

# FIRST SUPPLEMENTAL TRUST DEED

17 AUGUST 2018

between

**PRUDENTIAL PLC**  
the Issuer

and

**THE LAW DEBENTURE TRUST CORPORATION P.L.C.**  
the Trustee

modifying the Trust Deed  
dated 20 January, 1998 (as subsequently modified)  
in respect of an issue of £300,000,000 6 <sup>7</sup>/<sub>8</sub> per cent. Bonds due 2023 with ISIN  
XS0083544212

**Slaughter and May**  
One Bunhill Row  
London EC1Y 8YY  
GO/ KXZH

552548736

**THIS FIRST SUPPLEMENTAL TRUST DEED IS MADE ON 17 AUGUST 2018**

**BETWEEN:**

- (1) **PRUDENTIAL PLC** (the “**Issuer**”); and
- (2) **THE LAW DEBENTURE TRUST CORPORATION P.L.C.** (the “**Trustee**”, which expression shall, where the context so admits, include all persons for the time being the trustee or trustees of these presents).

**WHEREAS:**

- (A) On 20 January, 1998 the Issuer and the Trustee entered into a trust deed (the “**Principal Trust Deed**”) in respect of an issue of £300,000,000 6 <sup>7</sup>/<sub>8</sub> per cent. Bonds due 2023 with ISIN XS0083544212 (the “**Bonds**”).
- (B) This First Supplemental Trust Deed is supplemental to the Principal Trust Deed.
- (C) On 25 July, 2018 the Issuer gave notice to the Holders that a meeting had been convened, pursuant to Schedule 3 of the Principal Trust Deed, for the purpose of considering and, if thought fit, approving a resolution which was proposed as an Extraordinary Resolution in accordance with the provisions of the Principal Trust Deed (the “**Extraordinary Resolution**”).
- (D) On 16 August, 2018, the meeting referred to in recital (C) above was held and the Extraordinary Resolution was passed in accordance with the provisions of the Principal Trust Deed.
- (E) The Issuer and the Trustee (the Trustee acting in reliance on the terms of the Extraordinary Resolution) are entering into this First Supplemental Trust Deed to give effect to the modifications to the Principal Trust Deed hereinafter contained and thereby give effect to the matters referred to in the Extraordinary Resolution.

**NOW THIS FIRST SUPPLEMENTAL TRUST DEED WITNESSES AND IT IS HEREBY AGREED AND DECLARED** as follows:

- 1. SUBJECT as otherwise provided in this First Supplemental Trust Deed and unless there is anything in the subject or context inconsistent therewith, all words and expressions defined in the Principal Trust Deed shall have the same meanings in this First Supplemental Trust Deed.
- 2. With effect from the date of this First Supplemental Trust Deed the provisions of the Principal Trust Deed shall be modified, in respect of the Bonds only, by:
  - (a) modifying Clause 1.1 (*Definitions*) by deleting the definition of “**Event of Default**” in its entirety and replacing it with the following:
 

““**Event of Default**” means any of the events described in Condition 8 which, in the case of the happening of any of the events specified in sub-paragraphs (ii), (v), (vi) and (vii) of Condition 8 in relation to the Issuer and in the case of the happening of any of the events specified in sub-paragraphs (iii) to (vii) inclusive of such Condition in relation to the Principal Subsidiary, has been certified in writing by the Trustee to be, in its opinion, materially prejudicial to the interests of the Holders;” and

- (b) modifying the Conditions of the Bonds, as set out in Schedule 1 thereto, by:
- (i) deleting the opening wording of Condition 8 (*Repayment in Event of Default*) and replacing it with the following:

*“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 Bonds then outstanding or if so directed by an Extraordinary Resolution of the Bondholders shall, (but, in the case of the happening of any of the events mentioned in paragraphs (ii), (v), (vi) and (vii) below in relation to the Issuer and (iii) to (vii) below (inclusive) in relation to the Principal Subsidiary, only if the Trustee shall have certified in writing that such event is, in its opinion, materially prejudicial to the interests of the Bondholders) give notice to the Issuer that the Bonds are, and they shall accordingly immediately become, due and repayable at their principal amount, together with accrued interest as provided in the Trust Deed, if any of the following events shall occur and be continuing:”* and

- (ii) deleting paragraph (viii) in its entirety,

the Conditions of the Bonds as so modified being set out in Schedule 1 to this First Supplementary Trust Deed.

