

EXECUTION VERSION

NORTHERN POWERGRID (NORTHEAST) PLC  
AS THE ISSUER

HSBC BANK PLC  
AS THE PRINCIPAL PAYING AGENT

AND

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED  
AS THE TRUSTEE

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PAYING AGENCY AGREEMENT

£300,000,000 1.875 PER CENT. GREEN BONDS DUE 2062

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## CONTENTS

Clause	Page
1. Interpretation .....	1
2. Appointment of the Paying Agents .....	4
3. The Bonds.....	4
4. Delivery of Permanent Global Bond and Definitive Bonds.....	5
5. Replacement Bonds and Coupons .....	6
6. Payments to the Principal Paying Agent .....	7
7. Payments to Bondholders .....	8
8. Miscellaneous Duties of the Paying Agents.....	11
9. Taxes and Expenses.....	15
10. Terms of Appointment .....	16
11. Changes in Paying Agents.....	19
12. Sanctions .....	22
13. Notices.....	23
14. Law and Jurisdiction .....	24
15. Rights of Third Parties .....	24
16. Modification .....	24
17. Counterparts .....	24
Schedule 1 Form of Put Notice .....	26
Schedule 2 Form of Put Option Receipt .....	28
Schedule 3 Specified Offices of the Paying Agents .....	29

**THIS AGREEMENT** is made on 16 June 2020

**BETWEEN:**

- (1) **NORTHERN POWERGRID (NORTHEAST) PLC** (the "**Issuer**");
- (2) **HSBC BANK PLC** as principal paying agent (the "**Principal Paying Agent**"), and, together with any additional and/or successor paying agents appointed pursuant to Clause 11.4, the ("**Paying Agents**"); and
- (3) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** as trustee (the "**Trustee**").

**WHEREAS:**

- (A) The Issuer has authorised the creation and issue of £300,000,000 in aggregate principal amount of 1.875 per cent. Green Bonds due 2062 (the "**Bonds**").
- (B) The Bonds will be subject to, and have the benefit of, a trust deed dated 16 June 2020 (as amended or supplemented from time to time, the "**Trust Deed**") and made between the Issuer and the Trustee.
- (C) The Bonds will be in bearer form and in the denominations of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. The Bonds will initially be in the form of a temporary global bond (the "**Temporary Global Bond**"), interests in which will be exchangeable for interests in a permanent global bond (the "**Permanent Global Bond**") in the circumstances specified in the Temporary Global Bond. The Permanent Global Bond will in turn be exchangeable for bonds in definitive form ("**Definitive Bonds**"), with interest coupons ("**Coupons**") attached, only in certain limited circumstances specified in the Permanent Global Bond.
- (C) The Issuer, the Paying Agents and the Trustee wish to record certain arrangements which they have made in relation to the Bonds.

**IT IS AGREED** as follows:

**1. INTERPRETATION**

**1.1 Definitions**

In this Agreement the following expressions have the following meanings:

"**Authority**" means any competent regulatory, prosecuting, Tax or governmental authority in any jurisdiction.

"**Applicable Law**" means any law or regulation.

"**Bondholders**" means the holders of the Bonds for the time being.

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

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

**"Conditions"** means the Terms and Conditions of the Bonds (as scheduled to the Trust Deed and as modified from time to time in accordance with their terms), and any reference to a numbered **"Condition"** is to the correspondingly numbered provision thereof.

**"Euroclear"** means Euroclear Bank SA/NV.

**"Exchange Date"** means the first day following the expiry of 40 days after the issue of the Bonds.

**"FATCA"** means Sections 1471 to 1474 of the Code, any regulations thereunder or official interpretations thereof, an IGA or an agreement described in Section 1471(b) of the Code.

**"FFI"** means a foreign financial institution for the purposes of FATCA.

**"IGA"** means an intergovernmental agreement between the United States and another jurisdiction to improve tax compliance and to implement FATCA.

**"Local Banking Day"** means a day (other than a Saturday or a Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the city in which the Principal Paying Agent has its Specified Office.

**"Local Time"** means the time in the city in which the Principal Paying Agent has its Specified Office.

**"Participating FFI"** means an FFI that has agreed to comply with the terms of an FFI agreement for the purposes of FATCA (or is otherwise deemed to be compliant).

**"PRA"** means the Prudential Regulatory Authority.

**"Principal Paying Agent"** and **"Paying Agents"** include any successors thereto appointed from time to time in accordance with Clause 11 (*Changes in Paying Agents*) and **"Paying Agent"** means any one of the Paying Agents.

**"Put Notice"** means a notice of exercise relating to the put option contained in Condition 11 (*Restructuring Event*), substantially in the form set out in Schedule 1 (*Form of Put Notice*) or such other form as may from time to time be agreed between the Issuer, the Principal Paying Agent and the Trustee and distributed to each Paying Agent.

**"Put Option Receipt"** means a receipt delivered by a Paying Agent in relation to a Definitive Bond which is the subject of a Put Notice, substantially in the form set out in Schedule 2 (*Form of Put Option Receipt*) or such other form as may from time to time be agreed between the Issuer, the Principal Paying Agent and the Trustee and distributed to each Paying Agent.

**"Required Paying Agent"** means any Paying Agent (which may be the Principal Paying Agent) which is required to be maintained by the Issuer in accordance with Condition 6 (*Payments*).

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

- (a) the office specified against its name in Schedule 3 (*Specified Offices of the Paying Agents*); or
- (b) such other office as such Paying Agent may specify in accordance with Clause 11.8 (*Changes in Specified Offices*).

**"£"** and **"Sterling"** denote the lawful currency for the time being of the United Kingdom.

**"Tax"** shall be construed so as to include any present or future tax, levy, impost, duty, charge, fee, deduction or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and **"Taxes"**, **"taxation"**, **"taxable"** and comparable expressions shall be construed accordingly.

**"Trustee"** includes all persons for the time appointed trustee or trustees under the Trust Deed.

## 1.2 **Clauses and Schedules**

Any reference in this Agreement to a Clause or a sub-clause or a Schedule is, unless otherwise stated, to a Clause or a sub-clause hereof or a schedule hereto.

## 1.3 **Principal and interest**

In this Agreement, any reference to principal includes premium and any reference to principal or interest includes any additional amounts payable in relation thereto under the Conditions.

## 1.4 **Terms defined in the Conditions and the Trust Deed**

Terms and expressions used but not defined herein have the respective meanings given to them in the Conditions and the Trust Deed.

## 1.5 **Statutes**

Any reference in this Agreement to any statute, provision, statutory instrument, order or regulation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such statute, provision, statutory instrument, order or regulation as the same may have been, or may from time to time be, amended or re-enacted.

## 1.6 **Headings**

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Agreement.

## **2. APPOINTMENT OF THE PAYING AGENTS**

### **2.1 Appointment**

Each of the Issuer and, for the purposes of Clause 7.9 (*Paying Agents to act for Trustee*) only, the Trustee appoints each Paying Agent as its agent in relation to the Bonds for the purposes specified in this Agreement and in the Conditions.

### **2.2 Acceptance of appointment**

Each Paying Agent accepts its appointment as agent of the Issuer and, in respect of Clause 7.9 (*Paying Agents to act for Trustee*), the Trustee in relation to the Bonds and agrees to comply with the provisions of this Agreement.

