amount payable under the Conditions in respect of such Notes on each such date and to pay interest (if any) on the nominal amount of the Notes from time to time represented by this Global Note calculated and payable as provided in the Conditions and the Trust Deed together with any other sums payable under the Conditions and the Trust Deed, upon (if the Final Terms indicates that this Global Note is not intended to be a New Global Note) presentation and, at maturity, surrender of this Global Note to or to the order of the Principal Paying Agent or any of the other Paying Agents located outside the United States, its territories and possessions (except as provided in the Conditions) from time to time appointed by the Issuer in respect of the Notes.

¹ Delete as applicable.

² Delete as applicable

If the Final Terms indicate that this Global Note is intended to be a New Global Note, the nominal amount of Notes represented by this Global Note shall be the aggregate amount from time to time entered in the records of both Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream, Luxembourg** and together with Euroclear, the **relevant Clearing Systems**). The records of the relevant Clearing Systems (which expression in this Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of each such customer's interest in the Notes) shall be conclusive evidence of the nominal amount of Notes represented by this Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the nominal amount of Notes represented by this Global Note at any time shall be conclusive evidence of the records of the relevant Clearing System at that time.

If the Final Terms indicate that this Global Note is not intended to be a New Global Note, the nominal amount of the Notes represented by this Global Note shall be the amount stated in the applicable Final Terms or, if lower, the nominal amount most recently entered by or on behalf of the Issuer in the relevant column in Part II, III, and IV of Schedule One hereto or in Schedule Two hereto.

On any redemption of, or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Notes represented by this Global Note the Issuer shall procure that:

- (i) if the Final Terms indicate that this Global Note is intended to be a New Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered pro rata in the records of the relevant Clearing Systems, and, upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed or purchased and cancelled or the amount of such instalment; or
- (ii) if the Final Term indicates that this Global Note is not intended to be a New Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in Schedule One hereto and the relevant space in Schedule One hereto recording any such redemption, payment or purchase and cancellation (as the case may be) shall be signed by or on behalf of the Issuer. Upon any such redemption, payment of an instalment or purchase and cancellation, the nominal amount of this Global Note and the Notes represented by this Global Note shall be reduced by the nominal amount of such Notes so redeemed or purchased and cancelled or the amount of such instalment.

Payments due in respect of Notes for the time being represented by this Global Note shall be made to the bearer of this Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make entries referred to above shall not affect such discharge.

Payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will only be made to the bearer hereof to the extent that there is presented to the Principal Paying Agent by Clearstream, Luxembourg or Euroclear a certificate to the effect that it has received from or in respect of a person entitled to a beneficial interest in a particular nominal amount of the Notes represented by this Global Note (as shown by its records) a certificate of non-US beneficial ownership in the form required by it. The bearer of this Global Note will not (unless upon due presentation of this Global Note for exchange, delivery of the appropriate number of Definitive Bearer Notes (together, if applicable, with the Receipts, Coupons and Talons appertaining thereto in or substantially in the forms set out in Parts 3, 4, 5 and 6 of Schedule 2 to the Trust Deed) or, as the case may be, issue and delivery (or, as the case may be, endorsement) of the Permanent Bearer Global Note is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled to receive any payment hereon due on or after the Exchange Date.

On or after the date (the **Exchange Date**) which is 40 days after the Issue Date this Global Note may be exchanged (free of charge) in whole or in part for, as specified in the Final Terms, either (a) Definitive

Bearer Notes and (if applicable) Receipts, Coupons and/or Talons (on the basis that all the appropriate details have been included on the face of such Definitive Bearer Notes and (if applicable) Receipts, Coupons and/or Talons and the relevant information supplementing, replacing or modifying the Conditions appearing in the Final Terms has been endorsed on or attached to such Definitive Bearer Notes) or (b) either (if the Final Terms indicates that this Global Note is intended to be a New Global Note) interests recorded in the records of the relevant Clearing Systems in a Permanent Bearer Global Note or (if the Final Terms indicates that this Global Note is not intended to be a New Global Note) a Permanent Bearer Global Note, which, in either case, is in or substantially in the form set out in Part 2 of Schedule 2 to the Trust Deed (together with the Final Terms attached thereto) upon notice being given by Euroclear and/or Clearstream, Luxembourg acting on the instructions of any holder of an interest in this Global Note and subject, in the case of Definitive Notes, to such notice period as is specified in the Final Terms.

If Definitive Bearer Notes and (if applicable) Receipts, Coupons and/or Talons have already been issued in exchange for all the Notes represented for the time being by the Permanent Bearer Global Note, then this Global Note may only thereafter be exchanged for Definitive Bearer Notes and (if applicable) Receipts, Coupons and/or Talons pursuant to the terms hereof. This Global Note may be exchanged by the bearer hereof on any day (other than a Saturday or Sunday) on which banks are open for general business in London.

The Issuer shall procure that Definitive Bearer Notes or (as the case may be) the Permanent Bearer Global Note shall be issued and delivered and (in the case of the Permanent Bearer Global Note where the Final Terms indicates that this Global Note is intended to be a New Global Note) interests in the Permanent Bearer Global Note shall be recorded in the records of the relevant Clearing Systems in exchange for only that portion of this Global Note in respect of which there shall have been presented to the Principal Paying Agent by Euroclear or Clearstream, Luxembourg a certificate to the effect that it has received from or in respect of a person entitled to a beneficial interest in a particular nominal amount of the Notes represented by this Global Note (as shown by its records) a certificate of non-US beneficial ownership in the form required by it.

On an exchange of the whole of this Global Note, this Global Note shall be surrendered to or to the order of the Principal Paying Agent. The Issuer shall procure that:

- (i) if the Final Terms indicate that this Global Note is intended to be a New Global Note, on an exchange of the whole or part only of this Global Note, details of such exchange shall be entered pro rata in the records of the relevant Clearing Systems such that the nominal amount of Notes represented by this Global Note shall be reduced by the nominal amount of this Global Note so exchanged; or
- (ii) if the Final Terms indicate that this Global Note is not intended to be a New Global Note, on an exchange of part only of this Global Note details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two hereto and the relevant space in Schedule Two hereto recording such exchange shall be signed by or on behalf of the Issuer, whereupon the nominal amount of this Global Note and the Notes represented by this Global Note shall be reduced by the nominal amount of this Global Note so exchanged. On any exchange of this Global Note for a Permanent Bearer Global Note, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two to the Permanent Bearer Global Note and the relevant space in Schedule Two thereto recording such exchange shall be signed by or on behalf of the Issuer.

Until the exchange of the whole of this Global Note as aforesaid, the bearer hereof shall (subject as provided in the next paragraph) in all respects (except as otherwise provided herein) be entitled to the same benefits as if he were the bearer of Definitive Notes and the relative Receipts, Coupons and/or Talons (if any) in the form(s) set out in Parts 3, 4, 5 and 6 (as applicable) of Schedule 2 to the Trust Deed.

Each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of the Notes

represented by this Global Note (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, [the Guarantor,]³ the Trustee, the Principal Paying Agent, Registrar, Transfer Agent and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal and interest on such nominal amount of such Notes, the right to which shall be vested, as against the Issuer [and the Guarantor]⁴, solely in the bearer of this Global Note in accordance with and subject to the terms of this Global Note and the Trust Deed.