3. The provisions of the Principal Trust Deed as modified by this First Supplemental Trust Deed shall continue to be valid and binding obligations of the Issuer and the Trustee.
4. The Principal Trust Deed shall henceforth be read and construed as one document with this First Supplemental Trust Deed.
5. A memorandum of this First Supplemental Trust Deed shall be endorsed by the Trustee on the Principal Trust Deed and by the Issuer on its duplicate thereof.
6. This First Supplemental Trust Deed may be executed in counterparts, each of which, taken together, shall constitute one and the same First Supplemental Trust Deed and each party may enter into this First Supplemental Trust Deed by executing a counterpart.
7. This First Supplemental Trust Deed (and any non-contractual obligations arising therefrom or in connection therewith) shall be governed by and construed in accordance with English law.
8. The Issuer irrevocably agrees for the benefit of the Trustee and the Holders that the courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with these presents and accordingly submits to the exclusive jurisdiction of the English courts. The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum.

**IN WITNESS** whereof this First Supplemental Trust Deed has been executed as a deed by the Issuer and the Trustee and delivered on the date and year first above written.

**SCHEDULE 1**

## TERMS AND CONDITIONS OF THE BONDS

The £300,000,000 6<sup>7</sup>/<sub>8</sub> per cent Bonds due 2023 (the “Bonds”, which expression shall, in these Conditions, unless the context otherwise requires, include any other issued pursuant to Condition 12 and forming a single series therewith) of Prudential Corporation plc (the “Issuer”) are constituted by a trust deed (the “Trust Deed”) dated 20 January 1998 and made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the “Trustee”, which expression shall include its successors as trustee under the Trust Deed) as trustee for the holders of the Bonds (the “Bondholders”). The issue of the Bonds was authorised by a written resolution of the Board of Directors of the Issuer dated 20 November 1997 and resolutions of a duly authorised committee thereof passed on 7 January 1998. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed. Payments in respect of the Bonds will be made pursuant to an agency agreement dated 20 January 1998 (the “Agency Agreement”) between the Issuer, the Trustee, Morgan Guaranty Trust Company of New York as principal paying agent (the “Principal Paying Agent”) and the other paying agents (together with the Principal Paying Agent, the “Paying Agents”) referred to therein. Copies of the Trust Deed and the Agency Agreement are available for inspection at the registered office of the Trustee, being at the date hereof at Princes House, 95 Gresham Street, London EC2V 7LY, and at the specified offices of each of the Paying Agents. The Bondholders and the holders (the “Couponholders”) of the interest coupons appertaining to the Bonds (the “Coupons”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and those applicable to them of the Agency Agreement.

### 1. FORM, DENOMINATION AND TITLE

The Bonds are in bearer form, serially numbered, with Coupons attached, in denominations of £1,000, £10,000 and £100,000. Bonds of one denomination may not be exchanged for Bonds of another denomination.

Title to the Bonds will pass by delivery. The Issuer, the Trustee and the Paying Agents may deem and treat the holder of any Bond or Coupon as the absolute owner thereof (notwithstanding any notice to the contrary and whether or not such Bond or Coupon shall be overdue and notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof) for the purpose of receiving payment thereon or on account thereof and for all other purposes.

### 2. STATUS

The Bonds and the Coupons are direct and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and rank without any preference among themselves and (subject as aforesaid and to such exceptions as are from time to time applicable under the laws of the United Kingdom) *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer.