### **2.3 Obligations several**

The obligations of the Paying Agents are several and not joint.

## **3. THE BONDS**

### **3.1 Availability**

The Issuer shall arrange for the unauthenticated Permanent Global Bond to be made available to or to the order of the Principal Paying Agent not later than 10 days before the Exchange Date. If the Issuer is required to deliver Definitive Bonds pursuant to the terms of the Permanent Global Bond, the Issuer shall arrange for the then outstanding aggregate principal amount of unauthenticated Definitive Bonds to be made available to or to the order of the Principal Paying Agent as soon as practicable and in any event not later than 30 days after the bearer of the Permanent Global Bond has requested its exchange for Definitive Bonds. The Issuer shall also arrange for such unauthenticated Temporary Global Bonds, Permanent Global Bonds, Definitive Bonds and Coupons as are required to enable the Principal Paying Agent to perform its obligations under Clause 5 (*Replacement Bonds and Coupons*) to be made available to or to the order of the Principal Paying Agent from time to time.

### **3.2 Duties of Principal Paying Agent**

The Principal Paying Agent shall hold in safe custody all unauthenticated Temporary Global Bonds, Permanent Global Bonds, Definitive Bonds and Coupons delivered to it in accordance with Clause 3.1 (*Availability*) and shall ensure that they are authenticated (in the case of Temporary Global Bonds, Permanent Global Bonds and Definitive Bonds) and delivered only in accordance with the terms hereof, of the Conditions and of the Temporary Global Bond or (as the case may be) the Permanent Global Bond.

### **3.3 Authority to authenticate**

The Principal Paying Agent is authorised by the Issuer to authenticate the Temporary Global Bond and the Permanent Global Bond, any replacement therefor and each Definitive Bond by the signature of any of its officers or any other person duly authorised for the purpose by the Principal Paying Agent.

#### 4. DELIVERY OF PERMANENT GLOBAL BOND AND DEFINITIVE BONDS

##### 4.1 Delivery of Permanent Global Bond

Subject to receipt by the Principal Paying Agent of the Permanent Global Bond in accordance with Clause 3.1 (*Availability*), the Principal Paying Agent shall, against presentation or (as the case may be) surrender to it or to its order of the Temporary Global Bond and in accordance with the terms thereof, authenticate and deliver to the bearer of the Temporary Global Bond the Permanent Global Bond in the aggregate principal amount required by the terms of the Temporary Global Bond or, if the Permanent Global Bond has already been issued in exchange for part only of the Temporary Global Bond, procure that such aggregate principal amount is noted in the schedule to the Permanent Global Bond and procure the signature of such notation on its behalf.

##### 4.2 Exchange of Temporary Global Bond and Permanent Global Bond

On each occasion on which the Permanent Global Bond is delivered pursuant to Clause 4.1 (*Delivery of Permanent Global Bond*) or a further exchange of interests in the Temporary Global Bond for interests in the Permanent Global Bond is made, the Principal Paying Agent shall procure that there is noted in the respective schedules to the Temporary Global Bond and the Permanent Global Bond the aggregate principal amount of interests in the Permanent Global Bond so delivered (the "**relevant principal amount**"), the new aggregate principal amount of the Permanent Global Bond (which shall be the previous principal amount thereof plus the relevant principal amount) and the remaining principal amount of the Temporary Global Bond (which shall be the previous principal amount thereof less the relevant principal amount) and shall procure the signature of each such notation on its behalf. The Principal Paying Agent shall cancel or procure the cancellation of the Temporary Global Bond when and if it has made full exchange thereof for interests in the Permanent Global Bond.

##### 4.3 Delivery of Definitive Bonds

Subject to receipt by the Principal Paying Agent of Definitive Bonds in accordance with Clause 3.1 (*Availability*), the Principal Paying Agent shall, against presentation or (as the case may be) surrender to it or to its order of the Permanent Global Bond and in accordance with the terms thereof, authenticate and deliver Definitive Bonds in the required aggregate principal amount to the bearer of the Permanent Global Bond; **provided, however, that** each Definitive Bond shall at the time of its delivery have attached thereto only such Coupons as shall ensure that neither loss nor gain accrues to the bearer thereof.

##### 4.4 Exchange of Permanent Global Bond for Definitive Bonds

On each occasion on which Definitive Bonds are delivered in exchange for the Permanent Global Bond, the Principal Paying Agent shall procure that there is noted in the schedule to the Permanent Global Bond the aggregate principal amount of Definitive Bonds so delivered (the "**relevant principal amount**") and the remaining principal amount of the Permanent Global Bond (which shall be the previous principal amount thereof less the relevant principal amount) and shall procure the signature of such notation on its behalf. The Principal Paying Agent shall cancel or procure the

cancellation of the Permanent Global Bond when and if it has made full exchange thereof for Definitive Bonds.

## **5. REPLACEMENT BONDS AND COUPONS**

### **5.1 Delivery of Replacements**

Subject to receipt of sufficient replacement Temporary Global Bonds, Permanent Global Bonds, Definitive Bonds and Coupons in accordance with Clause 3.1 (*Availability*), the Principal Paying Agent shall, upon and in accordance with the instructions of the Issuer (which instructions may, without limitation, include terms as to the payment of expenses and as to evidence, security and indemnity), authenticate (if necessary) and deliver a Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon as a replacement for any Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon which has been mutilated or defaced or which is alleged to have been destroyed, stolen or lost; **provided, however, that** the Principal Paying Agent shall not deliver any Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon as a replacement for any Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon which has been mutilated or defaced otherwise than against surrender of the same and shall not issue any replacement Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon until the applicant has furnished the Principal Paying Agent with such evidence and indemnity as the Issuer and/or the Principal Paying Agent may reasonably require and has paid such costs and expenses as may be incurred in connection with such replacement.

### **5.2 Replacements to be numbered**

Each replacement Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon delivered under this Agreement shall bear a unique certificate or (as the case may be) serial number.

### **5.3 Cancellation of mutilated or defaced Bonds**

The Principal Paying Agent shall cancel each mutilated or defaced Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon surrendered to it in respect of which a replacement has been delivered.

### **5.4 Notification**

The Principal Paying Agent shall notify the Issuer, each other Paying Agent and the Trustee of the delivery by it of any replacement Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon specifying the certificate or serial number thereof and the certificate or serial number (if any and if known) of the Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon which it replaces and confirming that the Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon which it replaces has been cancelled and (if such is the case) destroyed in accordance with Clause 8.8 (*Destruction*).



## **6. PAYMENTS TO THE PRINCIPAL PAYING AGENT**

### **6.1 Issuer to pay Principal Paying Agent**

In order to provide for the payment of principal and interest in respect of the Bonds as the same becomes due and payable, the Issuer shall pay to the Principal Paying Agent, on the day on which such payment becomes due, an amount equal to the amount of principal and/or (as the case may be) interest falling due in respect of the Bonds on such date.

### **6.2 Manner and time of payment**

Each amount payable under Clause 6.1 (*Issuer to pay Principal Paying Agent*) shall be paid unconditionally by credit transfer in Sterling and in same day, freely transferable, cleared funds not later than 12.00 noon (London time) on the relevant day to such account with such bank in London as the Principal Paying Agent may from time to time by notice to the Issuer (with a copy to the Trustee) specify for such purpose. The Issuer shall, before 10.00 a.m. (Local Time) on the second Local Banking Day before the due date of each payment by it under Clause 6.1 (*Issuer to pay Principal Paying Agent*), confirm, or procure that the bank effecting payment for it confirms by fax, tested telex or authenticated SWIFT message to the Principal Paying Agent the payment instructions relating to such payment.