No rights are conferred on any person by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Global Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

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

This Global Note shall not be valid unless authenticated by the Principal Paying Agent and, if the Final Terms indicates that this Global Note is intended to be a New Global Note (i) which is intended to be held in a manner which would allow Eurosystem eligibility or (ii) in respect of which effectuation is to be applicable, effectuated by the entity appointed as common safekeeper by the relevant Clearing Systems.

³ Delete as applicable

⁴ Delete as applicable

IN WITNESS whereof the Issuer has caused this Global Note to be signed manually or in facsimile by a person duly authorised on its behalf.

Issued as of

**[UNITED UTILITIES PLC/
UNITED UTILITIES WATER FINANCE PLC]⁵**

By:
Duly Authorised

Authenticated by
Citibank, N.A., London Branch,
as Principal Paying Agent.

By:
Authorised Signatory

⁶Effectuated without recourse,
warranty or liability by

.....
as common safekeeper

By:

⁵ Delete as applicable.

⁶ This should only be completed where the Final Terms indicate that this Global Note is intended to be a New Global Note.

PART 2

FORM OF PERMANENT BEARER GLOBAL NOTE

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]⁸

**[UNITED UTILITIES PLC
(the Issuer)**

(incorporated with limited liability in England)/

**UNITED UTILITIES WATER FINANCE PLC
(the Issuer)**

(incorporated with limited liability in England)

unconditionally and irrevocably guaranteed by

**UNITED UTILITIES WATER LIMITED
(the Guarantor)**

(incorporated with limited liability in England)]⁹

PERMANENT BEARER GLOBAL NOTE

This Global Note is a Permanent Bearer Global Note in respect of a duly authorised issue of Notes of the Issuer (the **Notes**) of the Nominal Amount, Specified Currency(ies) and Specified Denomination(s) as are specified in Part A of the Final Terms applicable to the Notes (the **Final Terms**), a copy of which is annexed hereto. References herein to the Conditions shall be to the Terms and Conditions of the Notes as set out in Schedule 1 to the Trust Deed (as defined below) as completed by the information set out in the Final Terms but, in the event of any conflict between the provisions of the said Conditions and the information in the Final Terms, the Final Terms will prevail. Words and expressions defined in the Conditions shall bear the same meanings when used in this Global Note. This Global Note is issued subject to, and with the benefit of, the Conditions and an Amended and Restated Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 15 November 2016 and made between (*inter alios*) the Issuer[, the Guarantor]¹⁰ and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Notes.

The Issuer, subject to and in accordance with the Conditions and the Trust Deed, promises to pay to the bearer hereof on each Instalment Date (if the Notes are repayable in instalments) and on the Maturity Date and/or on such earlier date(s) as all or any of the Notes represented by this Global Note may become due and repayable in accordance with the Conditions and the Trust Deed, the amount payable under the Conditions in respect of such Notes on each such date and to pay interest (if any) on the nominal amount of the Notes from time to time represented by this Global Note calculated and payable as provided in the Conditions and the Trust Deed together with any other sums payable under the Conditions and the Trust Deed, upon (if the Final Terms indicates that this Global Note is not intended to be a New Global Note) presentation and, at maturity, surrender of this Global Note to or to the order of the Principal Paying Agent or any of the other Paying Agents located outside the United States, its territories and possessions (except as provided in the Conditions) from time to time appointed by the Issuer in respect of the Notes.

⁸ This legend can be deleted if TEFRA C or TEFRA Not Applicable is specified in the applicable Final Terms.

⁹ Delete as applicable.

¹⁰ Delete as applicable

[Upon any further Tranche of Notes of this Series being issued, details of such increase in the size of the Series shall be entered by or on behalf of the Issuer in Schedule Two hereto and the relevant space in Schedule Two hereto recording such increase shall be signed by or on behalf of the Issuer, whereupon the nominal amount of this Global Note and the Notes represented by this Global Note shall be increased by the nominal of such further Tranche.]¹¹

If the Final Terms indicate that this Global Note is intended to be a New Global Note, the nominal amount of Notes represented by this Global Note shall be the aggregate amount from time to time entered in the records of both Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream, Luxembourg** and together with Euroclear, the **relevant Clearing Systems**). The records of the relevant Clearing Systems (which expression in this Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of each such customer's interest in the Notes) shall be conclusive evidence of the nominal amount of Notes represented by this Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the nominal amount of Notes represented by this Global Note at any time shall be conclusive evidence of the records of the relevant Clearing System at that time.

If the Final Terms indicate that this Global Note is not intended to be a New Global Note, the nominal amount of the Notes represented by this Global Note shall be the amount stated in the applicable Final Terms or, if lower, the nominal amount most recently entered by or on behalf of the Issuer in the relevant column in Part II, Part III or IV of Schedule One hereto or in Schedule Two hereto.

On any redemption or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Notes represented by this Global Note the Issuer shall procure that:

- (i) if the Final Terms indicates that this Global Note is intended to be a New Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered pro rata in the records of the relevant Clearing Systems and, upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed or purchased and cancelled or the amount of such instalment; or
- (ii) if the Final Terms indicates that this Global Note is not intended to be a New Global Note, details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in Schedule One hereto and the relevant space in Schedule One hereto recording any such redemption, payment or purchase and cancellation (as the case may be) shall be signed by or on behalf of the Issuer. Upon any such redemption, payment of an instalment or purchase and cancellation, the nominal amount of the Notes represented by this Global Note shall be reduced by the nominal amount of the Notes so redeemed or purchased and cancelled or the amount of such instalment.

Payments due in respect of Notes for the time being represented by this Global Note shall be made to the bearer of this Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.

If the Notes represented by this Global Note were, on issue, represented by a Temporary Bearer Global Note then on any exchange of such Temporary Bearer Global Note for this Global Note or any part hereof, the Issuer shall procure that:

- (i) if the Final Terms indicates that this Global Note is intended to be a New Global Note, details of such exchange shall be entered in the records of the relevant Clearing Systems such that the nominal

¹¹ Delete where the issue is made in accordance with TEFRA D.

amount of Notes represented by this Global Note shall be increased by the nominal amount of the Temporary Bearer Global Note so exchanged; or

- (ii) if the Final Terms indicates that this Global Note is not intended to be a New Global Note, details of such exchange shall be entered by or on behalf of the Issuer in Schedule Two hereto and the relevant space in Schedule Two hereto recording such exchange shall be signed by or on behalf of the Issuer, whereupon the nominal amount of this Global Note and the Notes represented by this Global Note shall be increased by the nominal amount of the Temporary Bearer Global Note so exchanged.

In certain circumstances further notes may be issued which are intended on issue to be consolidated and form a single Series with the Notes. In such circumstances the Issuer shall procure that:

- (i) if the Final Terms indicates that this Global Note is intended to be a New Global Note, details of such further notes shall be entered in the records of the relevant Clearing Systems such that the nominal amount of Notes represented by this Global Note shall be increased by the amount of such further notes so issued; or
- (ii) if the Final Terms indicates that this Global Note is not intended to be a New Global Note, details of such further notes shall be entered by or on behalf of the Issuer in Schedule Two and the relevant space in Schedule Two recording such further notes shall be signed by or on behalf of the Issuer, whereupon the nominal amount of the Notes represented by this Global Note shall be increased by the nominal amount of any such further notes so issued.

This Global Note may be exchanged (free of charge) in whole, but not in part, and at the expense of the Issuer (unless otherwise specified in the Final Terms) for Definitive Notes and (if applicable) Receipts, Coupons and/or Talons in or substantially in the forms set out in Parts 3, 4, 5 and 6 of Schedule 2 to the Trust Deed (on the basis that all the appropriate details have been included on the face of such Definitive Notes and (if applicable) Receipts, Coupons and/or Talons and the relevant information supplementing, replacing or modifying the Conditions appearing in the Final Terms has been endorsed on or attached to such Definitive Bearer Notes), as specified in the applicable Final Terms upon the occurrence of an Exchange Event.

An **Exchange Event** means:

- (i) an Event of Default has occurred and is continuing;
- (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no alternative clearing system satisfactory to the Trustee is available; or
- (iii) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 10 which would not be required were the Notes in definitive form.

If this Global Note is exchangeable following the occurrence of an Exchange Event:

- (a) the Issuer will promptly give notice to Noteholders in accordance with Condition 16 upon the occurrence of such Exchange Event; and
- (b) Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in this Global Note) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur

on a date specified in the notice not more than 60 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The first notice requesting exchange in accordance with the above provisions shall give rise to the issue of Definitive Bearer Notes for the total nominal amount of Notes represented by this Global Note.

Any such exchange as aforesaid will be made on any day other than a Saturday or a Sunday on which banks are open for business in London by the bearer of this Global Note.

The aggregate nominal amount of Definitive Bearer Notes issued upon an exchange of this Global Note will be equal to the aggregate nominal amount of this Global Note. Upon exchange of this Global Note for Definitive Bearer Notes, the Principal Paying Agent shall cancel it or procure that it is cancelled.

Until the exchange of the whole of this Global Note as aforesaid, the bearer hereof shall (subject as provided in the next paragraph) in all respects be entitled to the same benefits as if he were the bearer of Definitive Notes and the relative Receipts, Coupons and/or Talons (if any) in the form(s) set out in Parts 3, 4, 5 and 6 (as applicable) of Schedule 2 to the Trust Deed.

Each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of the Notes represented by this Global Note (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, [the Guarantor,]¹² the Trustee, the Principal Paying Agent and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal and interest on such nominal amount of such Notes, the right to which shall be vested, as against the Issuer [and the Guarantor]¹³, solely in the bearer of this Global Note in accordance with and subject to the terms of this Global Note and the Trust Deed.

No rights are conferred on any person by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Global Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

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

This Global Note shall not be valid unless authenticated by the Principal Paying Agent and, if the Final Terms indicates that this Global Note is intended to be a New Global Note (i) which is intended to be held in a manner which would allow Eurosystem eligibility or (ii) in respect of which effectuation is to be applicable, effectuated by the entity appointed as common safekeeper by the relevant Clearing Systems.

¹² Delete as applicable

¹³ Delete as applicable

IN WITNESS whereof the Issuer has caused this Global Note to be signed manually or in facsimile by a person duly authorised on its behalf.

Issued as of.....

**[UNITED UTILITIES PLC/
UNITED UTILITIES WATER FINANCE PLC]¹⁴**

By:
Duly Authorised

Authenticated by
Citibank, N.A., London Branch,
as Principal Paying Agent.

By:
Authorised Signatory

¹⁵Effectuated without recourse,
warranty or liability by

.....
as common safekeeper

By:

¹⁴ Delete as applicable.

¹⁵ This should only be completed where the Final Terms indicates that this Global Note is intended to be a New Global Note.

PART 3

FORM OF DEFINITIVE BEARER NOTE

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]¹⁹

**[UNITED UTILITIES PLC
(the Issuer)**

(incorporated with limited liability in England)/

**UNITED UTILITIES WATER FINANCE PLC
(the Issuer)**

(incorporated with limited liability in England)

unconditionally and irrevocably guaranteed by

**UNITED UTILITIES WATER LIMITED
(the Guarantor)**

(incorporated with limited liability in England)]²⁰

[Specified Currency and Nominal Amount of Tranche]

NOTES DUE

[Year of Maturity]

This Note is one of a Series of Notes of [Specified Currency(ies) and Specified Denomination(s)] each of the Issuer (**Notes**). References herein to the Conditions shall be to the Terms and Conditions [endorsed hereon/set out in Schedule 1 to the Trust Deed (as defined below) which shall be incorporated by reference herein and have effect as if set out herein] as modified by the relevant information (appearing in the Final Terms (the **Final Terms**)) endorsed hereon but, in the event of any conflict between the provisions of the said Conditions and such information in the Final Terms, the Final Terms will prevail. Words and expressions defined in the Conditions shall bear the same meanings when used in this Note. This Note is issued subject to, and with the benefit of, the Conditions and an Amended and Restated Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 15 November 2016 and made between (*inter alios*) the Issuer[, the Guarantor,]²¹ and The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Notes.

The Issuer, subject to and in accordance with the Conditions and the Trust Deed, promises to pay to the bearer hereof on [each Instalment Date and] the Maturity Date or on such earlier date as this Note may become due and repayable in accordance with the Conditions and the Trust Deed, the amount payable on redemption of this Note and to pay interest (if any) on the nominal amount of this Note calculated and payable as provided in the Conditions and the Trust Deed together with any other sums payable under the Conditions and the Trust Deed.

This Note shall not be valid unless authenticated by the Principal Paying Agent.

¹⁹ This legend can be deleted if TEFRA C or TEFRA Not Applicable is specified in the applicable Final Terms.

²⁰ Delete as applicable.

²¹ Delete as applicable.

IN WITNESS whereof this Note has been executed on behalf of the Issuer.

Issued as of

**[UNITED UTILITIES PLC/
UNITED UTILITIES WATER FINANCE PLC]**²²

By:
Duly Authorised

Authenticated by
Citibank, N.A., London Branch,
as Principal Paying Agent.

By:
Authorised Signatory

²² Delete as applicable.

[Conditions]

[Conditions to be as set out in Schedule 1 to this Trust Deed or such other form as may be agreed between the relevant Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s), but shall not be endorsed if not required by the relevant Stock Exchange]

FINAL TERMS

[Here to be set out the text of the relevant information supplementing, replacing or modifying the Conditions which appears in the Final Terms relating to the Notes]

PART 4
FORM OF RECEIPT

On the front:

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]²³

**[UNITED UTILITIES PLC/
UNITED UTILITIES WATER FINANCE PLC
unconditionally and irrevocably guaranteed by
UNITED UTILITIES WATER LIMITED]²⁴**

**[Specified Currency and Nominal Amount of Tranche]
NOTES DUE
[Year of Maturity]**

Series No. []

Receipt for the sum of [] being the instalment of principal payable in accordance with the Terms and Conditions applicable to the Note to which this Receipt appertains (the **Conditions**) on [].

This Receipt is issued subject to and in accordance with the Conditions which shall be binding upon the holder of this Receipt (whether or not it is for the time being attached to such Note) and is payable at the specified office of any of the Paying Agents set out on the reverse hereof (and/or any other or further Paying Agents and/or specified offices as may from time to time be duly appointed and notified to the Noteholders).

This Receipt must be presented for payment together with the Note to which it appertains. The Issuer shall have no obligation in respect of any Receipt presented without the Note to which it appertains or any unmatured Receipts.

[UNITED UTILITIES PLC/UNITED UTILITIES WATER FINANCE PLC]²⁵

By:

²³ Delete where the original maturity of the Notes is 1 year or less.

²⁴ Delete as applicable.

²⁵ Delete as applicable.

PART 5
FORM OF COUPON

On the front:

**[UNITED UTILITIES PLC/
UNITED UTILITIES WATER FINANCE PLC**
unconditionally and irrevocably guaranteed by
UNITED UTILITIES WATER LIMITED]²⁶
[Specified Currency and Nominal Amount of Tranche]
NOTES DUE
[Year of Maturity]
Series No. []

[Coupon appertaining to a Note in the denomination of [Specified Currency and Specified Denomination]].²⁷

Part A

[For Fixed Rate Notes:

This Coupon is payable to bearer, separately negotiable and subject to the Terms and Conditions of the said Notes.

Coupon for
[]
due on [], []

Part B

[For Floating Rate Notes or Index Linked Notes:

Coupon for the amount due in accordance with the Terms and Conditions endorsed on, attached to or incorporated by reference into the said Notes on [the Interest Payment Date falling in [] []/[]].

This Coupon is payable to bearer, separately negotiable and subject to such Terms and Conditions, under which it may become void before its due date.]

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]²⁸

²⁶ Delete as applicable.

²⁷ Delete where the Notes are all of the same denomination.

²⁸ This legend can be deleted if TEFRA C or TEFRA Not Applicable is specified in the applicable Final Terms.

PART 6
FORM OF TALON

On the front:

**[UNITED UTILITIES PLC/
UNITED UTILITIES WATER FINANCE PLC**
unconditionally and irrevocably guaranteed by
UNITED UTILITIES WATER LIMITED]²⁹
[Specified Currency and Nominal Amount of Tranche]
NOTES DUE
[Year of Maturity]
Series No. []

[Talon appertaining to a Note in the denomination of [Specified Currency and Specified Denomination]]³⁰.

On and after [] further Coupons [and a further Talon]³¹ appertaining to the Note to which this Talon appertains will be issued at the specified office of any of the Paying Agents set out on the reverse hereof (and/or any other or further Paying Agents and/or specified offices as may from time to time be duly appointed and notified to the Noteholders) upon production and surrender of this Talon.

This Talon may, in certain circumstances, become void under the Terms and Conditions endorsed on the Note to which this Talon appertains.

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.]³²

²⁹ Delete as applicable.

³⁰ Delete where the Notes are all of the same denomination.

³¹ Not required on last Coupon sheet.

³² This legend can be deleted if TEFRA C or TEFRA Not Applicable is specified in the applicable Final Terms.

On the back of Receipts, Coupons and Talons:

PRINCIPAL PAYING AGENT

Citibank, N.A., London Branch
21 Floor Citigroup Centre,
Canada Square
Canary Wharf
London E14 5LB

PAYING AGENT

Citibank Europe Plc
1 North Wall Quay
Dublin 1
Ireland

PART 7

FORM OF REGISTERED GLOBAL NOTE

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.

This Global Note may be exchanged in whole, but not in part, for Definitive Registered Notes without Receipt, Coupons or Talons attached only upon the occurrence of an Exchange Event.

An **Exchange Event** means:

- (a) an Event of Default has occurred and is continuing;
- (b) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no alternative clearing system satisfactory to the Trustee is available; or
- (c) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 10 which would not be required were the Notes in definitive form;

If this Global Note is exchangeable following the occurrence of an Exchange Event:

- (i) the Issuer will promptly give notice to Noteholders in accordance with Condition 16 upon the occurrence of such Exchange Event; and
- (ii) Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in this Global Note) or the Trustee may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (c) above, the Issuer may also give notice to the Registrar requesting exchange.

Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

Notes represented by this Global Note are transferable only in accordance with, and subject to, the provisions hereof and of the Agency Agreement dated 15 November 2016 (as amended and/or supplemented and/or restated from time to time) and the rules and operating procedures of Euroclear and Clearstream, Luxembourg.

On any exchange or transfer as aforesaid pursuant to which either (i) Notes represented by this Global Note are no longer to be so represented or (ii) Notes not so represented are to be so represented details of such exchange or transfer shall be entered by or on behalf of the Issuer in the Register, whereupon the nominal amount of this Global Note and the Notes held by the registered holder hereof shall be increased or reduced (as the case may be) by the nominal amount so exchanged or transferred.

Subject as provided in the following two paragraphs, until the exchange of the whole of this Global Note as aforesaid, the registered holder hereof shall in all respects be entitled to the same benefits as if he were the registered holder of Definitive Registered Notes in the form set out in Part 8 of Schedule 2 to the Trust Deed.

Each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of the Notes represented by this Global Note (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer[, the Guarantor], the Trustee, the Principal Paying Agent and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal and interest on such nominal amount of such Notes, the right to which shall be vested, as against the Issuer[and the Guarantor], solely in the bearer of this Global Note in accordance with and subject to the terms of this Global Note and the Trust Deed.

No rights are conferred on any person by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Global Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act and any non-contractual obligations arising out or in connection with it is governed by, and shall be construed in accordance with, English law.

This Global Note shall not be valid unless authenticated by the Registrar and, if the applicable Final Terms indicates that this Global Note is intended to be held under the New Safekeeping Structure, effectuated by the entity appointed as common safekeeper by Euroclear or Clearstream, Luxembourg.

IN WITNESS whereof the Issuer has caused this Global Note to be duly executed on its behalf.

[UNITED UTILITIES PLC/UNITED UTILITIES WATER FINANCE PLC]³⁵

By:

Duly Authorised

Authenticated without recourse, warranty or liability by
Citibank, N.A., London Branch,
as Registrar

By:

Authorised Officer

[Effectuated without recourse, warranty or liability by [common safekeeper],
as Common Safekeeper

By:

Authorised Officer]³⁶

[Form of Final Terms or relevant information appearing in the Final Terms to be attached hereto]

³⁵ Delete as applicable.

³⁶ This should only be completed where the Final Terms indicate that this Global Note is intended to be held under the New Safekeeping Structure.

[UNITED UTILITIES PLC/UNITED UTILITIES WATER FINANCE PLC]³⁸

By:
Duly Authorised

Authenticated without recourse, warranty or liability by
Citibank, N.A., London Branch,
as Registrar

By:
Authorised Officer

[Form of Final Terms or relevant information appearing in the Final Terms to be attached hereto]

³⁸ Delete as applicable.

FORM OF TRANSFER OF REGISTERED NOTE

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) to

.....
.....
.....

(Please print or type name and address (including postal code) of transferee)

[Specified Currency][] nominal amount of this Note and all rights hereunder, hereby irrevocably constituting and appointing as attorney to transfer such nominal amount of this Note in the register maintained by [United Utilities PLC/United Utilities Water Finance PLC] with full power of substitution.

Signature(s).....
.....

Date:

N.B.: This form of transfer must be accompanied by such documents, evidence and information as may be required pursuant to the Conditions and must be executed under the hand of the transferor or, if the transferor is a corporation, either under its common seal or under the hand of two of its officers duly authorised in writing and, in such latter case, the document so authorising such officers must be delivered with this form of transfer.

[Conditions]

[Conditions to be as set out in Schedule 1 to this Trust Deed or such other form as may be agreed between the Issuer, the Principal Paying Agent and the Trustee, but shall not be endorsed if not required by the relevant stock exchange or such relevant authority.]

SCHEDULE 3

PROVISIONS FOR MEETINGS OF NOTEHOLDERS

1. As used in this Schedule the following expressions shall have the following meanings unless the context otherwise requires:

Block Voting Instruction means an English language document issued by a Paying Agent and dated in which:

- (a) it is certified that on the date thereof Bearer Notes (whether in definitive form or represented by a Bearer Global Note) or Registered Notes represented by a Registered Global Note or Registered Notes in definitive form which are held in an account with any Clearing System (in each case not being Notes in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) have been deposited with such Paying Agent or (to the satisfaction of such Paying Agent) are held to its order or under its control or are blocked in an account with a Clearing System and that no such Notes will cease to be so deposited or held or blocked until the first to occur of:
- (i) the conclusion of the meeting specified in such Block Voting Instruction; and
- (ii) the surrender to the Paying Agent, not less than 48 Hours before the time for which such meeting is convened, of the receipt issued by such Paying Agent in respect of each such deposited Bearer Note which is to be released or (as the case may require) the Notes ceasing with the agreement of the Paying Agent to be held to its order or under its control or so blocked and the giving of notice by the Paying Agent to the relevant Issuer in accordance with paragraph 3(h) of the necessary amendment to the Block Voting Instruction;
- (b) it is certified that each holder of such Notes or a duly authorised agent on his behalf has instructed such Paying Agent that the vote(s) attributable to the Notes so deposited or held or blocked should be cast in a particular way in relation to the resolution(s) to be put to such meeting and that all such instructions are, during the period commencing 48 Hours prior to the time for which such meeting is convened and ending at the conclusion or adjournment thereof, neither revocable nor capable of amendment;
- (c) the aggregate principal amount of the Notes so deposited or held or blocked is listed distinguishing with regard to each such resolution between those in respect of which instructions have been given that the votes attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and
- (d) one or more persons named in such Block Voting Instruction (each hereinafter called a **proxy**) is or are authorised and instructed by such Paying Agent to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in paragraph (c) above as set out in such Block Voting Instruction;

Clearing System means Euroclear and/or Clearstream, Luxembourg and includes in respect of any Note any clearing system on behalf of which such Note is held or which is the bearer, holder or (directly or through a nominee) registered owner of a Note, in either case whether alone or jointly with any other Clearing System(s). For the avoidance of doubt, the provisions of Clause 1.2(e) shall apply to this definition;

Eligible Person means any one of the following persons who shall be entitled to attend and vote at a meeting:

- (a) a Noteholder of a Bearer Note in definitive form;
- (b) a Noteholder of a Registered Note in definitive form which is not held in an account with any Clearing System;
- (c) a bearer of any Voting Certificate;
- (d) a proxy specified in any Block Voting Instruction; and
- (e) a proxy appointed by a holder of a Registered Note in definitive form which is not held in an account with any Clearing System;

Extraordinary Resolution means:

- (a) a resolution passed at a meeting duly convened and held in accordance with these presents by a majority consisting of not less than three-fourths of the Eligible Persons voting thereat upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than three-fourths of the votes cast on such poll; or
- (b) a resolution in writing signed by or on behalf of all the holders which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such holders;
- (c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-fourths in principal amount of the Notes for the time being outstanding;

Ordinary Resolution means:

- (a) a resolution passed at a meeting duly convened and held in accordance with these presents by a clear majority of the Eligible Persons voting thereat on a show of hands or, if a poll is duly demanded, by a simple majority of the votes cast on such poll; or
- (b) a resolution in writing signed by or on behalf of the holders of not less than a clear majority in principal amount of the Notes, which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such holders;

Voting Certificate means an English language certificate issued by a Paying Agent in which it is stated:

- (a) that on the date thereof Bearer Notes (whether in definitive form or represented by a Bearer Global Note) or Registered Notes represented by a Registered Global Note or Registered Notes in definitive form which are held in an account with any Clearing System (in each case not being Notes in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) were deposited with such Paying Agent or (to the satisfaction of such Paying Agent) are held to its order or under its control or are blocked in an account with a Clearing System and that no such Notes will cease to be so deposited or held or blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in such Voting Certificate; and

- (ii) the surrender of the Voting Certificate to the Paying Agent who issued the same; and
- (b) that the bearer thereof is entitled to attend and vote at such meeting in respect of the Notes represented by such Voting Certificate;

24 Hours means a period of 24 hours including all or part of a day upon which banks are open for business in both the place where the relevant meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose the day upon which such meeting is to be held) 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 in all of the places as aforesaid; and

48 Hours means a period of 48 hours including all or part of two days upon which banks are open for business both in the place where the relevant meeting is to be held and in each of the places where the Paying Agents have their specified offices (disregarding for this purpose the day upon which such meeting is to be held) 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 two days upon which banks are open for business in all of the places as aforesaid.

For the purposes of calculating a period of **Clear Days** in relation to a meeting, no account shall be taken of the day on which the notice of such meeting is given (or, in the case of an adjourned meeting, the day on which the meeting to be adjourned is held) or the day on which such meeting is held.

All references in this Schedule to a "meeting" shall, where the context so permits, include any relevant adjourned meeting.

EVIDENCE OF ENTITLEMENT TO ATTEND AND VOTE

2. A holder of a Bearer Note (whether in definitive form or represented by a Bearer Global Note) or Registered Note represented by a Registered Global Note or Registered Note in definitive form which is held in an account with any Clearing System may require the issue by a Paying Agent of Voting Certificates and Block Voting Instructions in accordance with the terms of paragraph 3.

For the purposes of paragraph 3, the Principal Paying Agent, the Registrar and each Paying Agent shall be entitled to rely, without further enquiry, on any information or instructions received from a Clearing System and shall have no liability to any Noteholder or other person for any loss, damage, cost, claim or other liability occasioned by its acting in reliance thereon, nor for any failure by a Clearing System to deliver information or instructions to the Principal Paying Agent, Registrar or any Paying Agent.

The holder of any Voting Certificate or the proxies named in any Block Voting Instruction shall for all purposes in connection with the relevant meeting be deemed to be the holder of the Notes to which such Voting Certificate or Block Voting Instruction relates and the Paying Agent with which such Bearer Notes have been deposited or the person holding Notes to the order or under the control of such Paying Agent or the Clearing System in which such Bearer Notes have been blocked shall be deemed for such purposes not to be the Holder of those Notes.

PROCEDURE FOR ISSUE OF VOTING CERTIFICATES, BLOCK VOTING INSTRUCTIONS AND PROXIES

3.
 - (a) *Definitive Bearer Notes not held in a Clearing System - Voting Certificates*

A holder of a Bearer Note in definitive form which is not held in an account with any Clearing System (not being a Bearer Note in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) may obtain a Voting Certificate in respect of such Bearer Note from a Paying Agent subject to such Holder having procured that such Bearer Note is deposited with such Paying Agent or (to the satisfaction of such Paying Agent) is held to its order or under its control upon terms that no such Bearer Note will cease to be so deposited or held until the first to occur of:

- (i) the conclusion of the meeting specified in such Voting Certificate; and
- (ii) the surrender of the Voting Certificate to the Paying Agent who issued the same.

(b) *Global Notes and definitive Bearer and Registered Notes held in a Clearing System - Voting Certificate*

A holder of a Note (not being a Note in respect of which instructions have been given to the Principal Paying Agent in accordance with paragraph 3(d)) represented by a Global Note or which is in definitive form and is held in an account with any Clearing System may procure the delivery of a Voting Certificate in respect of such Note by giving notice to the Clearing System through which such holder's interest in the Note is held specifying by name a person (an **Identified Person**) (which need not be the Noteholder himself) to collect the Voting Certificate and attend and vote at the meeting. The relevant Voting Certificate will be made available at or shortly prior to the commencement of the meeting by the Principal Paying Agent against presentation by such Identified Person of the form of identification previously notified by such holder to the Clearing System. The Clearing System may prescribe forms of identification (including, without limitation, a passport or driving licence) which it deems appropriate for these purposes. Subject to receipt by the Principal Paying Agent from the Clearing System, no later than 24 Hours prior to the time for which such meeting is convened, of notification of the principal amount of the Notes to be represented by any such Voting Certificate and the form of identification against presentation of which such Voting Certificate should be released, the Principal Paying Agent shall, without any obligation to make further enquiry, make available Voting Certificates against presentation of the form of identification corresponding to that notified.

(c) *Definitive Bearer Notes not held in a Clearing System - Block Voting Instruction*

A holder of a Bearer Note in definitive form which is not held in an account with any Clearing System (not being a Bearer Note in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) may require a Paying Agent to issue a Block Voting Instruction in respect of such Bearer Note by depositing such Bearer Note with such Paying Agent or (to the satisfaction of such Paying Agent) by procuring that, not less than 48 Hours before the time fixed for the relevant meeting, such Bearer Note is held to the Paying Agent's order or under its control, in each case on terms that no such Bearer Note will cease to be so deposited or held until the first to occur of:

- (i) the conclusion of the meeting specified in such Block Voting Instruction; and
- (ii) the surrender to the Paying Agent, not less than 48 Hours before the time for which such meeting is convened, of the receipt issued by such Paying Agent in respect of each such deposited or held Bearer Note which is to be released or (as the case may require) the Bearer Note or Bearer Notes ceasing with the agreement of the Paying Agent to be held to its order or under its control and the giving of notice by the

Paying Agent to the relevant Issuer in accordance with paragraph 3(g) hereof of the necessary amendment to the Block Voting Instruction,

and instructing the Paying Agent that the vote(s) attributable to the Bearer Note or Bearer Notes so deposited or held should be cast in a particular way in relation to the resolution or resolutions to be put to such meeting and that all such instructions are, during the period commencing 48 Hours prior to the time for which such meeting is convened and ending at the conclusion or adjournment thereof, neither revocable nor capable of amendment.

(d) *Global Notes and definitive Bearer and Registered Notes held in a Clearing System - Block Voting Instruction*

A holder of a Note (not being a Note in respect of which a Voting Certificate has been issued) represented by a Global Note or which is in definitive form and is held in an account with any Clearing System may require the Principal Paying Agent to issue a Block Voting Instruction in respect of such Note by first instructing the Clearing System through which such holder's interest in the Note is held to procure that the votes attributable to such Note should be cast at the meeting in a particular way in relation to the resolution or resolutions to be put to the meeting. Any such instruction shall be given in accordance with the rules of the Clearing System then in effect. Subject to receipt by the Principal Paying Agent of instructions from the Clearing System, no later than 24 Hours prior to the time for which such meeting is convened, of notification of the principal amount of the Notes in respect of which instructions have been given and the manner in which the votes attributable to such Notes should be cast, the Principal Paying Agent shall, without any obligation to make further enquiry, appoint a proxy to attend the meeting and cast votes in accordance with such instructions.

(e) *Registered Notes in definitive form but not held in a Clearing System - appointment of proxy;*

(i) A holder of Registered Notes in definitive form and not held in an account with any Clearing System may, by an instrument in writing in the English language (a **form of proxy**) signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Registrar or any Transfer Agent not less than 48 Hours before the time fixed for the relevant meeting, appoint any person (a **proxy**) to act on his or its behalf in connection with any meeting.

(ii) Any proxy appointed pursuant to subparagraph (i) above shall so long as such appointment remains in force be deemed, for all purposes in connection with the relevant meeting, to be the holder of the Registered Notes to which such appointment relates and the holders of the Registered Notes shall be deemed for such purposes not to be the holder.

(f) Each Block Voting Instruction, together (if so requested by the Trustee) with proof satisfactory to the Trustee of its due execution on behalf of the relevant Paying Agent, and each form of proxy shall be deposited by the relevant Paying Agent or (as the case may be) by the Registrar or the relevant Transfer Agent at such place as the Trustee shall approve not less than 24 Hours before the time appointed for holding the meeting at which the proxy or proxies named in the Block Voting Instruction or form of proxy proposes to vote, and in default the Block Voting Instruction or form of proxy shall not be treated as valid unless the Chairman of the meeting decides otherwise before such meeting proceeds to business. A copy of each Block Voting Instruction or form of proxy shall be deposited with the Trustee before the commencement of the meeting but the Trustee shall not thereby be obliged to

investigate or be concerned with the validity of or the authority of the proxy or proxies named in any such Block Voting Instruction or form of proxy.

- (g) Any vote given in accordance with the terms of a Block Voting Instruction or form of proxy shall be valid notwithstanding the previous revocation or amendment of the Block Voting Instruction or form of proxy or of any of the instructions of the relevant holder or the relevant Clearing System (as the case may be) pursuant to which it was executed provided that no intimation in writing of such revocation or amendment has been received from the relevant Paying Agent (in the case of a Block Voting Instruction) or from the relevant Noteholder (in the case of a proxy appointed pursuant to paragraph 3(c) or 3(d)) by the relevant Issuer at its registered office (or such other place as may have been required or approved by the Trustee for the purpose) by the time being 24 Hours (in the case of a Block Voting Instruction or form of proxy) or 48 Hours (in the case of a proxy) before the time appointed for holding the meeting at which the Block Voting Instruction or form of proxy is to be used.

CONVENING OF MEETINGS, QUORUM AND ADJOURNED MEETINGS

- 4. The relevant Issuer, the Guarantor (where the relevant Issuer is UUWF) or the Trustee may at any time, and the relevant Issuer shall upon a requisition in writing in the English language signed by the holders of not less than 10 per cent. in nominal amount of the Notes of any Series for the time being outstanding, convene a meeting of the Noteholders and if the relevant Issuer makes default for a period of seven days in convening such a meeting the same may be convened by the Trustee or the requisitionists. Whenever the relevant Issuer or the Guarantor is about to convene any such meeting the relevant Issuer or the Guarantor, as the case may be, shall forthwith give notice in writing to the Trustee of the day, time and place thereof and of the nature of the business to be transacted thereat. Every such meeting shall be held at such time and place (which need not be a physical place and instead may be by way of audio or video conference call) as the Trustee may appoint or approve in writing.
- 5. At least 21 Clear Days' notice specifying the place, day and hour of meeting shall be given to the Noteholders prior to any meeting in the manner provided by Condition 16. Such notice, which shall be in the English language, shall state generally the nature of the business to be transacted at the meeting thereby convened and, in the case of an Extraordinary Resolution, shall either specify in such notice the terms of such resolution or state fully the effect on the Noteholders of such resolution, if passed. Such notice shall include statements as to the manner in which Noteholders may arrange for Voting Certificates or Block Voting Instructions to be issued and, if applicable, appoint proxies. A copy of the notice shall be sent by post to the Trustee (unless the meeting is convened by the Trustee), to the relevant Issuer (unless the meeting is convened by the relevant Issuer) and (where the relevant Issuer is UUWF) to the Guarantor (unless the meeting is convened by the Guarantor).
- 6. A person (who may but need not be a Noteholder) nominated in writing by the Trustee shall be entitled to take the chair at the relevant meeting, but if no such nomination is made or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting the Noteholders present shall choose one of their number to be Chairman, failing which the relevant Issuer may appoint a Chairman. The Chairman of an adjourned meeting need not be the same person as was Chairman of the meeting from which the adjournment took place.
- 7. At any such meeting one or more Eligible Persons present and holding or representing in the aggregate not less than one-tenth of the nominal amount of the Notes for the time being outstanding shall (except for the purpose of passing an Extraordinary Resolution) form a quorum for the transaction of business (including the passing of an Ordinary Resolution) and no business (other than

the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of the relevant business. The quorum at any such meeting for passing an Extraordinary Resolution shall (subject as provided below) be one or more Eligible Persons present and holding or representing in the aggregate a clear majority in nominal amount of the Notes for the time being outstanding PROVIDED THAT at any meeting the business of which includes any of the following matters (each of which shall, subject only to Clause 20.1, only be capable of being effected after having been approved by Extraordinary Resolution) namely:

- (a) reduction or cancellation of the amount payable or, where applicable, modification, except where such modification is in the opinion of the Trustee bound to result in an increase, of the method of calculating the amount payable or modification of the date of payment or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of the Notes;
- (b) alteration of the currency in which payments under the Notes and Coupons are to be made;
- (c) alteration of the majority required to pass an Extraordinary Resolution;
- (d) the sanctioning of any such scheme or proposal as is described in paragraph 19(i) below; and
- (e) alteration of this proviso or the proviso to paragraph 9,

the quorum shall be one or more Eligible Persons present and holding or representing in the aggregate not less than two-thirds of the nominal amount of the Notes for the time being outstanding.

8. If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any such meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the meeting shall if convened upon the requisition of Noteholders be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if such day is a public holiday the next succeeding business day) at the same time and place (except in the case of a meeting at which an Extraordinary Resolution is to be proposed in which case it shall stand adjourned for such period, being not less than 13 Clear Days nor more than 42 Clear Days, and to such place (which need not be a physical place and instead may be by way of audio or video conference call) as may be appointed by the Chairman either at or subsequent to such meeting and approved by the Trustee). If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any adjourned meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the Chairman may either (with the approval of the Trustee) dissolve such meeting or adjourn the same for such period, being not less than 13 Clear Days (but without any maximum number of Clear Days), and to such place (which need not be a physical place and instead may be by way of audio or video conference call) as may be appointed by the Chairman either at or subsequent to such adjourned meeting and approved by the Trustee, and the provisions of this sentence shall apply to all further adjourned such meetings.
9. At any adjourned meeting one or more Eligible Persons present (whatever the nominal amount of the Notes so held or represented by them) shall (subject as provided below) form a quorum and shall have power to pass any resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the requisite quorum been present PROVIDED THAT at any adjourned meeting the quorum for the transaction of business comprising any of the matters specified in the proviso to paragraph 7 shall be one or more Eligible Persons present and holding or representing in the aggregate not less than one-third of the nominal amount of the Notes for the time being outstanding.

10. Notice of any adjourned meeting at which an Extraordinary Resolution is to be submitted shall be given in the same manner as notice of an original meeting but as if 10 were substituted for 21 in paragraph 5 and such notice shall state the required quorum. Subject as aforesaid it shall not be necessary to give any notice of an adjourned meeting.

CONDUCT OF BUSINESS AT MEETINGS

11. Every question submitted to a meeting shall be decided in the first instance by a show of hands, and in case of equality of votes the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Noteholder or as a holder of a voting certificate or as a proxy. A poll may be demanded (before or on the declaration of the result of the show of hands) by the Chairman, the relevant Issuer, the Guarantor, the Trustee or any Eligible Person (whatever the amount of the Notes so held or represented by him).
12. At any meeting, unless a poll is duly demanded, a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
13. Subject to paragraph 15, if at any such meeting a poll is so demanded it shall be taken in such manner and, subject as hereinafter provided, either at once or after an adjournment as the Chairman directs and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded.
14. The Chairman may, with the consent of (and shall if directed by) any such meeting, adjourn the same from time to time and from place to place; but no business shall be transacted at any adjourned meeting except business which might lawfully (but for lack of required quorum) have been transacted at the meeting from which the adjournment took place.
15. Any poll demanded at any such meeting on the election of a Chairman or on any question of adjournment shall be taken at the meeting without adjournment.
16. Any employee of the Trustee, its lawyers and financial advisors, any director or officer of the relevant Issuer or, as the case may be, the Guarantor, their lawyers and financial advisors, any director or officer of any of the Paying Agents and any other person authorised so to do by the Trustee may attend and speak at any meeting. Save as aforesaid, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting unless he is an Eligible Person. No person shall be entitled to vote at any meeting in respect of Notes which are deemed to be not outstanding by virtue of the proviso to the definition of "outstanding" in Clause 1.
17. At any meeting:
 - (a) on a show of hands every Eligible Person present shall have one vote; and
 - (b) on a poll every Eligible Person present shall have one vote in respect of each GBP 1 or such other amount as the Trustee may in its absolute discretion stipulate (or, in the case of meetings of holders of Notes denominated in another currency, such amount in such other currency as the Trustee in its absolute discretion may stipulate), in nominal amount of the Notes held or represented by such Eligible Person.

Without prejudice to the obligations of the proxies named in any Block Voting Instruction or form of proxy, any Eligible Person entitled to more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.

18. The proxies named in any Block Voting Instruction or form of proxy need not be Noteholders. Nothing herein shall prevent any of the proxies named in any Block Voting Instruction or form of proxy from being a director, officer or representative of or otherwise connected with the relevant Issuer or the Guarantor.
19. A meeting shall in addition to the powers hereinbefore given have the following powers exercisable only by Extraordinary Resolution (subject to the provisions relating to quorum contained in paragraphs 7 and 9) namely:
 - (a) Power to sanction any compromise or arrangement proposed to be made between the relevant Issuer, the Guarantor, the Trustee, any Appointee and the Noteholders, Receiptholders and Couponholders or any of them.
 - (b) Power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Trustee, any Appointee, the Noteholders, Receiptholders, the Couponholders, the relevant Issuer or the Guarantor against any other or others of them or against any of their property whether such rights arise under these presents or otherwise.
 - (c) Power to assent to any modification of the provisions of these presents which is proposed by the relevant Issuer, the Guarantor, the Trustee or any Noteholder.
 - (d) Power to give any authority or sanction which under the provisions of these presents is required to be given by Extraordinary Resolution.
 - (e) Power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution.
 - (f) Power to approve of a person to be appointed a trustee and power to remove any trustee or trustees for the time being of these presents.
 - (g) Power to discharge or exonerate the Trustee and/or any Appointee from all liability in respect of any act or omission for which the Trustee and/or such Appointee may have become responsible under these presents.
 - (h) Power to authorise the Trustee and/or any Appointee to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution.
 - (i) Power to sanction any scheme or proposal for the exchange or sale of the Notes for or the conversion of the Notes into or the cancellation of the Notes in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the relevant Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash and for the appointment of some person with power on behalf of the Noteholders to execute an instrument of transfer of the Registered Notes held by them in favour of the persons with or to whom the Notes are to be exchanged or sold respectively.

- (j) Power to approve the substitution of any entity for the relevant Issuer and/or the Guarantor (or any previous substitute) as principal debtor and/or guarantor, as the case may be, under these presents.
20. Any resolution passed (i) at a meeting of the Noteholders duly convened and held in accordance with these presents; (ii) resolution passed as a resolution in writing in accordance with these presents; or (iii) passed by way of electronic consents given by holders through the relevant Clearing System(s) in accordance with these presents shall be binding upon all the Noteholders whether or not present or whether or not represented at such meeting and whether or not voting on the resolution and upon all Receiptholders and Couponholders and each of them shall be bound to give effect thereto accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof. Notice of the result of the voting on any resolution duly considered by the Noteholders shall be published in accordance with Condition 16 by the relevant Issuer within 14 days of such result being known, PROVIDED THAT the non-publication of such notice shall not invalidate such result.
21. Minutes of all resolutions and proceedings at every meeting shall be made and entered in books to be from time to time provided for that purpose by the relevant Issuer and any such minutes as aforesaid, if purporting to be signed by the Chairman of the meeting at which such resolutions were passed or proceedings transacted, shall be conclusive evidence of the matters therein contained and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings transacted thereat to have been duly passed or transacted.
22. (a) If and whenever the relevant Issuer shall have issued and have outstanding Notes of more than one Series the foregoing provisions of this Schedule shall have effect subject to the following modifications:
- (i) a resolution which in the opinion of the Trustee affects the Notes of only one Series shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Notes of that Series;
 - (ii) a resolution which in the opinion of the Trustee affects the Notes of more than one Series but does not give rise to a conflict of interest between the holders of Notes of any of the Series so affected shall be deemed to have been duly passed if passed at a single meeting of the holders of the Notes of all the Series so affected;
 - (iii) a resolution which in the opinion of the Trustee affects the Notes of more than one Series and gives or may give rise to a conflict of interest between the holders of the Notes of one Series or group of Series so affected and the holders of the Notes of another Series or group of Series so affected shall be deemed to have been duly passed only if passed at separate meetings of the holders of the Notes of each Series or group of Series so affected; and
 - (iv) to all such meetings all the preceding provisions of this Schedule shall *mutatis mutandis* apply as though references therein to Notes and to holders or Noteholders were references to the Notes of the Series or group of Series in question or to the holders of such Notes, as the case may be.
- (b) If the relevant Issuer shall have issued and have outstanding Notes which are not denominated in Euro, or in the case of any meeting of Noteholders of more than one currency, the principal amount of such Notes shall


- (i) for the purposes of paragraph 4, be the equivalent in Euro at the spot rate of a bank nominated by the Trustee for the conversion of the relevant currency or currencies into Euro on the seventh dealing day prior to the day on which the requisition in writing is received by the relevant Issuer; and
- (ii) for the purposes of paragraphs 7, 9 and 17 (whether in respect of the meeting or any adjourned such meeting or any poll resulting therefrom), be the equivalent at such spot rate on the seventh dealing day prior to the day of such meeting.

In such circumstances, on any poll each person present shall have one vote for each EUR1 (or such other Euro amount as the Trustee may in its absolute discretion stipulate) in principal amount of the Notes (converted as above) which he holds or represents.


23. Subject to all other provisions of these presents the Trustee may (after consultation with the relevant Issuer and the Guarantor where the Trustee considers such consultation to be practicable but without the consent of the relevant Issuer, the Guarantor, the Noteholders, the Receiptholders or the Couponholders) prescribe such further or alternative regulations regarding the requisitioning and/or the holding of meetings and attendance and voting thereat as the Trustee may in its sole discretion reasonably think fit (including, without limitation, the substitution for periods of 24 Hours and 48 Hours referred to in this Schedule of shorter periods) and agree to the holding of meetings by audio or video conference call in circumstances where it may be impractical or inadvisable to hold physical meetings. Such regulations may, without prejudice to the generality of the foregoing, reflect the practices and facilities of any relevant Clearing System. Notice of any such further or alternative regulations may, at the sole discretion of the Trustee, be given to Noteholders in accordance with Condition 16 at the time of service of any notice convening a meeting or at such other time as the Trustee may decide.

SIGNATORIES


Signed as a deed by)
as attorney for UNITED UTILITIES PLC in the) Phil. A.
presence of:)
)

Witness's signature: 
Name (print): HANNAH EVANS
Occupation: TREASURY DEALER
Address: LINGLEY MERE, WARRINGTON, WA5 3LP

Signed as a deed by)
as attorney for UNITED UTILITIES WATER) Phil. A.
FINANCE PLC in the presence of:)
)

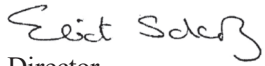
Witness's signature: 
Name (print): HANNAH EVANS
Occupation: TREASURY DEALER
Address: LINGLEY MERE, WARRINGTON, WA5 3LP

Signed as a deed by)
as attorney for UNITED UTILITIES WATER) Phil. A.
LIMITED in the presence of:)
)

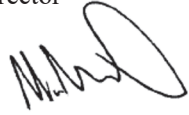
Witness's signature: 
Name (print): HANNAH EVANS
Occupation: TREASURY DEALER
Address: LINGLEY MERE, WARRINGTON, WA5 3LP

Executed as a Deed by **The Law Debenture Trust Corporation p.l.c.**

By:



Director



Representing Law Debenture Corporate Services Limited, Secretary