### 3. NEGATIVE PLEDGE

So long as any of the Bonds remains outstanding (as defined in the Trust Deed) the Issuer will not, and will procure, so far as the Issuer by the proper exercise of voting and other rights or powers of control exercisable by the Issuer in relation to Subsidiaries (as defined in the Trust Deed) can procure, that the Principal Subsidiary (as defined below) shall not,

create or permit to subsist any mortgage or charge upon the whole or any part of its undertaking or assets (other than assets representing the fund or funds maintained by the Issuer or the Principal Subsidiary in respect of long-term business (as defined in the Insurance Companies Act 1982)), present or future, to secure payment of any present or future Relevant Indebtedness (as defined below) of the Issuer or any Subsidiary thereof or to secure any guarantee or indemnity in respect thereof, without at the same time according to the Bonds, 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 Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

“Principal Subsidiary” means The Prudential Assurance Company Limited but, in the case of this Condition and paragraphs (iii) to (vii) (inclusive) of Condition 8, only for so long as it remains a Subsidiary of the Issuer.

“Relevant Indebtedness” means any indebtedness for borrowed money (other than indebtedness in the form of sterling debenture stock (as defined in the Trust Deed) or indebtedness which has a stated maturity not exceeding one year) which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which, with the agreement of the 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).

#### **4. INTEREST**

The Bonds bear interest as from 20 January 1998 at the rate of  $6\frac{7}{8}$  per cent per annum payable annually in arrear on 20 January in each year. The first payment of interest (representing a full year's interest) will be made on 20 January 1999.

Each Bond will cease to bear interest from the due date for redemption unless, upon due presentation, payment of the principal is improperly withheld or refused. In such event, interest will continue to accrue (after as well as before any judgment) up to but excluding the date on which, upon further presentation, payment in full of the principal thereof is made or (if earlier) the seventh day after notice is duly given to the holder of such Bond (either in accordance with Condition 15 or individually) that upon further presentation of such Bond being duly made such payment will be made, provided that upon further presentation thereof being duly made such payment is in fact made.

Whenever it is necessary to compute an amount of interest in respect of any Bond for a period of less than a full year, such interest shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

## 5. REDEMPTION AND PURCHASE

### (a) Mandatory redemption

Unless previously redeemed or purchased and cancelled as provided below, each of the Bonds shall be redeemed at its principal amount on 20 January 2023. The Bonds may not be redeemed at the option of the Issuer other than in accordance with Condition 5(b) or 5(c). A notice given by the Issuer under Condition 5(b) or 5(c) (a "Redemption Notice") shall specify the date (the "Redemption Date") when the relevant redemption will take place.

### (b) Redemption for tax reasons

If the Issuer at any time satisfies the Trustee that, as a result of any actual or proposed change in the laws, regulations or treaties of the United Kingdom or any political sub-division thereof or any authority therein or thereof having power to tax, or in the application or interpretation of such laws, regulations or treaties, on the occasion of the next payment of principal or interest in respect of the Bonds, the Issuer would be unable to make such payment without having to pay additional amounts as provided or referred to in Condition 7, the Issuer may, having given not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable), redeem all the Bonds, but not some only, at their respective principal amounts together with interest accrued to the date of such redemption.

It shall be sufficient to establish the existence of the circumstances required to be established pursuant to this paragraph if the Issuer shall deliver to the Trustee a certificate of an independent lawyer or accountant satisfactory to the Trustee in a form satisfactory to the Trustee to the effect either that such circumstances exist or that, upon a change in the laws, regulations or treaties of the United Kingdom or the application or interpretation thereof, which at the date of such certificate is proposed and which in the opinion of such lawyer or accountant is reasonably expected to become effective on or prior to the date on which the relevant payment of principal or interest in respect of the Bonds would otherwise be made, becoming so effective, such circumstances would exist.

### (c) Redemption at the option of the Issuer

On giving not less than 30 nor more than 90 calendar days' notice to the Trustee and the Bondholders in accordance with Condition 15, the Issuer may at any time redeem all of the Bonds for the time being outstanding or (as the case may be) some of the Bonds in the principal amount of £5,000,000 or an integral multiple of £1,000,000 in excess thereof, together with interest accrued up to and including the Redemption Date at a price which shall be the higher of the following:

(a) par; and

- (b) that price expressed as a percentage (as reported in writing to the Issuer and the Trustee by a financial adviser selected by the Issuer and approved by the Trustee) at which the Gross Redemption Yield (as defined below) on the Bonds on the Reference Date (as defined below) is equal to the Gross Redemption Yield (determined by reference to the middle market price) at 3.00 pm (London time) on that date of 8 per cent Treasury Stock 2021 while that stock is in issue, and thereafter such government stock as the Trustee and the Issuer shall be advised by two financial advisers selected by the Issuer and approved by the Trustee to be appropriate by way of substitution for the aforementioned Treasury Stock.