### **6.3 Exclusion of liens and interest**

The Principal Paying Agent shall be entitled to deal with each amount paid to it under this Clause 6 (*Payments to the Principal Paying Agent*) in the same manner as other amounts paid to it as a banker by its customers; **provided, however, that:**

6.3.1 it shall not exercise against the Issuer any lien, right of set-off or similar claim in respect thereof; and

6.3.2 it shall not be liable to any person for interest thereon.

### **6.4 Application by Principal Paying Agent**

The Principal Paying Agent shall apply each amount paid to it hereunder in accordance with Clause 7 (*Payments to Bondholders*) and shall not be obliged to repay any such amount unless the claim for the relevant payment becomes void under Condition 9 (*Prescription*), in which event it shall refund at the written request of the Issuer such portion of such amount as relates to such payment by paying the same by credit transfer in Sterling to such account with such bank in London as the Issuer has by notice to the Principal Paying Agent specified for the purpose.

### **6.5 Confirmation of payment instructions**

The Principal Paying Agent shall notify the Trustee, as soon as practicable if it has not received confirmation of the relevant payment instructions referred to in Clause 6.2 (*Manner and time of payment*), and the Principal Paying Agent shall also forthwith notify the Issuer and the other Paying Agents. If the Principal Paying Agent subsequently receives confirmation of such payment instructions, it shall forthwith notify the Issuer, the Trustee and the other Paying Agents.

## 7. PAYMENTS TO BONDHOLDERS

### 7.1 Payments by Paying Agents

Each Paying Agent acting through its Specified Office shall make payments of principal and interest in respect of the Bonds in accordance with the Conditions (and, in the case of the Temporary Global Bond or the Permanent Global Bond, the terms thereof); **provided, however, that:**

- 7.1.1 if any Definitive Bond or Coupon is presented or surrendered for payment to any Paying Agent and such Paying Agent has delivered a replacement therefor or has been notified that the same has been replaced, such Paying Agent shall forthwith notify the Issuer of such presentation or surrender and shall not make payment against the same until it is so instructed by the Issuer and has received the amount to be so paid;
- 7.1.2 a Paying Agent shall not be obliged (but shall be entitled) to make payments of principal or interest in respect of the Bonds, if:
  - (a) in the case of the Principal Paying Agent, it has not received the full amount of any payment due to it under Clause 6.1 (*Issuer to pay Principal Paying Agent*); or
  - (b) in the case of any other Paying Agent:
    - (i) it has been notified in accordance with Clause 6.5 (*Confirmation of payment instructions*) that confirmation of the relevant payment instructions has not been received, unless it is subsequently notified that confirmation of such payment instructions has been received; or
    - (ii) it is not able to establish that the Principal Paying Agent has received (whether or not at the due time) the full amount of any payment due to it under Clause 6.1 (*Issuer to pay Principal Paying Agent*);
- 7.1.3 each Paying Agent shall cancel each Definitive Bond or Coupon against surrender of which it has made full payment and shall, in the case of a Paying Agent other than the Principal Paying Agent, deliver each Definitive Bond or Coupon so cancelled by it to, or to the order of, the Principal Paying Agent;
- 7.1.4 in the case of payment of principal or interest against presentation of the Temporary Global Bond or the Permanent Global Bond, the relevant Paying Agent shall procure that there is noted in the schedule to the Temporary Global Bond or (as the case may be) the Permanent Global Bond the amount of such payment and, in the case of payment of principal, the remaining principal amount of the Temporary Global Bond or (as the case may be) the Permanent Global Bond (which shall be the previous principal amount thereof less the amount of principal then paid) and shall procure the signature of such notation on its behalf; and

- 7.1.5 notwithstanding any other provision of this Agreement, each Paying Agent shall be entitled to make a deduction or withholding from any payment which it makes under this Agreement for or on account of any present or future taxes, duties, assessments or government charges if and to the extent so required by FATCA or applicable law, in which event such Paying Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so withheld or deducted or, at its option, shall reasonably promptly after making such payment return to the Issuer the amount so deducted or withheld, in which case, the Issuer shall so account to the relevant Authority for such amount.

## **7.2 Providing Information**

Each party shall, within ten Local Banking Days of a written request by another party, supply to that other party such forms, documentation and other information relating to it, its operations, or the Bonds as that other party reasonably requests for the purposes of that other party's compliance with Applicable Law and shall notify the relevant other party reasonably promptly in the event that it becomes aware that any of the forms, documentation or other information provided by such party is (or becomes) inaccurate in any material respect; provided, however, that no party shall be required to provide any forms, documentation or other information pursuant to this Clause 7.2 to the extent that: (i) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to such party and cannot be obtained by such party using reasonable efforts; or (ii) doing so would or might in the reasonable opinion of such party constitute a breach of any: (a) Applicable Law; (b) fiduciary duty; or (c) duty of confidentiality. For purposes of this Clause 7.2, "Applicable Law" shall be deemed to include (i) any rule or practice of any Authority by which any Party is bound or with which it is accustomed to comply; (ii) any agreement between any Authorities; and (iii) any agreement between any Authority and any Party that is customarily entered into by institutions of a similar nature.

## **7.3 Exclusion of liens and commissions**

No Paying Agent shall exercise any lien, right of set-off or similar claim against any person to whom it makes any payment under Clause 7.1 (*Payments by Paying Agents*) in respect thereof, nor shall any commission or expense be charged by it to any such person in respect thereof.

## **7.4 Reimbursement by Principal Paying Agent**

If a Paying Agent other than the Principal Paying Agent makes any payment in accordance with Clause 7.1 (*Payments by Paying Agents*):

- 7.4.1 it shall notify the Principal Paying Agent of the amount so paid by it, the certificate or serial number (if any) of the Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon against presentation or surrender of which payment of principal was made, or of the Temporary Global Bond, Permanent Global Bond or Definitive Bond against presentation or surrender of which payment of interest was made, and the number of Coupons by

maturity against presentation or surrender of which payment of interest was made; and

- 7.4.2 subject to and to the extent of compliance by the Issuer with Clause 6.1 (*Issuer to pay Principal Paying Agent*) (whether or not at the due time), the Principal Paying Agent shall pay to such Paying Agent out of the funds received by it under Clause 6.1 (*Issuer to pay Principal Paying Agent*), by credit transfer in Sterling and in immediately available, freely transferable, cleared funds to such account with such bank in London as such Paying Agent has by notice to the Principal Paying Agent specified for the purpose, an amount equal to the amount so paid by such Paying Agent.

## **7.5 Appropriation by Principal Paying Agent**

If the Principal Paying Agent makes any payment in accordance with Clause 7.1 (*Payments by Paying Agents*), it shall be entitled to appropriate for its own account out of the funds received by it under Clause 6.1 (*Issuer to pay Principal Paying Agent*) an amount equal to the amount so paid by it.

## **7.6 Reimbursement by Issuer**

Subject to sub-clauses 7.1.1 and 7.1.2 of Clause 7.1 (*Payments by Paying Agents*), if a Paying Agent makes a payment in respect of Bonds on or after the due date for such payment under the Conditions at a time at which the Principal Paying Agent has not received the full amount of the relevant payment due to it under Clause 6.1 (*Issuer to pay Principal Paying Agent*) and the Principal Paying Agent is not able out of funds received by it under Clause 6.1 (*Issuer to pay Principal Paying Agent*) to reimburse such Paying Agent therefor (whether by payment under Clause 7.4 (*Reimbursement by Principal Paying Agent*) or appropriation under Clause 7.5 (*Appropriation by Principal Paying Agent*), the Issuer shall from time to time on demand pay to the Principal Paying Agent for account of such Paying Agent:

- 7.6.1 the amount so paid out by such Paying Agent and not so reimbursed to it; and
- 7.6.2 interest on such amount from the date on which such Paying Agent made such payment until the date of reimbursement of such amount;

**provided, however, that** any payment made under sub-clause 7.6.1 above shall satisfy *pro tanto* the obligations of the Issuer under Clause 6.1 (*Issuer to pay Principal Paying Agent*).

## **7.7 Interest**

Interest shall accrue for the purpose of sub-clause 7.6.2 of Clause 7.6 (*Reimbursement by Issuer*) (as well after as before judgment) on the basis of a year of 365 days and the actual number of days elapsed and at the rate per annum which is the aggregate of one per cent. per annum and the rate per annum specified by the Principal Paying Agent as reflecting its cost of funds for the time being in relation to the unpaid amount.

## 7.8 **Partial payments**

If at any time and for any reason a Paying Agent makes a partial payment in respect of the Temporary Global Bond, the Permanent Global Bond or any Definitive Bond or Coupon presented for payment to it, such Paying Agent shall enface thereon a statement indicating the amount and date of such payment.

## 7.9 **Paying Agents to act for Trustee**

If any Event of Default or Potential Event of Default occurs, the Paying Agents shall, if so required by notice given by the Trustee to the Issuer and the Paying Agents (or such of them as are specified by the Trustee):

- 7.9.1 act thereafter, until otherwise instructed by the Trustee, as the agents of the Trustee under the Trust Deed and on the terms of this Agreement with consequential amendments if necessary (save that the Trustee's liability for the indemnification, remuneration and all other out-of-pocket expenses of any of the Paying Agents shall be limited to the amounts for the time being held by the Trustee on the trusts of the Trust Deed and available to the Trustee for such purpose) and thereafter to hold all Definitive Bonds and Coupons and all sums, documents and records held by them in respect of the Bonds and Coupons to the order of the Trustee; and/or
- 7.9.2 deliver up all Definitive Bonds and Coupons and all sums, documents and records held by them in respect of the Bonds and Coupons (save for such documents and records which the Paying Agents are obliged not to release by virtue of any applicable law or regulation or by order of any court of competent jurisdiction) to the Trustee or as the Trustee shall direct in such notice.

## 8. **MISCELLANEOUS DUTIES OF THE PAYING AGENTS**

### 8.1 **Records**

The Principal Paying Agent shall:

- 8.1.1 maintain a record of the Temporary Global Bond, the Permanent Global Bond and all Definitive Bonds and Coupons delivered hereunder and of their redemption, payment, cancellation, mutilation, defacement, alleged destruction, theft, loss or replacement (and, in the case of the Temporary Global Bond, exchange of interests thereof for interests in the Permanent Global Bond, and, in the case of the Permanent Global Bond, exchange thereof for Definitive Bonds); **provided, however, that** no record need be maintained of the serial numbers of Coupons, save for the serial numbers of Coupons for which replacements have been issued under Clause 5 (*Replacement Bonds and Coupons*) and unmatured Coupons missing at the time of redemption or other cancellation of the relevant Definitive Bonds and for any subsequent payments against such Coupons;

- 8.1.2 maintain a record of all certifications received by it in accordance with Clause 8.3 (*Certifications*) or the provisions of the Temporary Global Bond and all confirmations received by it in accordance with Clause 8.4 (*Cancellation*); and
- 8.1.3 make such records available for inspection at all reasonable times by the Issuer, the other Paying Agents and the Trustee.

## **8.2 Information from Paying Agents**

The Paying Agents shall make available to the Principal Paying Agent such information as is reasonably required for the maintenance of the records referred to in Clause 8.1 (*Records*).

## **8.3 Certifications**

Each Paying Agent shall promptly copy to the Issuer and, in the case of a Paying Agent other than the Principal Paying Agent, the Principal Paying Agent any certification received by it in accordance with the provisions of the Temporary Global Bond.

## **8.4 Cancellation**

The Issuer may from time to time deliver to the Principal Paying Agent Definitive Bonds and unmatured Coupons relating thereto for cancellation, whereupon the Principal Paying Agent shall cancel such Definitive Bonds and Coupons. In addition, the Issuer may from time to time procure the delivery to the Principal Paying Agent of the Temporary Global Bond or the Permanent Global Bond with instructions to cancel a specified aggregate principal amount of Bonds represented by it (which instructions shall be accompanied by confirmation from Euroclear or Clearstream, Luxembourg that Bonds having such aggregate principal amount may be cancelled), whereupon the Principal Paying Agent shall procure that there is noted on the schedule to the Temporary Global Bond or (as the case may be) the Permanent Global Bond the aggregate principal amount of Bonds so cancelled and the remaining principal amount of the Temporary Global Bond or (as the case may be) the Permanent Global Bond (which shall be the previous principal amount thereof less the aggregate principal amount of the Bonds so cancelled) and shall procure the signature of such notation on its behalf.

## **8.5 Definitive Bonds and Coupons in Issue**

As soon as practicable (and in any event within three months) after each interest payment date in relation to the Bonds, after each date on which Bonds are cancelled in accordance with Clause 8.4 (*Cancellation*) and after each date on which the Bonds fall due for redemption in accordance with the Conditions, the Principal Paying Agent shall notify the Issuer, the other Paying Agents and the Trustee (on the basis of the information available to it) of the number of any Definitive Bonds or Coupons against surrender of which payment has been made and of the number of any Definitive Bonds or (as the case may be) Coupons which have not yet been surrendered for payment.

## 8.6 Forwarding of Communications

The Principal Paying Agent shall promptly forward to the Issuer a copy of any notice or communication addressed to the Issuer by any Bondholder which is received by the Principal Paying Agent.

## 8.7 Publication of notices

The Principal Paying Agent shall, upon and in accordance with instructions of the Issuer and/or the Trustee received at least 10 days before the proposed publication date, arrange for the publication of any notice which is to be given to the Bondholders and shall supply a copy thereof to each other Paying Agent, the Trustee, Euroclear, Clearstream, Luxembourg and any competent authority, stock exchange and/or quotation system by which the Bonds have been admitted to listing, trading and/or quotation.