For the purposes of this Condition 5(c), "Reference Date" means the date which is three dealing days prior to the giving of the notice to the Bondholders referred to in this Condition 5(c), and "Gross Redemption Yield" means a yield calculated on the basis indicated by the Joint Index and Classification Committee of the Institute and Faculty of Actuaries as reported in the Journal of the Institute of Actuaries, Vol. 105, Part 1, 1978, page 18 or such other basis as the Trustee may approve.

**(d) Drawings**

Bonds to be called for redemption will, where appropriate, be drawn in a place and manner chosen by the Issuer and approved by the Trustee and a notice containing a list of the serial numbers and denominations of the Bonds so called, the redemption price of such Bonds and specifying the date fixed for redemption thereof will be given by the Issuer to the Bondholders not less than 30 nor more than 90 calendar days before such date in accordance with Condition 15.

**(e) Purchases**

The Issuer or any of its Subsidiaries may at any time purchase Bonds at any price, in the open market or by tender (available to all Bondholders alike) or by private treaty. The Issuer or the relevant Subsidiary may at its option retain such Bonds for its own account and/or resell or cancel or otherwise deal with such Bonds at its discretion. Bonds held by or on behalf of the Issuer or any of its Subsidiaries shall not entitle the holder to vote at any meetings of the Bondholders and such Bonds shall be deemed to be not outstanding for the purposes of calculating quorums at meetings of Bondholders.

**(f) Cancellation**

All Bonds redeemed or purchased by the Issuer or any of its Subsidiaries and surrendered for cancellation shall be cancelled forthwith (together with all unmatured Coupons presented or purchased therewith) and such Bonds and Coupons may not be re-issued or re-sold.

## **6. PAYMENTS**

Payments of principal and interest in respect of Bonds will be made against presentation and surrender or (as the case may be) endorsement of Bonds, or in the case of payments of interest due on each 20 January against surrender of Coupons, at the specified office of any Paying Agent. All such payments shall be made at the option of the holder at any specified office of any Paying Agent by a sterling cheque drawn on, or by transfer to a sterling account maintained by the payee with, a bank in the City of London.

Payments in respect of principal and interest on the Bonds are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 7.

Upon the due date for redemption of any Bond, unmatured Coupons relating to such Bond (whether or not attached) shall become void and no payment shall be made in respect of them. Where any Bond is presented for redemption without all unmatured Coupons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may reasonably require.

If the date for redemption is not 20 January in any year, the interest accrued from the last preceding 20 January shall be payable only against presentation of the relevant Bond. If the due date for payment of any Bond or Coupon or any later date upon which a Bond or Coupon is presented for payment is not a business day then the holder thereof shall not be entitled to payment of the amount due until the next following day which is a business day or to any further interest or other payment in respect of such delay.

In this Condition, "business day" shall mean, in relation to any Bond or Coupon, a day on which banks and foreign exchange markets are open for business in the place where such Bond or Coupon is presented for payment, and, in the case of payment by transfer to a sterling account, in the City of London.

The initial Paying Agents and their initial specified offices are listed below. The Issuer reserves the right (with the prior approval of the Trustee) at any time to terminate or to vary the appointment of any Paying Agent and may appoint additional or other Paying Agents, provided that it will at all times maintain at least two Paying Agents having specified offices in European cities approved by the Trustee, one of which, so long as the Bonds are listed on the London Stock Exchange, shall be in London and the other of which shall be in continental Europe. Notice of any such termination or appointment and of any changes in the specified offices of the Paying Agents will be given by the Issuer to the Bondholders in accordance with Condition 15.