## 8.8 Destruction

The Principal Paying Agent may destroy the Temporary Global Bond following its cancellation in accordance with Clause 4.2 (*Exchange of Temporary Global Bond and Permanent Global Bond*) and the Permanent Global Bond following its cancellation in accordance with Clause 4.4 (*Exchange of Permanent Global Bond for Definitive Bonds*) and the Temporary Global Bond and the Permanent Global Bond and each Definitive Bond or Coupon delivered to or cancelled by it in accordance with sub-clause 7.1.3 (*Payments by Paying Agents*) or cancelled by it in accordance with Clause 5.3 (*Cancellation of mutilated or defaced Bonds*) or Clause 8.4 (*Cancellation*), in which case it shall furnish the Issuer and the Trustee with a certificate of destruction specifying the certificate or serial numbers (if any) of the Temporary Global Bond or (as the case may be) the Permanent Global Bond or Definitive Bonds and the number of Coupons so destroyed.

## 8.9 Documents available for inspection

The Issuer shall provide to each Paying Agent and the Trustee:

- 8.9.1 conformed copies of this Agreement, the Trust Deed and a copy of the prospectus relating to the Bonds;
- 8.9.2 if the provisions of Condition 7(c) (*Redemption and Purchase - Redemption for tax reasons*) become relevant in relation to the Bonds, the documents contemplated under Condition 7(c) (*Redemption and Purchase - Redemption for tax reasons*);
- 8.9.3 the Memorandum and Articles of Association of the Issuer;
- 8.9.4 the audited financial statements of the Issuer for the years ended 31 December 2018 and 2019; and
- 8.9.5 such other documents as may from time to time be required by the London Stock Exchange to be made available at the Specified Office of any Paying Agent.

Each of the Paying Agents shall make available for inspection during normal business hours at its Specified Office the documents referred to above and, upon reasonable request, will allow copies of such documents to be taken.

#### 8.10 **Voting Certificates and Block Voting Instructions**

Each Paying Agent shall, at the request of any Bondholder, issue Voting Certificates and Block Voting Instructions in a form and manner which comply with the provisions of schedule 5 (*Provisions for Meetings of the Bondholders*) to the Trust Deed (except that it shall not be required to issue the same less than 48 hours before the time fixed for any Meeting provided for therein). Each Paying Agent shall keep a full record of Voting Certificates and Block Voting Instructions issued by it and shall give to the Issuer and the Trustee, not less than 24 hours before the time appointed for any Meeting, full particulars of all Voting Certificates and Block Voting Instructions issued by it in respect of such Meeting.

#### 8.11 **Exercise of Put Option**

Each Paying Agent shall make available to Bondholders during the period specified in Condition 11 (*Restructuring Event*) for the deposit of Put Notices forms of Put Notice upon request during usual business hours at its Specified Office. Upon receipt by a Paying Agent of a duly completed Put Notice and, in the case of a Put Notice relating to Definitive Bonds, such Definitive Bonds in accordance with Condition 11 (*Restructuring Event*), such Paying Agent shall notify the Issuer and (in the case of a Paying Agent other than the Principal Paying Agent) the Principal Paying Agent thereof indicating the certificate or serial numbers (if any) and principal amount of the Bonds in respect of which the Put Option is exercised. Any such Paying Agent with which a Definitive Bond is deposited shall deliver a duly completed Put Option Receipt to the depositing Bondholder and shall hold such Definitive Bond on behalf of the depositing Bondholder (but shall not, save as provided below or in the Conditions, release it) until the relevant Put Date, when it shall present such Definitive Bond to itself for payment of the redemption moneys therefor and interest (if any) accrued to such date in accordance with the Conditions and Clause 7 (*Payments to Bondholders*) and pay such amounts in accordance with the directions of the Bondholder contained in the Put Notice; **provided, however, that** if, prior to such Put Date, such Definitive Bond becomes immediately due and payable or upon due presentation of such Definitive Bond payment of such redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Bondholder at such address as may have been given by such Bondholder in the relevant Put Notice and shall hold such Bond at its Specified Office for collection by the depositing Bondholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Definitive Bond is held by a Paying Agent in accordance with the preceding sentence, the depositor of the relevant Definitive Bond, and not the relevant Paying Agent, shall be deemed to be the bearer of such Definitive Bond for all purposes. Any Paying Agent which receives (in accordance with the terms of the Permanent Global Bond) notice of the exercise of the Put Option contained in Condition 11 (*Restructuring Event*) in respect of Bonds represented by the Permanent Global Bond shall make payment of the relevant redemption moneys and interest accrued to the Put Date in accordance with the Conditions, Clause 7 (*Payments to Bondholders*) and the terms of the Permanent Global Bond.



## **9. TAXES AND EXPENSES**

### **9.1 Expenses**

The Issuer shall pay to the Principal Paying Agent in respect of its services under this Agreement such fees, expenses and commissions on such basis and in such manner as the Issuer and the Principal Paying Agent shall separately agree. The fees, commissions and expenses payable to the Principal Paying Agent for services rendered and the performance of its obligations under this Agreement shall not be abated by any remuneration or other amounts or profits receivable by the Principal Paying Agent (or to its knowledge by any of its associates) in connection with any transaction effected by the Principal Paying Agent with or for the Issuer.

### **9.2 Taxes**

The Issuer shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which are payable upon or in connection with the execution and delivery of this Agreement, and the Issuer shall indemnify each Paying Agent on demand against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same. All payments by the Issuer under this Clause 9 or Clause 10.4 (*Indemnity in favour of the Paying Agents*) shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by 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 that event, the Issuer shall pay such additional amounts as will result in the receipt by the relevant Paying Agent of such amounts as would have been received by it if no such withholding or deduction had been required.

9.3 If the Issuer or any Paying Agent is, in respect of any payment in respect of the Bonds, required to withhold or deduct any amount for or on account of any taxes, duties, assessments or governmental charges, the Issuer shall give written notice of that fact to the Paying Agent as soon as the Issuer becomes aware of the requirement to make the withholding or deduction and shall give to the Paying Agent such information as the Paying Agent shall require to enable it to assess and comply with the requirement, provided, however, that the Issuer's obligation under this Clause 9.3 shall apply only to the extent that such withholding or deduction is so required by virtue of characteristics of the Issuer, the Bonds, or both. Until such time, the Issuer confirms that all payments made by or on behalf of the Issuer shall be made free and clear of and without withholding or deduction of any such amounts.

9.4 Notwithstanding any other provision of this Agreement, the Issuer shall indemnify each Paying Agent against any liability or loss howsoever incurred in connection with the Issuer's obligation to withhold or deduct an amount on account of tax. The indemnity set out in this Clause shall survive any termination (whether by resignation or removal) of this Agreement.

9.5 If, for any reason, the Issuer determines (acting reasonably) that it is required to deduct or withhold an amount for or on account of any taxes, duties, assessments or

governmental charges, in respect of any payment due to any Paying Agent on any Bonds, then the Issuer will be entitled to re-direct or reorganise any such payment in any way that it sees fit in order that the payment may be made without such deduction or withholding provided that any such redirected or reorganised payment is made through a recognised institution of international standing and otherwise made in accordance with this Agreement. The Issuer will promptly notify the Paying Agents, the Trustee and the Bondholders of any such redirection or reorganisation.

- 9.6 Each of the Paying Agents undertakes to notify the Issuer as soon as reasonably practicable if (i) it ceases to be exempt from FATCA withholding; or (ii) if it is an FFI, does not become, or ceases to remain, a Participating FFI. For the avoidance of doubt such notice may be made in accordance with the provisions hereof or by means of public announcement by a notice to the London Stock Exchange or by a notice in a leading English language national daily newspaper (which is expected to be the *Financial Times*) or, if this is not practicable, in a leading English language daily newspaper with a circulation in Europe.

## **10. TERMS OF APPOINTMENT**

### **10.1 Rights and Powers**

Each Paying Agent may, in connection with its services hereunder:

- 10.1.1 except as ordered by a court of competent jurisdiction or otherwise required by law and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof, but subject to sub-clause 7.1.1 of Clause 7.1 (*Payments by Paying Agents*), treat the holder of any Temporary Global Bond, Permanent Global Bond, Definitive Bond or Coupon as its absolute owner for all purposes and make payments thereon accordingly;
- 10.1.2 assume that the terms of the Temporary Global Bond, the Permanent Global Bond and each Definitive Bond and Coupon as issued are correct;
- 10.1.3 refer any question relating to the ownership of the Temporary Global Bond, the Permanent Global Bond or any Definitive Bond or Coupon or the adequacy or sufficiency of any evidence supplied in connection with the replacement of the Temporary Global Bond, the Permanent Global Bond or any Definitive Bond or Coupon to the Issuer for determination by the Issuer and rely upon any determination so made;
- 10.1.4 rely upon the terms of any notice, facsimile, email, instruction, communication or other document believed by it to be genuine and which is from a person purporting to be (and from whom such Paying Agent believes in good faith to be) the authorised representative of the Issuer as sufficient instructions and authority of the Issuer for such Paying Agent to act; and
- 10.1.5 engage and pay for the advice or services of any lawyers or other experts whose advice or services it considers necessary and rely upon any advice so obtained (and such Paying Agent shall be protected and shall incur no liability

as against the Issuer in respect of any action taken, or permitted to be taken, in accordance with such advice and in good faith).

## **10.2 Extent of Duties**

Each Paying Agent shall only be obliged to perform the duties set out herein and such other duties as are necessarily incidental thereto. No Paying Agent shall:

- 10.2.1 be under any fiduciary duty or other obligation towards or have any relationship of agency or trust for or with any person other than the Issuer and the Trustee; or
- 10.2.2 be responsible for or liable in respect of the legality, validity or enforceability of the Temporary Global Bond, the Permanent Global Bond or any Definitive Bond or Coupon or any act or omission of any other person (including, without limitation, any other Paying Agent).

## **10.3 Freedom to Transact**

Each Paying Agent may purchase, hold and dispose of Bonds and Coupons and may enter into any transaction (including, without limitation, any depository, trust or agency transaction) with any holders of Bonds or Coupons or with any other person in the same manner as if it had not been appointed as the agent of the Issuer in relation to the Bonds and shall not in any way be 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.

## **10.4 Indemnity in favour of the Paying Agents**

The Issuer shall indemnify each Paying Agent against all losses, liabilities, costs, claims, actions, damages, expenses or demands (together, "**Losses**") (including, but not limited to, all reasonable costs, legal fees, charges and expenses (together, "**Expenses**") paid or incurred in disputing or defending any Losses) which it may incur or which may be made against it as a result of or in connection with its appointment or the exercise of its powers or duties under this Agreement except to the extent that any Losses or Expenses result from its own wilful default, gross negligence or fraud or that of its officers, directors or employees or the material breach by it of the terms of this Agreement. The indemnity set out in this Clause shall survive any termination (whether by resignation or removal) of this Agreement.

## **10.5 Indemnity in favour of the Issuer**

Each Paying Agent shall indemnify the Issuer against all Losses (including, but not limited to Expenses paid or incurred in disputing or defending any Losses) which it may incur or which may be made against it as a result of or in connection with the Paying Agent's appointment or the exercise of such Paying Agent's powers or duties under this Agreement to the extent that any Losses or Expenses result directly from such Paying Agent's own wilful default, gross negligence or fraud or that of its officers, directors or employees or the material breach by it of the terms of this Agreement. For the avoidance of doubt the Agent's liability under this Clause 10.5 shall be limited in the manner set out in Clauses 10.7 (*Paying Agent not liable for*

*consequential loss*) and 10.8 (*Force Majeure*). The indemnity set out in this Clause shall survive any termination (whether by resignation or removal) of this Agreement.

#### **10.6 Exclusion of Liability**

Each Paying Agent will only be liable to the Issuer and/or the Trustee for losses, liabilities, costs, expenses and demands arising directly from the performance of its obligations under this Agreement suffered by or occasioned to the Issuer and/or the Trustee ("**Liabilities**") to the extent that the Paying Agent has been grossly negligent or fraudulent or in material breach in respect of its obligations under this Agreement. The Paying Agent shall not otherwise be liable or responsible for any Liabilities or inconvenience which may result from anything done or omitted to be done by it in connection with this Agreement. For the avoidance of doubt the failure of the Paying Agent to make a claim for payment of interest and principal on the Issuer, or to inform any other Paying Agent or clearing system of a failure on the part of the Issuer to meet any such claim or to make a payment by the stipulated date, shall not be deemed to constitute negligence, fraud or wilful default on the part of the Paying Agent.

#### **10.7 Paying Agent not liable for Consequential Loss**

Liabilities of any Paying Agent arising under this Agreement shall be limited to the amount of the Issuer's and/or the Trustee's actual loss. Such actual loss shall be determined (i) as at the date of default of the Paying Agent or, if later, the date on which the loss arises as a result of such default and (ii) without reference to any special conditions or circumstances known to the Paying Agent at the time of entering into the Agreement, or at the time of accepting any relevant instructions, which increase the amount of the loss.

In no event shall the Paying Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive or consequential damages, whether or not the Paying Agent has been advised of the possibility of such loss or damages.

#### **10.8 Force Majeure**

The liability of any Paying Agent under this Agreement will not extend to any Liabilities arising through any acts, events or circumstances not reasonably within its control, or resulting from the general risks of investment in or the holding of assets in any jurisdiction, including, but not limited to, Liabilities arising from: nationalisation, expropriation or other governmental actions; any law, order or regulation of a governmental, supranational or regulatory body; regulation of the banking or securities industry including changes in market rules or practice, currency restrictions, devaluations or fluctuations; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; and strikes or industrial action.

#### 10.9 **Paying Agent not responsible for Issuer's Listing Obligations**

Nothing in this Agreement shall require any Paying Agent to assume an obligation of the Issuer arising under any provision of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other competent authority besides the FCA or PRA).

#### 10.10 **Compliance**

Notwithstanding any other provision in this Agreement, each Paying Agent shall be entitled to take any action or to refuse to take any action which the Paying Agent regards as necessary for the Paying Agent to comply with any applicable law, regulation or fiscal requirement or FATCA, or the rules, operating procedures or market practice of any relevant stock exchange or other market or clearing system.

#### 10.11 **No other Regulated Activities**

The Principal Paying Agent is authorised by the PRA and regulated by the FCA and PRA. Nothing in this Agreement shall require the Principal Paying Agent to carry on an activity of the kind specified by any provision of Part II (other than article 5 (accepting deposits)) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, or to lend money to the Issuer.

#### 10.12 **Paying Agent not responsible on Issuer's default**

In the case of any default by the Issuer, the Agent shall have no duty or responsibility in the performance of the Issuer's obligations under the Conditions.