## **7. TAXATION**

All payments of principal and interest in respect of the Bonds and Coupons shall be made without withholding of or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatsoever nature ("Taxes") imposed or levied by the United Kingdom or any political sub-division thereof or by any authority therein or thereof having power to tax, unless the withholding or deduction of such Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be

necessary in order that the net amounts received by the holders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been received in respect of the Bonds or, as the case may be, Coupons in the absence of such withholding or deduction except that no such additional amounts shall be payable in relation to any payment in respect of any Bond or Coupon:

- (i) to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Bond or Coupon by reason of his having some connection with the United Kingdom or any political subdivision thereof or any authority therein or thereof other than the mere holding of the Bond or Coupon; or
- (ii) presented for payment in the United Kingdom; or
- (iii) 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; or
- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to additional amounts on presenting the same for payment on the last day of such period of 30 days.

As used herein the "Relevant Date" means the date on which such payment first becomes due, but if the full amount of the money payable has not been received by the Principal Paying Agent or the Trustee on or prior to such due date, it means the date on which, the full amount of such money having been so received, notice to that effect shall have been duly published in accordance with Condition 15. Any reference herein to principal or interest shall be deemed also to refer to any additional amounts which may be payable under this provision or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

## **8. REPAYMENT IN EVENT OF DEFAULT**

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 Bonds then outstanding or if so directed by an Extraordinary Resolution of the Bondholders shall, (but, in the case of the happening of any of the events mentioned in paragraphs (ii), (v), (vi) and (vii) below in relation to the Issuer and (iii) to (vii) below (inclusive) in relation to the Principal Subsidiary, only if the Trustee shall have certified in writing that such event is, in its opinion, materially prejudicial to the interests of the Bondholders) give notice to the Issuer that the Bonds are, and they shall accordingly immediately become, due and repayable at their principal amount, together with accrued interest as provided in the Trust Deed, if any of the following events shall occur and be continuing:

- (i) default is made for a period of 14 days or more in the payment of any principal or interest due in respect of the Bonds or any of them; or

- (ii) if default is made by the Issuer in the performance or observance of any obligation, condition or provision binding upon it under the Bonds or the Trust Deed (other than any obligation for the payment of any principal or interest in respect of the Bonds) 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 Issuer requiring the same to be remedied; or
- (iii) if an order is made or an effective resolution is passed for the winding up of, or an administration order is made in relation to, the Issuer or the Principal Subsidiary (save, in the case of the Principal Subsidiary, (a) 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 (b) a voluntary solvent winding-up where surplus assets are available for distribution); or
- (iv) if the Issuer or the Principal Subsidiary stops or threatens to stop payment to its creditors generally or the Issuer or the Principal Subsidiary ceases or threatens to cease to carry on its business or substantially the whole of its business (except for the purposes of, or in connection with, a reconstruction or amalgamation the terms of which have previously been approved in writing by the Trustee or an Extraordinary Resolution or, in the case of the Principal Subsidiary, such a winding-up as is referred to in (iii)(b) above); or
- (v) 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 Issuer or the Principal Subsidiary or if a distress or execution is levied or enforced upon or sued out against the whole or any substantial part of the chattels or property of the Issuer or the Principal 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
- (vi) if the Issuer or the Principal Subsidiary is unable to pay its debts within the meaning of Section 123(2) of the Insolvency Act 1986; or
- (vii) if indebtedness for moneys borrowed (as defined below) which indebtedness has an outstanding aggregate principal amount of at least £30,000,000 (or its equivalent in any other currency or currencies) of the Issuer or the Principal Subsidiary is not paid on its due date (or by the expiry of any applicable grace period) or becomes due and payable prior to its stated maturity by reason of default, or if any guarantee or indemnity in respect of indebtedness for moneys borrowed (having an outstanding aggregate principal amount as aforesaid) of any third party given by the Issuer or the Principal Subsidiary is not honoured when due and called

upon and, in any such case, the liability of the Issuer or the Principal Subsidiary to make payment is not being contested in good faith.

"Indebtedness for moneys borrowed" means the principal amount of (a) all moneys borrowed and (b) all debentures (together in each case with any fixed or minimum premium payable on final redemption or repayment) which are not for the time being beneficially owned by the Issuer or any of its Subsidiaries.

**9. ENFORCEMENT**

The Trustee may at its discretion institute such proceedings as it may think fit to enforce the obligations of the Issuer under the Trust Deed, but it shall not be bound to institute any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding and (b) it shall have been indemnified to its satisfaction. No Bondholder or Couponholder shall be entitled to institute proceedings directly against the Issuer unless the Trustee having become bound so to proceed fails to do so within a reasonable time and such failure is continuing.

**10. PRESCRIPTION**

Bonds and Coupons will become void unless presented for payment within ten years and five years respectively from the Relevant Date (as defined in Condition 7) for payment thereof.

**11. MEETINGS OF BONDHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION**

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of these Terms and Conditions or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds for the time being outstanding so held or represented, except that at any meeting the business of which includes the modification of certain of these Terms and Conditions and the provisions of the Trust Deed, the quorum shall be two or more persons holding or representing not less than two-thirds, or at any such adjourned meeting not less than one-third, in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting, and on all Couponholders.

The Trust Deed contains provisions for an Extraordinary Resolution to take the form of an instrument or instruments signed by the holder or the holders of not less than three-quarters in principal amount of the Bonds for the time being outstanding.

The Trust Deed provides that the Trustee may agree, without the consent of the Bondholders or Couponholders, to any modification (subject to certain exceptions) of or 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 which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or to any modification which is of a formal, minor or technical nature or which is made to correct a manifest error. The Trustee may also agree without consent as aforesaid (i), subject to the Bonds and the Coupons being unconditionally and irrevocably guaranteed by the Issuer, to the substitution of a Subsidiary of the Issuer in place of the Issuer as principal debtor under the Trust Deed, the Bonds and the Coupons or (ii) to the substitution of (a) a successor in business (as defined in the Trust Deed) to the Issuer (whether as Issuer or as guarantor pursuant to (i) above) in place of the Issuer or, where the Issuer is substituted pursuant to (i) above, a successor in business to any such substituted issuer in place of such substituted issuer or (b) a Subsidiary of the Issuer acceptable to the Trustee, as guarantor of the Bonds in place of the Issuer (where the Issuer has given a guarantee under (i) above), any such substitution as aforesaid being subject to the Trustee being satisfied that the interests of Bondholders will not be materially prejudiced thereby and to such other amendments to the Trust Deed and such other conditions as the Trustee may require, provided that in connection with any proposed substitution as aforesaid the Trustee shall not have regard to the tax consequences of such substitution for individual Bondholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Bondholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon individual Bondholders or Couponholders except to the extent already provided for in Condition 7 (as from time to time amended).

Any such modification, waiver, authorisation or substitution shall be binding on the Bondholders and Couponholders and, unless the Trustee agrees otherwise, any such modification or substitution shall be notified to the Bondholders as soon as practicable thereafter in accordance with Condition 15.

## **12. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Bondholders or the Couponholders to create and issue further notes or bonds either ranking *pari passu* in all respects (or in all respects save for the amount of and/or the date of the first payment of interest thereon) and (in the case of bonds) so that the same shall be consolidated and form a single series with the Bonds or upon such terms as to interest, conversion, premium, redemption and otherwise as the Issuer may at the time of issue thereof determine. Any such notes or bonds, if they are to form a single series with the Bonds, shall be constituted by a deed supplemental to the Trust Deed and in any other case if the Trustee so agrees may be so constituted. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of notes or bonds of other series in certain circumstances where the Trustee so decides.

## **13. REPLACEMENT OF BONDS AND COUPONS**

Should any Bond or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Principal Paying Agent, upon payment by the claimant of a sum sufficient to cover any tax or other governmental charge that may be

imposed in relation thereto and any other expenses incurred in connection therewith (including the fees and expenses of the Principal Paying Agent and its designated agents) and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

**14. INDEMNIFICATION**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances including provisions relieving it from instituting proceedings to enforce payment unless indemnified to its satisfaction.

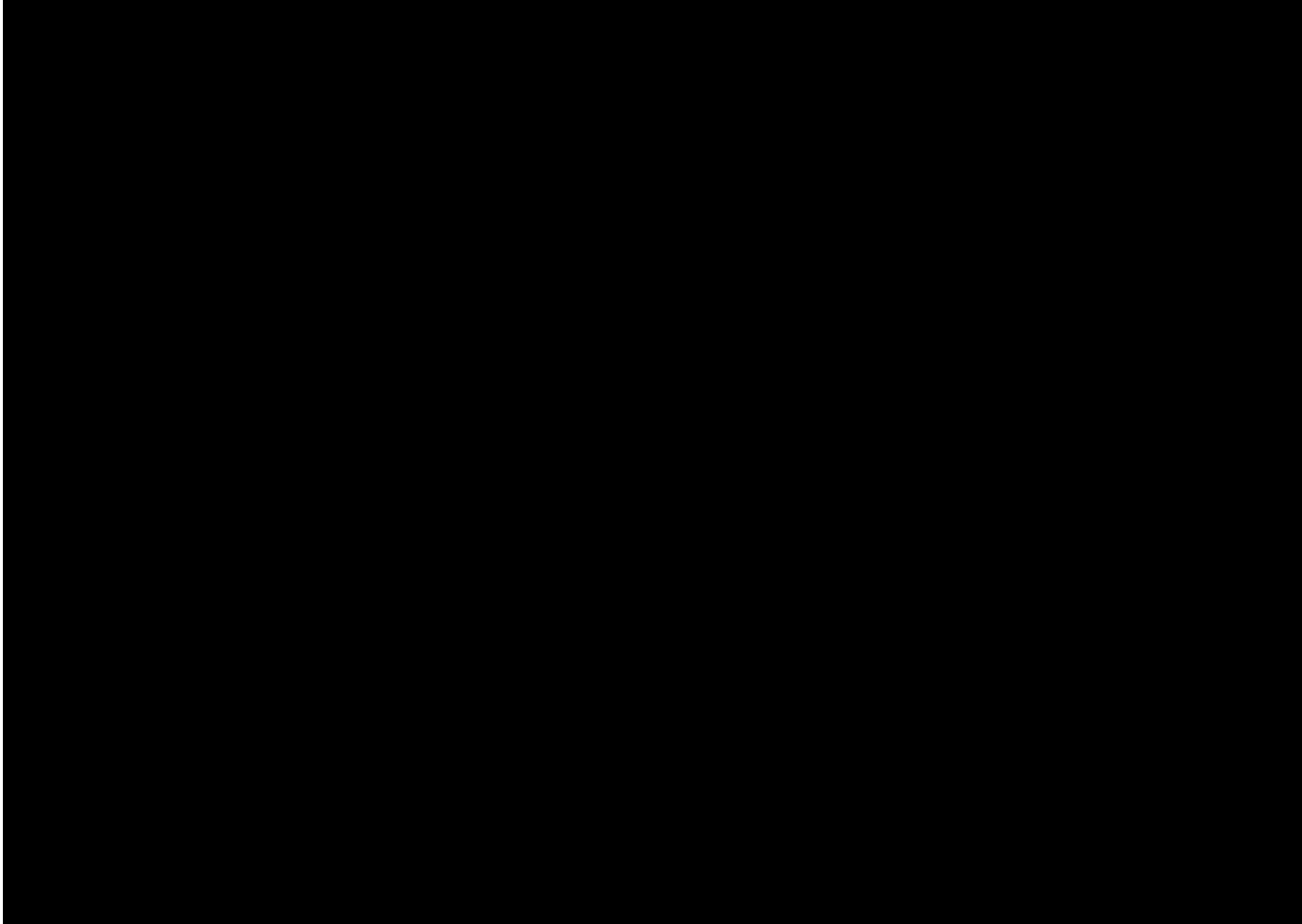
**15. NOTICES**

All notices regarding the Bonds shall be valid if published in the *Financial Times* or any other daily newspaper in London approved by the Trustee or, if this is not possible, in one other English language daily newspaper approved by the Trustee with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication.

**16. GOVERNING LAW**

The Trust Deed, the Bonds and the Coupons are governed by, and shall be construed in accordance with, English law.

**SIGNATORIES**



**SIGNATORIES**