10.13 The Principal Paying Agent shall not be under any obligation to take any action under this Agreement which it expects will result in any expense or liability accruing to it, the payment of which within a reasonable time is not, in its opinion, assured to it.

10.14 The Issuer agrees to provide the Paying Agent with sufficient information as the Paying Agent reasonably requires to enable it to determine whether or not it is obliged, in respect of any payments to be made by it pursuant to this Agreement, to make any withholding or deduction pursuant to FATCA.

### 11. **CHANGES IN PAYING AGENTS**

#### 11.1 **Resignation**

Any Paying Agent may resign its appointment upon not less than 30 days' notice to the Issuer (with a copy to the Trustee and, in the case of a Paying Agent other than the Principal Paying Agent, to the Principal Paying Agent); **provided, however, that:**

11.1.1 if such resignation would otherwise take effect less than 30 days before or after the maturity date or other date for redemption of the Bonds or any interest payment date in relation to the Bonds, it shall not take effect until the thirtieth day following such date; and

11.1.2 in the case of the Principal Paying Agent or a Required Paying Agent, such resignation shall not take effect until a successor has been duly appointed

consistently with Clause 11.4 (*Additional and successor agents*) or Clause 11.5 (*Paying Agents may appoint successors*) and notice of such appointment has been given to the Bondholders.

## 11.2 **Revocation**

The Issuer may (with the prior written approval of the Trustee) revoke its appointment of any Paying Agent by not less than 30 days' notice to such Paying Agent (with a copy, in the case of a Paying Agent other than the Principal Paying Agent, to the Principal Paying Agent); **provided, however, that**, in the case of the Principal Paying Agent or any Required Paying Agent, such revocation shall not take effect until a successor has been duly appointed consistently with Clause 11.4 (*Additional and successor agents*) or Clause 11.5 (*Paying Agents may appoint successors*) and previously approved in writing by the Trustee and notice of such appointment has been given to the Bondholders.

## 11.3 **Automatic Termination**

The appointment of any Paying Agent shall terminate forthwith if (a) such Paying Agent becomes incapable of acting, (b) a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or any part of the undertaking, assets and revenues of such Paying Agent, (c) such Paying Agent admits in writing its insolvency or inability to pay its debts as they fall due, (d) an administrator or liquidator of such Paying Agent or the whole or any part of the undertaking, assets and revenues of such Paying Agent is appointed (or application for any such appointment is made), (e) such Paying Agent takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its indebtedness, (f) an order is made or an effective resolution is passed for the winding-up of such Paying Agent or (g) any event occurs which has an analogous effect to any of the foregoing. If the appointment of the Principal Paying Agent or any Required Paying Agent is terminated in accordance with the preceding sentence, the Issuer shall forthwith appoint a successor in accordance with Clause 11.4 (*Additional and successor agents*).

## 11.4 **Additional and successor agents**

The Issuer may (with the prior written approval of the Trustee) appoint a successor principal paying agent and additional or successor paying agents and shall forthwith give notice of any such appointment to the continuing Paying Agents, the Bondholders and the Trustee, whereupon the Issuer, the continuing Paying Agents, the Trustee and the additional or successor principal paying agent or paying agent shall acquire and become subject to the same rights and obligations between themselves as if they had entered into an agreement in the form *mutatis mutandis* of this Agreement.

## 11.5 **Paying Agents may appoint successors**

If the Principal Paying Agent or any Required Paying Agent gives notice of its resignation in accordance with Clause 11.1 (*Resignation*) and by the tenth day before the expiry of such notice a successor has not been duly appointed in accordance with

Clause 11.4 (*Additional and successor agents*), the Principal Paying Agent or (as the case may be) Required Paying Agent may itself, following such consultation with the Issuer as is practicable in the circumstances and with the prior written approval of the Trustee, appoint as its successor any reputable and experienced financial institution and give notice of such appointment to the Issuer, the remaining Paying Agents, the Trustee and the Bondholders, whereupon the Issuer, the remaining Paying Agents, the Trustee and such successor shall acquire and become subject to the same rights and obligations between themselves as if they had entered into an agreement in the form *mutatis mutandis* of this Agreement.

#### **11.6 Release**

Upon any resignation or revocation taking effect under Clause 11.1 (*Resignation*) or 11.2 (*Revocation*) or any termination taking effect under Clause 11.3 (*Automatic termination*), the relevant Paying Agent shall:

- 11.6.1 be released and discharged from its obligations under this Agreement (save that it shall remain entitled to the benefit of and subject to Clause 9.2 (*Taxes*), Clause 10 (*Terms of Appointment*) and Clause 11 (*Changes in Paying Agents*));
- 11.6.2 in the case of the Principal Paying Agent, deliver to the Issuer and to its successor a copy, certified as true and up-to-date by an officer or authorised signatory of the Principal Paying Agent, of the records maintained by it in accordance with Clause 8.1 (*Records*); and
- 11.6.3 forthwith (upon payment to it of any amount due to it in accordance with Clause 9.2 (*Taxes*) or Clause 10.4 (*Indemnity in favour of the Paying Agents*)) transfer all moneys and papers (including any unissued Bonds held by it hereunder and any documents held by it pursuant to Clause 8.9 (*Documents available for inspection*)) to its successor and, upon appropriate notice, provide reasonable assistance to its successor for the discharge of its duties and responsibilities hereunder.

#### **11.7 Merger**

Any legal entity into which any Paying Agent or the Trustee is merged or converted or any legal entity resulting from any merger or conversion to which such Paying Agent or (as the case may be) the Trustee is a party shall, to the extent permitted by applicable law, be the successor to such Paying Agent without any further formality, whereupon the Issuer, the other Paying Agents, the Trustee (if applicable) and such successor shall acquire and become subject to the same rights and obligations between themselves as if they had entered into an agreement in the form *mutatis mutandis* of this Agreement. Notice of any such merger or conversion shall forthwith be given by such successor to the Issuer, the other Paying Agents, the Trustee (if applicable) and the Bondholders.

#### **11.8 Changes in Specified Offices**

If any Paying Agent decides to change its Specified Office (which may only be effected within the same city unless the prior written approval of the Issuer and the

Trustee has been obtained), it shall give notice to the Issuer (with a copy to the Trustee and the other Paying Agents) of the address of the new Specified Office stating the date on which such change is to take effect, which date shall be not less than 30 days after the date of such notice. The Issuer shall at its own expense not less than 14 days prior to the date on which such change is to take effect (unless the appointment of the relevant Paying Agent is to terminate pursuant to any of the foregoing provisions of this Clause 11 on or prior to the date of such change) give notice thereof to the Bondholders.

## 12. SANCTIONS

- 12.1 In connection with HSBC Group's commitment to comply with all applicable sanctions regimes, the Paying Agent and any affiliate or subsidiary of HSBC Holdings plc may take any action in its sole and absolute discretion that it considers appropriate to comply with any law, regulation, request of a public or regulatory authority, any agreement between any member of the HSBC Group and any government authority or any HSBC Group policy that relates to the prevention of fraud, money laundering, terrorism, tax evasion, evasion of economic or trade sanctions or other criminal activities (collectively the "**Relevant Requirements**").

Such action may include, but is not limited to,

- 12.1.1 screening, intercepting and investigating any transaction, instruction or communication, including the source of, or intended recipient of, funds;
  - 12.1.2 delaying or preventing the processing of instructions or transactions or the Paying Agent's performance of its obligations under this Agreement;
  - 12.1.3 the blocking of any payment; or
  - 12.1.4 requiring the Issuer to enter into a financial crime compliance representations letter from time to time in a form and substance reasonably acceptable to the HSBC Group.
- 12.2 Where possible and permitted, the Paying Agents will endeavour to notify the Issuer of the existence of such circumstances. To the extent permissible by law, neither the Paying Agents nor any member of the HSBC Group will be liable for loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any party arising out of, or caused in whole or in part by, any actions that are taken by the Paying Agents or any other member of the HSBC Group to comply with any Relevant Requirement.

In this Clause 12, "**HSBC Group**" means HSBC Holdings plc together with its subsidiary undertakings from time to time.



## 13. NOTICES

### 13.1 Addresses for notices

All notices and communications hereunder shall be made in writing (by letter or fax) and shall be sent as follows:

13.1.1 if to the Issuer, to it at:

Lloyds Court  
78 Grey Street  
Newcastle-upon-Tyne  
NE1 6AF

Fax: + 44 191 223 5165  
Attention: Finance Director

13.1.2 if to a Paying Agent, to it at the address or fax number specified against its name in Schedule 3 (*Specified Offices of the Paying Agents*) (or, in the case of a Paying Agent not originally a party hereto, specified by notice to the parties hereto at the time of its appointment) for the attention of the person or department specified therein;

13.1.3 if to the Trustee, to it at:

8 Canada Square  
London  
E14 5HQ  
United Kingdom

Fax: +44 20 7991 4350  
Attention: Issuer Services Trustee Administration

or, in any case, to such other address or fax number or for the attention of such other person or department as the addressee has by prior notice to the sender specified for the purpose.

### 13.2 Effectiveness

Every notice or communication sent in accordance with Clause 13.1 (*Addresses for notices*) shall be effective, if sent by letter or fax, upon receipt by the addressee; **provided, however, that** any such notice or communication which would otherwise take effect after 4.00 p.m. on any particular day, or on a non business day in the place of the addressee, shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the addressee.

### 13.3 Notices to Bondholders

Any notice required to be given to Bondholders under this Agreement shall be given in accordance with the Conditions and at the expense of the Issuer; **provided, however, that**, so long as all the Bonds are represented by the Temporary Global Bond and/or the Permanent Global Bond, notices to Bondholders shall be given in

accordance with the terms of the Temporary Global Bond and/or the Permanent Global Bond.

#### **13.4 Notices in English**

All notices and other communications hereunder shall be made in the English language or shall be accompanied by a certified English translation thereof. Any certified English translation delivered hereunder shall be certified a true and accurate translation by a professionally qualified translator or by some other person competent to do so.

### **14. LAW AND JURISDICTION**

#### **14.1 Governing law**

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

#### **14.2 English courts**

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) or the consequences of its nullity.

#### **14.3 Appropriate forum**

The parties agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.

#### **14.4 Rights of the Paying Agents to take proceedings outside England**

Notwithstanding Clause 14.2 (*English courts*), the Paying Agents or the Trustee may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the Paying Agents or the Trustee may take concurrent Proceedings in any number of jurisdictions.

### **15. RIGHTS OF THIRD PARTIES**

A person who is not a party to this Agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

### **16. MODIFICATION**

This Agreement may be amended by further agreement among the parties hereto.

### **17. COUNTERPARTS**

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

**AS WITNESS** the hands of the duly authorised representatives of the parties hereto the day and year first before written.

**SCHEDULE 1  
FORM OF PUT NOTICE**

To: [Paying Agent]

**NORTHERN POWERGRID (NORTHEAST) PLC**  
*(incorporated with limited liability under  
the laws of England and Wales)*

**£300,000,000**  
**1.875 per cent. Green Bonds due 2062**

**PUT NOTICE**

**OPTION 1 (DEFINITIVE BONDS)** - [complete/delete as applicable]

By depositing this duly completed Notice with the above Paying Agent for the above Bonds (the "**Bonds**") in accordance with Condition 11 (*Restructuring Event*), the undersigned holder of the Bonds specified below and deposited with this Put Notice exercises its option to have such Bonds redeemed in accordance with Condition 11 (*Restructuring Event*) on [relevant Put Date].

This Notice relates to the Bond(s) bearing the following certificate numbers and in the following denominations:

<b>Certificate Number</b>	<b>Denomination</b>
.....	.....
.....	.....
.....	.....

**OPTION 2 (PERMANENT GLOBAL BOND)** - [complete/delete as applicable]

By depositing this duly completed Notice with the above Paying Agent for the above Bonds (the "**Bonds**") in accordance with Condition 11 (*Restructuring Event*) and the terms of the Permanent Global Bond issued in respect of the Bonds, the undersigned holder of the Permanent Global Bond exercises its option to have £[•] of the Bonds redeemed accordance with Condition 11 (*Restructuring Event*) on [relevant Put Date].

**[END OF OPTIONS]**

*Payment should be made by [complete and delete as appropriate]:*

- [sterling cheque drawn on a bank in London and in favour of [name of payee] and mailed at the payee's risk by uninsured airmail post to [name of addressee] at [addressee's address].]

**OR**

- [transfer to [details of the relevant account maintained by the payee] with [name and address of the relevant bank].]

All notices and communications relating to this Put Notice should be sent to the address specified below.

Name of holder: .....

Contact details: .....

.....

.....

Signature of holder .....

Date: .....

*[To be completed by Paying Agent:]*

Received by: .....

*[Signature and stamp of Paying Agent:]*

At its office at .....

.....

On .....

**THIS NOTICE WILL NOT BE VALID UNLESS ALL OF THE PARAGRAPHS  
REQUIRING COMPLETION HAVE BEEN DULY COMPLETED.**

**SCHEDULE 2**  
**FORM OF PUT OPTION RECEIPT**

**NORTHERN POWERGRID (NORTHEAST) PLC**  
*(incorporated with limited liability under  
the laws of England and Wales)*

**£300,000,000**  
**1.875 per cent. Green Bonds due 2062**

**PUT OPTION RECEIPT**

We hereby acknowledge receipt of a Put Notice relating to the Bond(s) having the certificate number(s) and denomination(s) set out below. We will hold such Bond(s) in accordance with the terms of the Terms and Conditions of the Bonds and the Paying Agency Agreement dated 16 June 2020 relating thereto.

In the event that, pursuant to such Terms and Conditions and the Paying Agency Agreement, the depositor of such Bond(s) becomes entitled to their return, we will return such Definitive Bond(s) to the depositor against presentation and surrender of this Put Option Receipt.

**Certificate Number**

**Denomination**

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

Dated: [date]

[**PAYING AGENT**]

By: .....  
*duly authorised*

**SCHEDULE 3**  
**SPECIFIED OFFICES OF THE PAYING AGENTS**

**The Principal Paying Agent:**

HSBC Bank plc  
Issuer Services, Europe  
Level 22  
8 Canada Square  
Canary Wharf  
London E14 5HQ  
United Kingdom

## **SIGNATURES**

*The Issuer*

**NORTHERN POWERGRID (NORTHEAST) PLC**

By:



*The Principal Paying Agent*

**HSBC BANK PLC**

By:

*The Trustee*

**HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED**

By: