

MR01

Particulars of a charge

233060/13



A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☐ **What this form is NOT for**
You may not use this form to
register a charge where
instrument Use form MR01



A13 13/11/2013 #182
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record

1 Company details

Company number 7 2 8 9 4 9 6
Company name in full PHP Healthcare Investments Limited

9 For official use
→ **Filling in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d0 d4 m1 m1 y2 y0 y1 y3

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge

Name	U S Bank Trustees Limited
Name	
Name	
Name	

If there are more than four names, please supply any four of these names then tick the statement below

☐ I confirm that there are more than four persons, security agents or trustees entitled to the charge

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

- Leasehold property known as Pharmacy Unit, Quay Building, Fron Road, Connah's Quay, Deeside registered at the Land Registry under title number CYM557914,
- Freehold property known as New Doctors Surgery, 24 Gregor Shanks Way, Watton, Thetford IP25 6FA registered at the Land Registry under title number NK344064,
- Freehold property known as Beech Hill Medical Centre, Dunstable Road, Luton registered at the Land Registry under title number BD250243,
- Freehold property known as Maypole Health Centre, 10 Slade Pool Farm Road, Birmingham B14 5DJ registered at the Land Registry under title number WM610308,
- Freehold property known as 99 - 101 Station Road, Llandaff North, Cardiff registered at the Land Registry under title number WA202660, and
- all the other plots of land listed in Schedule 13 of the instrument For more details please refer to the instrument.

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X

Allen D. W.

X

This form must be signed by a person with an interest in the charge

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Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name Alexis Hayworth

Company name Allen & Overy LLP

Address One Bishops Square

Post town London

County/Region

Postcode E 1 6 A D

Country United Kingdom

DX

Telephone 020 3088 0000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☒ You have enclosed the correct fee
- ☒ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7289496

Charge code: 0728 9496 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th November 2013 and created by PHP HEALTHCARE INVESTMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th November 2013

9

Given at Companies House, Cardiff on 18th November 2013



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

TRUST DEED

Dated 4th November, 2013

PHP BOND FINANCE PLC
as Issuer

PRIMARY HEALTH PROPERTIES PLC
as Guarantor

THE ORIGINAL CHARGING SUBSIDIARIES NAMED HEREIN

and
U.S. BANK TRUSTEES LIMITED
as Trustee

constituting and securing
£70,000,000 Floating Rate Guaranteed Secured Bonds due 2025

Except for material redacted pursuant
to s 859G of the Companies Act 2006
I certify that this is a copy of
the original document

Name ALEXIS HAYWORTH
Qualified as SOLICITOR
Allen Overy LLP
One Bishops Square
London E1 6AD
United Kingdom
Date 12/11/2013

Allen & Overy LLP

ALLEN & OVERY

Allen & Overy LLP

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THIS TRUST DEED is made on 4th November, 2013

BETWEEN

- (1) **PHP BOND FINANCE PLC**, a company incorporated under the laws of England and Wales with registered number 8684414, whose registered office is at Ground Floor, Ryder Court, 14 Ryder Street, London SE1Y 6QB (the **Issuer**),
- (2) **PRIMARY HEALTH PROPERTIES PLC**, a company incorporated under the laws of England and Wales with registered number 03033634, whose registered office is at Ground Floor, Ryder Court, 14 Ryder Street, London SE1Y 6QB (the **Guarantor**),
- (3) **THE ORIGINAL CHARGING SUBSIDIARIES LISTED IN SCHEDULE 1** (each an **Original Charging Subsidiary** and, together, the **Original Charging Subsidiaries**), and
- (4) **U.S. BANK TRUSTEES LIMITED**, a company incorporated under the laws of England and Wales with registered number 02379632, whose registered office is at Fifth Floor, 125 Old Broad Street, London EC2N 1AR (the **Trustee**, which expression shall, wherever the context so admits, include such company and all other persons or companies for the time being the trustee or trustees of these presents) as trustee for the Bondholders and the Couponholders (each as defined below)

WHEREAS

- (A) By a resolution of the board of directors of the Issuer passed on 1st November, 2013 the Issuer has resolved to issue £70,000,000 Floating Rate Guaranteed Secured Bonds due 2025 to be constituted by this Trust Deed
- (B) By a resolution of the board of directors of the Guarantor passed on 1st November, 2013 the Guarantor has agreed to guarantee the said Bonds and to enter into certain covenants as set out in this Trust Deed
- (C) By a resolution of the board of directors of each Original Charging Subsidiary, in each case passed on 1st November, 2013, the Original Charging Subsidiaries have each resolved to provide security for the said Bonds and to enter into certain covenants as set out in this Trust Deed
- (D) Each of the Original Charging Subsidiaries is the legal and/or beneficial owner of those of the properties comprising the initial mortgaged properties listed immediately beneath its name in Schedule 13 subject to and with the benefit of existing leases, underleases, tenancies agreements for lease, rights, covenants and conditions affecting the same but otherwise free from encumbrances
- (E) The issue price of the Bonds is payable to the Issuer as to £59,999,800 (the **Initial Instalment**) on the date hereof (the **Issue Date**) and as to £10,000,200 (the **Final Instalment**) on the Interest Payment Date falling in June 2014 (the **Final Instalment Payment Date**)
- (F) The Bonds, if issued in definitive form, will be in bearer form with Coupons and Talons attached
- (G) The Trustee has agreed to act as trustee of these presents for the benefit of itself, the Bondholders and the Couponholders and, in relation to the Security, the Secured Parties upon and subject to the terms and conditions of these presents

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

1. DEFINITIONS

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

Account Bank means the institution at its specified office initially appointed as account bank in relation to the Bonds by the Issuer and the Charging Subsidiaries pursuant to the Account Agreement or, if applicable, any successor account bank in relation to the Bonds,

Additional Property Conditions Precedent means the documents listed in Schedule 10,

Agency Agreement means the agreement appointing the Principal Paying Agent, the other Paying Agents (if any) and the Agent Bank in relation to the Bonds and any other agreement for the time being in force appointing Successor agents in relation to the Bonds or in connection with their duties, the terms of which have previously been approved in writing by the Trustee, together with any agreement for the time being in force amending or modifying with the prior written approval of the Trustee any of the aforesaid agreements in relation to the Bonds,

Agent Bank means the bank initially appointed as agent bank in relation to the Bonds by the Issuer and the Guarantor pursuant to the Agency Agreement or, if applicable, any Successor agent bank in relation to the Bonds;

Asset Cover Test means the financial covenants set out in Condition 7.3 (*Asset Cover Covenant*),

Auditors means Deloitte LLP or any other top twenty firm of auditors by reference to the number of partners or such other firm of auditors as may from time to time be appointed by the Issuer, the Guarantor or any Charging Subsidiary, as the case may be,

Basic Terms Modification means any proposal to

- (a) reduce or cancel the amount payable or, where applicable, modify, except where such modification is in the opinion of the Trustee bound to result in an increase, the method of calculating the amount payable or modify the date of payment or, where applicable, the method of calculating the date of payment in respect of any principal, premium or interest in respect of the Bonds,
- (b) alter the currency in which payments under the Bonds and Coupons are to be made,
- (c) alter the majority required to pass an Extraordinary Resolution,
- (d) sanction any such scheme or proposal or substitution as is described in paragraphs 19(i) and 19(j) of Schedule 4, or
- (e) alter the proviso to paragraph 7 of Schedule 4 or the proviso to paragraph 9 of Schedule 4,

Bondholders means, the several persons who are for the time being holders of the Bonds save that, for so long as such Bonds or any part thereof are represented by a Global Bond deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg or, in respect of Bonds in definitive form held in an account with Euroclear or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an accountholder of Euroclear, and Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg) as the holder of a particular

nominal amount of the Bonds shall be deemed to be the holder of such nominal amount of such Bonds (and the holder of the relevant Global Bond shall be deemed not to be the holder) for all purposes of these presents other than with respect to the payment of principal or interest on such nominal amount of such Bonds, the rights to which shall be vested, as against the Issuer and the Trustee, solely in such common safekeeper and for which purpose such common safekeeper shall be deemed to be the holder of such nominal amount of such Bonds in accordance with and subject to its terms and the provisions of these presents, and the words **holder** and **holders** and related expressions shall (where appropriate) be construed accordingly,

Bonds means the bonds in bearer form comprising the said £70,000,000 Floating Rate Guaranteed Secured Bonds due 2025 of the Issuer hereby constituted or the nominal amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes any replacements for Bonds issued pursuant to Condition 15 (*Replacement of Bonds, Coupons and Talons*) and (except for the purposes of Clause 3) the Global Bonds,

Certificate of Title means a certificate of title addressed to the Trustee and the Bondholder Representative (if any) in a form acceptable to the Trustee but substantially in the form set out in Schedule 12 duly completed,

Clearing System has the meaning set out in paragraph 1 of Schedule 4,

Clearstream, Luxembourg means Clearstream Banking, *société anonyme*,

Compliance Certificate means a certificate, signed by two directors of the Issuer, substantially in the form of Schedule 6 setting out, *inter alia*, calculations in respect of the Asset Cover Test and the Income Cover Test,

Conditions means the Conditions in the form set out in Part 2 of Schedule 3 as the same may from time to time be modified in accordance with these presents and any reference in these presents to a particular specified Condition or paragraph of a Condition shall in relation to the Bonds be construed accordingly,

Couponholders means the several persons who are for the time being holders of the Coupons,

Coupons means the bearer interest coupons appertaining to the Bonds in definitive form or, as the context may require, a specific number thereof and includes any replacements for Coupons issued pursuant to Condition 15 (*Replacement of Bonds, Coupons and Talons*) and, where the context so permits, the Talons,

Euroclear means Euroclear Bank S A /N V ,

Extraordinary Resolution shall have the meaning set out in paragraph 1 of Schedule 4,

FCA means the Financial Conduct Authority in its capacity as competent authority under the Financial Services and Markets Act 2000,

Fixed Security Assets means the property which is charged and assigned pursuant to these presents (other than the property charged pursuant to Clauses 4 1(e) and 4 3(f) and any corresponding clause in a Supplemental Trust Deed entered into by an Additional Charging Subsidiary),

Global Bond means the Temporary Global Bond and/or the Permanent Global Bond, as the context may require;

Income Cover Test means the financial covenants set out in Condition 7.4 (*Income Cover Covenant*),

Initial Mortgaged Properties means the freehold and leasehold properties specified in Schedule 13,

Legal Reservations means

- (a) the principle that equitable remedies may be granted or refused at the discretion of the court,
- (b) the limitation of enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting the rights of creditors generally,
- (c) the time barring of claims under the limitation acts,
- (d) the possibility that an undertaking to assume liability for or to indemnify against non-payment of UK stamp duty may be void,
- (e) defences of set off or counterclaim,
- (f) the principle that a charge which is expressed to be a fixed charge may be held by a court to have effect as a floating charge, and
- (g) similar principles, rights and defences under the laws of any foreign jurisdictions in which relevant obligations may have to be performed (where applicable),

Letter of Undertaking means a letter of undertaking from solicitors acting for a Charging Subsidiary in a form acceptable to the Trustee, in relation to, *inter alia*, the title deeds to the relevant Mortgaged Properties and perfection of security,

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

New Property Approval Certificate means a certificate, signed by two directors of the Issuer, substantially in the form of Schedule 7,

Official List has the meaning set out in Section 103 of the Financial Services and Markets Act 2000,

Occupational Lease means any lease or licence or other right of occupation or right to receive rent to which a Mortgaged Property may at any time be subject,

outstanding means, in relation to the Bonds, all the Bonds issued other than

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

- (c) those Bonds which have been purchased and surrendered for cancellation in accordance with Condition 11.6 (*Cancellations*) and those Bonds which have been cancelled following election by the Issuer to forfeit all or any of the Bonds in respect of which the Final Instalment has not been duly paid by any Bondholder on the Final Instalment Payment Date,
- (d) those Bonds which have become void under Condition 13 (*Prescription*),
- (e) those mutilated or defaced Bonds which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Condition 15 (*Replacement of Bonds, Coupons and Talons*),
- (f) (for the purpose only of ascertaining the nominal amount of the Bonds outstanding and without prejudice to the status for any other purpose of the relevant Bonds) those Bonds which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 15 (*Replacement of Bonds, Coupons and Talons*), and
- (g) any Global Bond to the extent that it shall have been exchanged for another Global Bond in respect of the Bonds or for the Bonds in definitive form pursuant to its provisions,

PROVIDED THAT for each of the following purposes, namely

- (i) the right to attend and vote at any meeting of the Bondholders, an Extraordinary Resolution in writing or an Extraordinary Resolution by way of electronic consents given through the relevant Clearing System(s) as envisaged by paragraph 1 of Schedule 4 and any direction or request by the holders of the Bonds,
- (ii) the determination of how many and which Bonds are for the time being outstanding for the purposes of subclause 20.1, Conditions 14 (*Events of Default and Enforcement*) and 18 (*Meeting of Bondholders, Modification, Waiver, Authorisation and Determination*) and paragraphs 4, 7 and 9 of Schedule 4,
- (iii) any discretion, power or authority (whether contained in these presents or vested by operation of law) which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Bondholders or any of them, and
- (iv) the determination by the Trustee whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the Bondholders or any of them,

those Bonds (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer, the Guarantor, any Charging Subsidiary or any other Subsidiary of the Guarantor, any holding company of the Guarantor or any other Subsidiary of any such holding company, in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding unless the Bonds so held together account for 100 per cent of the Bonds then outstanding,

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

Permanent Global Bond means the permanent global bond in respect of the Bonds to be issued pursuant to Clause 3.3 in the form or substantially in the form set out in Part 2 of Schedule 2,

Planning Acts means the **Consolidating Acts** as defined in the Planning (Consequential Provisions) Act 1990 and shall include any orders, rules and regulations made under or by virtue of such Acts or any of them,

Preliminary Prospectus means the prospectus in preliminary form dated 4th November, 2013 prepared by the Issuer in connection with the offering of the Bonds,

Premises means all buildings and erections for the time being comprised within the definition of **Security Assets**,

Principal Paying Agent means the institution at its specified office initially appointed as principal paying agent in relation to the Bonds by the Issuer and the Guarantor pursuant to the Agency Agreement or, if applicable, any Successor principal paying agent in relation to the Bonds,

Property Release Certificate means a certificate, signed by two directors of the Issuer, substantially in the form of Schedule 9,

Receiver means an administrative receiver, a receiver and manager or a receiver, in each case appointed under these presents,

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

Retail Price Index means the Retail Price Index compiled by the Department of Social Security and published in the "Consumer Price Inflation" Statistical Bulletin by the Office of National Statistics. If at any time such index ceases to be published or ceases to be published in the form in which it is published at the date hereof, there shall be substituted for such index such other index as, in the opinion of the Trustee, most closely resembles the same constituent elements, and the definition of "Retail Price Index" shall be construed accordingly,

Secured Obligations means all moneys and other liabilities payable or owing (whether present, future, contingent or prospective) by the Issuer to the Secured Parties under these presents and the other Transaction Documents,

Security means the security created pursuant to Clause 4,

Security Assets means the property which is charged and assigned pursuant to these presents,

Security Interest means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest, or any other agreement having the effect of conferring security,

Security Period means the period beginning on the date hereof and ending on the date upon which the Trustee determines that all the Secured Obligations which have arisen or may arise have been unconditionally and irrevocably paid and discharged in full or the security constituted by these presents has been unconditionally and irrevocably released and discharged,

Substitute Property Certificate means a certificate, signed by two directors of the Issuer, substantially in the form of Schedule 8,

Successor means, in relation to the Agent Bank, the Principal Paying Agent, the other Paying Agents and the Reference Banks, any successor to any one or more of them in relation to the Bonds which shall become such pursuant to the provisions of these presents and/or the Agency Agreement (as the case may be) and/or such other or further agent bank, principal paying agent, paying agents and/or reference banks (as the case may be) in relation to the Bonds as may (with the prior approval

of, and on terms previously approved by, the Trustee in writing) from time to time be appointed as such, and/or, if applicable, such other or further specified offices (in the former case being within the same place as those for which they are substituted) as may from time to time be nominated, in each case by the Issuer and, if applicable, the Guarantor, and (except in the case of the initial appointments and specified offices made under and specified in the Conditions and/or the Agency Agreement, as the case may be) notice of whose appointment or, as the case may be, nomination has been given to the Bondholders pursuant to subclause 25 3(g) in accordance with Condition 16 (*Notices*),

Supplemental Trust Deed means each fixed legal charge executed by the Issuer, or a subsidiary of the Issuer, as the case may be, in favour of the Trustee entered into after the date of this Trust Deed in respect of additional Properties, substantially in the form of Schedule 11,

Talons means the talons appertaining to, and exchangeable in accordance with the provisions therein contained for further Coupons appertaining to, the Bonds in definitive form and includes any replacements for Talons issued pursuant to Condition 15 (*Replacement of Bonds, Coupons and Talons*),

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest),

Temporary Global Bond means the temporary global bond in respect of the Bonds to be issued pursuant to Clause 3 1 in the form or substantially in the form set out in Part 1 of Schedule 2,

the London Stock Exchange means the London Stock Exchange plc or any successor thereto,

these presents means this Trust Deed and the Schedules and any trust deed supplemental hereto and the Schedules (if any) thereto and the Bonds, the Coupons and the Conditions, all as from time to time modified in accordance with the provisions herein or therein contained,

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

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

words denoting the singular include the plural and vice versa,

words denoting one gender only include the other genders, and

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

- 1.2
- (a) All references in these presents to principal and/or premium and/or interest in respect of the Bonds or to any moneys payable by the Issuer and/or the Guarantor under these presents shall be deemed to include, in the case of amounts of principal and/or premium payable, a reference to any specific redemption price (as defined in the relevant Conditions) and, in any case, a reference to any additional amounts which may be payable under Condition 12 (*Taxation*)
 - (b) All references in these presents to **Sterling, pounds and £** shall be construed as references to the lawful currency for the time being of the United Kingdom
 - (c) All references in these presents to any statute or any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory

instrument, order or regulation made thereunder or under any such modification or re-enactment

- (d) All references in these presents to guarantees or to an obligation being guaranteed shall be deemed to include respectively references to indemnities or to an indemnity being given in respect thereof
- (e) All references in these presents to any action, remedy or method of proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than England, references to such action, remedy or method of proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate to such action, remedy or method of proceeding described or referred to in these presents
- (f) All references in these presents to taking proceedings against the Issuer, the Guarantor and/or a Charging Subsidiary shall be deemed to include references to proving in the winding up of the Issuer, the Guarantor and/or such Charging Subsidiary, as the case may be
- (g) Unless the context otherwise requires words or expressions used in these presents shall bear the same meanings as in the Companies Act 2006
- (h) In this Trust Deed references to Schedules, Clauses, subclauses, paragraphs and subparagraphs shall be construed as references to the Schedules to this Trust Deed and to the Clauses, subclauses, paragraphs and subparagraphs of this Trust Deed respectively
- (i) All references in these presents to any agreement or deed shall be deemed also to refer to any modification, amendment, novation or restatement thereof or any agreement or deed supplemental thereto
- (j) In these presents tables of contents and Clause headings are included for ease of reference and shall not affect the construction of these presents
- (k) Any reference in these presents to a written notice, consent or approval being given by the Trustee shall, for the avoidance of doubt, be deemed to include such notice, consent or approval being given by email
- (l) All references in these presents to Bonds being **listed** or **having a listing** shall, in relation to the London Stock Exchange, be construed to mean that such Bonds have been admitted to the Official List by the FCA and to trading on the London Stock Exchange's regulated market for listed securities and all references in these presents to **listing** or **listed** shall include references to **quotation** and **quoted**, respectively
- (m) All references in these presents involving compliance by the Trustee with a test of reasonableness shall be deemed to include a reference to a requirement that such reasonableness shall be determined by reference to the interests of the holders of the Bonds only
- (n) All references in these presents to the records of Euroclear and Clearstream, Luxembourg shall be to the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customers' interest in the Bonds
- (o) All references in these presents to Euroclear and/or Clearstream, Luxembourg shall be deemed to include references to any other clearing system as is approved by the Trustee

- (p) Terms used but not otherwise defined in these presents shall have the meanings given to them in the Conditions

2. COVENANT TO REPAY AND TO PAY INTEREST ON THE BONDS

2.1 Subject to Clause 2.4, the aggregate nominal amount of the Bonds is limited to £70,000,000

2.2 The Issuer covenants with the Trustee that it will, in accordance with these presents, on the due date for the final maturity of the Bonds provided for in the Conditions, or on such earlier date as the same or any part thereof may become due and repayable thereunder, pay or procure to be paid unconditionally to or to the order of the Trustee in pounds Sterling in London in immediately available funds the Outstanding Principal Amount of the Bonds repayable on that date and shall in the meantime and until such date (both before and after any judgment or other order of a court of competent jurisdiction) pay or procure to be paid unconditionally to or to the order of the Trustee as aforesaid interest (which shall accrue from day to day) on the Outstanding Principal Amount of the Bonds at the rate calculated from time to time in accordance with Condition 9 (*Interest*) and on the dates provided for in the Conditions, PROVIDED THAT

- (a) every payment of principal or interest in respect of the Bonds to or to the account of the Principal Paying Agent in the manner provided in the Agency Agreement shall operate in satisfaction *pro tanto* of the relative covenant by the Issuer in this Clause except to the extent that there is default in the subsequent payment thereof in accordance with the Conditions to the Bondholders or Couponholders (as the case may be),
- (b) in any case where payment of principal is not made to the Trustee or the Principal Paying Agent on or before the due date, interest shall continue to accrue on the Outstanding Principal Amount of the Bonds (both before and after any judgment or other order of a court of competent jurisdiction) at the rate aforesaid (or, if higher, the rate of interest on judgment debts for the time being provided by English law) up to and including the date which the Trustee determines to be the date on and after which payment is to be made to the Bondholders in respect thereof as stated in a notice given to the Bondholders in accordance with Condition 16 (*Notices*) (such date to be not later than 30 days after the day on which the whole of such Outstanding Principal Amount, together with an amount equal to the interest which has accrued and is to accrue pursuant to this proviso up to and including that date, has been received by the Trustee or the Principal Paying Agent), and
- (c) in any case where payment of the whole or any part of the Outstanding Principal Amount of any Bond is improperly withheld or refused upon due presentation thereof (other than in circumstances contemplated by proviso (b) above) interest shall accrue on that Outstanding Principal Amount payment of which has been so withheld or refused (both before and after any judgment or other order of a court of competent jurisdiction) at the rate aforesaid (or, if higher, the rate of interest on judgment debts for the time being provided by English law) from and including the date of such withholding or refusal up to and including the date on which, upon further presentation of the relevant Bond, payment of the full amount (including interest as aforesaid) in pounds Sterling payable in respect of such Bond is made or (if earlier) the seventh day after notice is given to the relevant Bondholder (in accordance with Condition 16 (*Notices*)) that the full amount (including interest as aforesaid) in pounds Sterling payable in respect of such Bond is available for payment, provided that, upon further presentation thereof being duly made, such payment is made

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

TRUSTEE'S REQUIREMENTS REGARDING AGENTS

- 2.3 At any time after an Event of Default shall have occurred or the Bonds shall otherwise have become due and repayable or the Trustee shall have received any money which it proposes to pay under Clause 21 to the Bondholders and/or Couponholders, the Trustee may
- (a) by notice in writing to the Issuer, the Guarantor, the Charging Subsidiaries, the Principal Paying Agent, the other Paying Agents, the Agent Bank and the Account Bank require the Principal Paying Agent, the other Paying Agents, the Agent Bank and the Account Bank pursuant to the Agency Agreement and the Account Agreement, respectively
 - (i) to act thereafter as Principal Paying Agent, Paying Agents, Agent Bank and Account Bank respectively of the Trustee in relation to payments to be made by or on behalf of the Trustee under the provisions of these presents *mutatis mutandis* on the terms provided in the Agency Agreement and the Account Agreement (with such consequential amendments as the Trustee shall deem necessary) (save that the Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Paying Agents, the Agent Bank and the Account Bank shall be limited to the amounts for the time being held by the Trustee on the trusts of these presents relating to the Bonds and available for such purpose) and thereafter to hold all Bonds and Coupons and all sums, documents and records held by them in respect of Bonds and Coupons on behalf of the Trustee, or
 - (ii) to deliver up all Bonds and Coupons and all sums, documents and records held by them in respect of Bonds and Coupons to the Trustee or as the Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any documents or records which the relative Paying Agent, Agent Bank or Account Bank is obliged not to release by any law or regulation, and/or
 - (b) by notice in writing to the Issuer and the Guarantor require each of them to make all subsequent payments in respect of the Bonds and Coupons to or to the order of the Trustee and not to the Principal Paying Agent, with effect from the issue of any such notice to the Issuer and the Guarantor and until such notice is withdrawn proviso (a) to subclause 2 2 of this Clause relating to the Bonds shall cease to have effect

FURTHER ISSUES

- 2.4
- (a) Subject to obtaining the prior written approval of the Bondholder Representative (if any), the Issuer shall be at liberty from time to time (but subject always to the provisions of these presents) without the consent of the Bondholders or Couponholders to create and issue further bonds ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon), secured on the same assets and so that the same shall be consolidated and form a single series, with the Bonds
 - (b) Any further bonds which are to be created and issued pursuant to the provisions of paragraph 2 4(a) above shall be constituted by a trust deed supplemental to this Trust Deed. In any such case the Issuer and the Guarantor shall prior to the issue of any further bonds to be so constituted
 - (i) execute and deliver to the Trustee a trust deed supplemental to this Trust Deed (in relation to which all applicable stamp duties or other documentation fees, duties or taxes have been paid and, if applicable, duly stamped or denoted accordingly) containing a covenant by the Issuer in the form *mutatis mutandis* of subclause 2 2 in relation to the principal, premium (if any) and interest in respect of such further

bonds and such other provisions (whether or not corresponding to any of the provisions contained in this Trust Deed) as the Trustee shall require including making such consequential modifications to this Trust Deed as the Trustee shall require in order to give effect to such issue of further bonds, and

- (ii) deliver to the Trustee a certificate signed by two directors of the Issuer and two directors of the Guarantor which states that
 - (A) there is no outstanding, and there will not as a result of the further issue of bonds be any outstanding, Event of Default or Potential Event of Default, and
 - (B) the Issuer and the Guarantor will have complied with all the restrictions and other provisions contained in the Transaction Documents both before and immediately following the making of the further issue
- (c) A memorandum of every such supplemental trust deed shall be endorsed by the Trustee on this Trust Deed and by the Issuer and the Guarantor on their duplicates of this Trust Deed
- (d) Whenever it is proposed to create and issue any further bonds the Issuer shall give to the Trustee not less than 10 days' notice in writing of its intention so to do stating the amount of further bonds proposed to be created and issued

3. FORM AND ISSUE OF BONDS AND COUPONS

- 3.1 The Bonds shall be represented initially by the Temporary Global Bond which the Issuer shall issue to a common safekeeper for both Euroclear and Clearstream, Luxembourg on terms that such common safekeeper shall hold the same for the account of the persons who would otherwise be entitled to receive the Bonds in definitive form (**Definitive Bonds**) and the successors in title to such persons as appearing in the records of Euroclear and Clearstream, Luxembourg for the time being
- 3.2 The Temporary Global Bond shall be printed or typed in the form or substantially in the form set out in Part 1 of Schedule 2 and may be a facsimile. The Temporary Global Bond shall be in the aggregate nominal amount of £70,000,000 and shall be signed manually or in facsimile by a person duly authorised by the Issuer on behalf of the Issuer and shall be authenticated by or on behalf of the Principal Paying Agent and be effectuated by the common safekeeper acting on the instructions of the Principal Paying Agent. The Temporary Global Bond so executed and authenticated shall be a binding and valid obligation of the Issuer and title thereto shall pass by delivery
- 3.3 The Issuer shall issue the Permanent Global Bond in exchange for the Temporary Global Bond in accordance with the provisions of the Temporary Global Bond. The Permanent Global Bond shall be printed or typed in the form or substantially in the form set out in Part 2 of Schedule 2 and may be a facsimile. The Permanent Global Bond shall be in the aggregate nominal amount of up to £70,000,000 and shall be signed manually or in facsimile by a person duly authorised by the Issuer on behalf of the Issuer and shall be authenticated by or on behalf of the Principal Paying Agent and be effectuated by the common safekeeper acting on the instructions of the Principal Paying Agent. The Permanent Global Bond so executed and authenticated shall be a binding and valid obligation of the Issuer and title thereto shall pass by delivery
- 3.4 The Issuer shall issue the Definitive Bonds (together with the unmatured Coupons attached) in exchange for the Permanent Global Bond in accordance with the provisions of the Permanent Global Bond

- 3.5 The Definitive Bonds and the Coupons shall be in the respective forms or substantially in the respective forms set out in Schedule 3 and the Definitive Bonds shall be issued in the denomination of £200,000 and integral multiples of £1,000 in excess thereof up to and including £399,000 and shall be endorsed with the Conditions. Title to the Definitive Bonds and the Coupons shall pass by delivery.
- 3.6 The Definitive Bonds shall be signed manually or in facsimile by two directors of the Issuer on behalf of the Issuer and shall be authenticated by or on behalf of the Principal Paying Agent. The Coupons shall not be signed or authenticated.
- 3.7 The Issuer may use the facsimile signature of any person who at the date such signature is affixed is a person duly authorised by the Issuer or is a director of the Issuer as referred to in subclauses 3.2, 3.3 and 3.6 above notwithstanding that at the time of issue of the relevant Global Bond or any of the Definitive Bonds, as the case may be, he may have ceased for any reason to be so authorised or to be the holder of such office. The Definitive Bonds so signed and authenticated, and the Coupons, upon execution and authentication of the relevant Definitive Bonds, shall be binding and valid obligations of the Issuer.
- 3.8 Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Guarantor, the Trustee, the Principal Paying Agent and any other Paying Agent (notwithstanding any notice to the contrary and whether or not it is overdue and notwithstanding any notation of ownership or writing thereon or notice of any previous loss or theft thereof) may (i) for the purpose of making payment thereon or on account thereof deem and treat the bearer of any Global Bond, Definitive Bond, Coupon or Talon, as the absolute owner thereof and of all rights thereunder free from all encumbrances, and shall not be required to obtain proof of such ownership or as to the identity of the bearer and (ii) for all other purposes deem and treat
- (a) the bearer of any Definitive Bond, any Coupon or any Talon, and
 - (b) each person for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of the Bonds represented by a Global Bond,
- as the absolute owner thereof free from all encumbrances and shall not be required to obtain proof of such ownership or as to the identity of the bearer of any Global Bond, Definitive Bond, Coupon or Talon.
- 3.9 Without prejudice to the provisions of Clause 30(v), the Trustee may call for and, except in the case of manifest error, shall be at liberty to accept and place full reliance on as sufficient evidence thereof a letter of confirmation issued on behalf of Euroclear or Clearstream, Luxembourg or any form of record made by either of them or such other evidence and/or information and/or certification as it shall, in its absolute discretion, think fit to the effect that at any particular time or throughout any particular period any particular person is, was, or will be, shown in its records as the holder of a particular nominal amount of Bonds represented by a Global Bond and if it does so rely, such letter of confirmation, form of record, evidence, information or certification shall be conclusive and binding on all concerned.

4. SECURITY

- 4.1 The Issuer with full title guarantee for the payment or discharge of the Secured Obligations hereby
- (a) charges by way of first fixed charge in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, all moneys from time to time standing to the credit of the Charged Account in the Issuer's name and all debts represented thereby,

- (b) assigns absolutely by way of security in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, the Issuer's rights, title and interest arising under the Account Agreement to the extent they relate to the Bonds,
- (c) assigns absolutely by way of security in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, the Issuer's rights, title and interest arising under the Agency Agreement to the extent they relate to the Bonds,
- (d) charges by way of first fixed charge in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, all the Issuer's rights, title and interest in the sums held from time to time by the Paying Agents for the payment of principal or interest in respect of the Bonds, and
- (e) charges by way of first floating charge in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, all the undertakings, properties and assets, both present and future, wheresoever situated, (including any uncalled capital) of the Issuer Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to such floating charge,

in each case, on terms that the Trustee shall hold the proceeds of such security for itself and on trust for the Bondholders and the Secured Parties, subject to the provisions of, and the order of priority provided for in, Clause 21,

PROVIDED ALWAYS that, unless and until the security described above has become enforceable in accordance with Clause 4.8 (but subject to the terms of the Transaction Documents), the Issuer shall be entitled to exercise all its rights and claims under or in connection with the agreements referred to in paragraphs (b) and (c) above,

AND PROVIDED FURTHER THAT the Trustee shall not give, or require the Issuer to give, any notice of any assignment contained in this Clause 4.1 to any person unless and until the security described above has become enforceable in accordance with Clause 4.8

- 4.2 The Guarantor with full title guarantee for the payment or discharge of the Secured Obligations hereby charges by way of first fixed charge in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, its rights, title and interest in the share capital of the Issuer on terms that the Trustee shall hold the proceeds of such security for itself and on trust for the Bondholders and the other Secured Parties, subject to the provisions of, and the order of priority provided for in, Clause 21
- 4.3 Each of the Original Charging Subsidiaries with full title guarantee for the payment or discharge of the Secured Obligations, by way of collateral security, hereby
 - (a) charges by way of first legal mortgages in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, the Initial Mortgaged Properties set out under its name in Schedule 13 together with all buildings and Fixtures thereon, the proceeds of sale of all or any part thereof and (so far as the same are capable of being mortgaged) the benefit of any covenants for title given or entered into by any predecessor in title of such Original Charging Subsidiary and any moneys paid or payable in respect of such covenants,
 - (b) charges by way of first fixed charges in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties
 - (i) all fixed plant and machinery now or in the future owned by it and its interest in any fixed plant or machinery in its possession, in each case which form part of the Initial Mortgaged Properties set out under its name in Schedule 13,

- (ii) all benefits in respect of the Insurances and all claims and returns of premiums in respect thereof, other than those that are payable or refundable to the tenants of such Initial Mortgaged Properties in accordance with the terms of an Occupational Lease,
 - (iii) the benefit of all present and future licences, consents and authorisations (statutory or otherwise) held in connection with its business so far as it relates to the Security Assets charged by it or the use of any of the Security Assets specified in paragraph (a) and subparagraph (i) above and the right to recover and receive all compensation which may at any time become payable to it in respect thereof, and
 - (iv) if and in so far as the legal mortgages set forth in paragraph (a) above or the assignments referred to in paragraph (c) below shall for any reason be ineffective as legal mortgages or assignments, the assets referred to in those subclauses,
- (c) assigns absolutely by way of security in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, its rights, title and interest arising under
- (i) the personal agreements and covenants by the tenants, lessees, licensees or other parties under the Letting Documents and by all guarantors in respect thereof and all security held by it in respect of the obligations of the tenants, lessees, licensees or other parties under the Letting Documents (including, without limiting the generality of the foregoing, all moneys due and owing to it or which may become due and owing to it at any time in the future in connection therewith), and
 - (ii) all agreements, now or from time to time entered into or to be entered into for the sale, letting or other disposal or realisation of, or in connection with the management, ownership, refurbishment, development, repair, improvement or servicing of, the whole or any part of the Fixed Security Assets charged by it (including, without limiting the generality of the foregoing, all moneys due and owing to it or which may become due and owing to it at any time in the future in connection therewith),
- (d) charges by way of first fixed charge in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, all moneys from time to time standing to the credit of the Charged Account in its name and all debts represented thereby,
- (e) assigns absolutely by way of security in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, its rights, title and interest arising under the Account Agreement to the extent they relate to the Bonds, and
- (f) charges by way of first floating charge in favour of the Trustee for itself and as trustee for the Bondholders and the other Secured Parties, all the undertakings, properties and assets, both present and future, wheresoever situated, (including any uncalled capital) of it Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to each such floating charge,

in each case on terms that the Trustee shall hold the proceeds of such security for itself and on trust for the Bondholders and the Secured Parties, subject to the provisions of, and the order of priority provided for in, Clause 21,

PROVIDED ALWAYS that, unless and until the security described above has become enforceable in accordance with Clause 4.8 (but subject to the terms of the Transaction Documents), each Original Charging Subsidiary shall be entitled to exercise all its rights and claims under or in connection with the agreements and covenants referred to in paragraphs (c) and (e) above,

AND PROVIDED FURTHER THAT the Trustee shall not give, or require any Original Charging Subsidiary to give, any notice of any assignment contained in this Clause 4 3 to any person unless and until the security described above has become enforceable in accordance with Clause 4 8

- 4.4 Prior to the enforcement of the security constituted by or created pursuant to these presents, the Trustee shall have no obligation to sell, liquidate or otherwise realise the Security Assets. Notwithstanding the foregoing, the Trustee undertakes to release at the expense of the Issuer from the Security created by and pursuant to these presents the Fixed Security Assets charged by the Issuer (or the relevant part thereof) against the payment to or to the order of the Trustee of the net proceeds of any sale or realisation of the Fixed Security Assets charged by the Issuer (or any part thereof) if the Issuer or any other person acting on behalf of the Issuer is, pursuant to and in accordance with these presents, selling, liquidating or otherwise realising the Fixed Security Assets charged by the Issuer in order to (and only to the extent necessary to do so) make payments in respect of the Bonds and all other payments (if any) due from the Issuer under these presents and any other Transaction Document
- 4.5 If, for any reason, the purported assignment by way of security or charge of any of the Security Assets is found to be ineffective, the Issuer, the Guarantor or the relevant Charging Subsidiary, as the case may be, will hold the benefit of such Security Assets and any sums received in respect of such Security Assets or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Security Assets on trust for the Trustee until such time as the Secured Obligations are fully paid and discharged and will (a) account to the Trustee for or otherwise apply all such sums as the Trustee may direct, (b) exercise any rights it may have in respect of such Security Assets at the direction of the Trustee and (c) at its own cost take such action and execute such documents in connection with the foregoing as the Trustee may in its sole discretion require
- 4.6 Subject as provided in Clauses 4 1 and 4 3, the Issuer or the relevant Charging Subsidiary, as the case may be, shall, as soon as reasonably practicable after a request by the Trustee, serve notice on any person referred to in Clauses 4 1 and 4 3 upon whom the Issuer or the relevant Charging Subsidiary, as the case may be, can be required to serve notice pursuant thereto, in such form as the Trustee may require
- 4.7 The Trustee shall not be responsible for, nor shall it have any liability with respect to, any loss or theft of the Security Assets and shall not be obliged to insure or to procure the insurance of the Security Assets and shall have no responsibility or liability arising from the fact that the Security Assets are registered in its name or held by it or on its behalf by any bank or custodian whether selected by the Issuer or a Charging Subsidiary or by the Trustee
- 4.8 The Security constituted by Clauses 4 1, 4 2 and 4 3 shall become enforceable upon (i) the Bonds becoming due and repayable pursuant to Condition 14 (*Events of Default and Enforcement*) or (ii) any failure for any reason of the Issuer or the Guarantor to redeem or repay the Bonds in full after having become obliged to do so pursuant to Condition 11 2 (*Redemption and Purchase – Redemption for Taxation Reasons*) or Condition 11 3 (*Redemption and Purchase – Early Redemption at the Option of the Issuer*) or Condition 11 4 (*Redemption and Purchase – Redemption at the Option of the Bondholders*)
- 4.9 At any time after all or part of the Security constituted hereunder or pursuant hereto shall have become enforceable, the Trustee may in its discretion and shall, if so requested in writing by the holders of at least 25 per cent in Outstanding Principal Amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution or the Bondholder Representative (if any) but without any liability as to the consequence of such action and without having regard to the effect of such action on individual Bondholders or Couponholders or any Secured Party, take possession of the Security Assets or the relevant part thereof and may at the like discretion sell, call in, collect and convert into money, and enforce any rights it may have in respect of, the Security Assets or the

relevant part thereof in such manner and upon such terms as the Trustee shall think fit and so that the power of sale conferred by Section 101 of the Law of Property Act 1925 (but free from the restrictions imposed by Sections 93 and 103 of such Act) shall apply and have effect on the basis that these presents constitute a mortgage within the meaning of that Act and the Trustee is a mortgagee exercising the power of sale conferred upon mortgagees by that Act, provided always that the Trustee shall not be required to take any action without first being indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing and subject as provided in Condition 14 2 (*Events of Default and Enforcement - Enforcement*)

- 4.10** Upon any such sale, calling in, collection, conversion or enforcement as aforesaid and upon any other dealing or transaction under the provisions contained in these presents, the receipt by the Trustee of the purchase money for the assets sold and for any other moneys paid to it shall effectually discharge the purchaser or other person paying the same and such purchaser or other person shall not be responsible for the application of such moneys
- 4.11** At any time after all or part of the Security constituted hereunder or pursuant hereto shall have become enforceable, the Trustee may raise and borrow money on the security of the Security Assets or any part thereof for the purpose of defraying any moneys, costs, charges, losses and expenses paid or incurred by it (including, without limitation, any registration taxes or any similar charges payable in connection with enforcement of the security created by these presents, the costs of realisation of any security and the remuneration of the Trustee) or in the exercise of any of the powers contained in these presents. The Trustee may raise and borrow such money at such rate of interest and generally on such terms and conditions as it shall think fit and may secure the repayment of the money so raised or borrowed with interest on the same by mortgaging or otherwise charging the Security Assets or any part thereof and either in priority to the security constituted by or pursuant to these presents or otherwise generally in such manner and form as the Trustee shall think fit and for such purposes may execute and do all such assurances, acts and things as it shall think fit
- 4.12** The Issuer, the Guarantor and each Charging Subsidiary by way of security irrevocably appoints the Trustee and every Receiver of the Security Assets or any part thereof appointed pursuant to these presents to be its attorney severally on its behalf and in its name to execute and to do any assurances, acts and things which the Issuer, the Guarantor or such Charging Subsidiary, as the case may be, may be required to execute or do under the covenants and provisions contained in these presents and generally on its behalf and in its name to exercise all or any of the powers, authorities or discretions conferred by or pursuant to these presents or otherwise on the Trustee or any such Receiver. The appointment under this Clause 4 12 shall take effect immediately but the powers conferred shall only become exercisable upon the Security becoming enforceable or if the Issuer, or the Guarantor or any Charging Subsidiary does not fulfil any of its obligations under Clauses 4 22 or 4 23 within two Business Days of notice from the Trustee to do so. The Issuer, the Guarantor and each Charging Subsidiary hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this subclause
- 4.13** None of the Trustee, any Receiver appointed as aforesaid and any Appointee shall by reason of taking possession of any Security Assets or any part thereof or any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever be liable to account for any thing except actual receipts or be liable for any loss or damage arising from realisation of, or enforcement of rights in respect of, the Security Assets or any part thereof or from any act, default or omission in relation to the Security Assets or any part thereof or from any exercise or non exercise by it of any power, authority or discretion conferred upon it in relation to the Security Assets or any part thereof by or pursuant to these presents or otherwise unless such loss or damage shall be caused by its own gross negligence, wilful default or fraud

- 4.14** The powers conferred by these presents in relation to the Security Assets or any part thereof on the Trustee or on any Receiver of such property or any part thereof shall be in addition to and not in substitution for the powers conferred on mortgagees or receivers under the Law of Property Act 1925 and where there is any ambiguity or conflict between the powers contained in such Act and those conferred by these presents the terms of these presents shall prevail
- 4.15** No person dealing with the Trustee or with any Receiver of the Security Assets or any part thereof appointed by the Trustee shall be concerned to enquire whether any event has happened upon which any of the powers, authorities and discretions conferred by or pursuant to these presents in relation to such property or such part thereof are or may be exercisable by the Trustee or by any such Receiver or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers, authorities or discretions and all the protections to purchasers contained in Sections 104 to 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with the Trustee or any such Receiver in like manner as if the statutory powers of sale and of appointing a Receiver in relation to the Security Assets had not been varied or extended by these presents
- 4.16** Without prejudice to the generality of Clauses 4.1, 4.2, 4.3 and 4.4, the Security contained in or granted pursuant to these presents shall remain in force as continuing security for the Secured Parties and will extend to the ultimate balance of the Secured Obligations notwithstanding any intermediate payment or discharge in whole or in part or any settlement of account or the existence at any time of a credit balance on any current or other account or any other act, event or matter whatsoever
- 4.17** Where any discharge (whether in respect of the obligations of the Issuer, the Guarantor or any Charging Subsidiary or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise without limitation, the liability of the Issuer, the Guarantor or a Charging Subsidiary, as the case may be, under these presents shall continue as if the discharge or arrangement had not occurred. The Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration
- 4.18** The Issuer, the Guarantor and each Charging Subsidiary waives any right it may have of first requiring the Trustee or any Secured Party (or any person on its behalf) to proceed against or enforce any other rights or security or claim payment from any other person before enforcing the security constituted by these presents
- 4.19** The security constituted by these presents is in addition to and is not in any way prejudiced by any other guarantee or security now or hereafter held by the Trustee or any of the other Secured Parties
- 4.20** The Trustee hereby declares itself trustee of all the Security made or given or to be made or given under or pursuant to these presents on trust for itself and the Bondholders and the Secured Parties in respect of the Secured Obligations owed to each of them respectively upon and subject to the terms and conditions of these presents
- 4.21** In respect of the Initial Mortgaged Properties the title to which is registered at the Land Registry and in respect of any other registered title(s) against which this Trust Deed may be noted
- (a) the relevant Charging Subsidiary, as the legal owner thereof, hereby undertakes to apply to the Chief Land Registrar for a restriction in the following terms to be entered on the Proprietorship Register at the Register of Title relating thereto
- "No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this

restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 4th November, 2013 in favour of U S. Bank Trustees Limited referred to in the charges register or their conveyancer", and

- (b) each Charging Subsidiary hereby certifies that the security created hereby by it does not contravene any of the provisions of the Companies Act 2006 or the Memorandum (if any) and Articles of Association of such Charging Subsidiary

4.22 The Issuer, the Guarantor and each Charging Subsidiary shall at its own expense execute and do all such assurances, acts and things as the Trustee may consider necessary for perfecting or protecting the security intended to be created by it by or pursuant to these presents over the Security Assets or any part thereof or for facilitating the realisation of, or enforcement of rights in respect of, the Security Assets or any part thereof and the exercise of all powers, authorities and discretions vested in the Trustee or any Receiver of the Security Assets or any part thereof or in any delegate or sub-delegate thereof To that intent, the Issuer, the Guarantor and each Charging Subsidiary shall in particular execute all transfers, conveyances, assignments and assurances of such property whether to the Trustee or to its nominees and give all notices, orders and directions and make all registrations which the Trustee may think expedient A certificate from the Trustee to the effect that a particular action is required by it shall be conclusive evidence of that fact

4.23 Without prejudice to the generality of Clause 4.22, the Issuer, the Guarantor and each Charging Subsidiary will forthwith at the request of the Trustee execute a legal mortgage, charge or assignment over all or any of the Fixed Security Assets subject to or intended to be subject to any fixed security hereby created by it in favour of the Trustee in such form as the Trustee may consider necessary

4.24 The obligations of the Guarantor and each Charging Subsidiary under these presents will not be affected by any act, omission, matter or thing which would reduce, release or prejudice any of its obligations under these presents including (without limitation and whether or not known to it or any member of the PHP Group)

- (a) any time or waiver granted to, or composition with, the Issuer, (in the case of each Charging Subsidiary) the Guarantor or other person,
- (b) the release of the Issuer, (in the case of each Charging Subsidiary) the Guarantor or any other person under the terms of any composition or arrangement with any creditor of any member of the PHP Group,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against or security over assets of, the Issuer, (in the case of each Charging Subsidiary) the Guarantor or other person,
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Issuer, (in the case of each Charging Subsidiary) the Guarantor or any other person,
- (f) any amendment of these presents or any other document or security,
- (g) any unenforceability, illegality, or non-provability of any obligation of any person under these presents or any other document or security, or

- (h) insolvency or similar proceedings

5. ADMISSION AND RELEASE OF CHARGING SUBSIDIARIES

- 5.1** Any subsidiary of the Issuer may become a Charging Subsidiary for the purpose of these presents by creating security in favour of the Trustee for the benefit of itself and the Bondholders and the Secured Parties pursuant to a Supplemental Trust Deed or by depositing money into a Charged Account, in each case in accordance with and subject to the provisions of these presents
- 5.2** The Issuer and each Charging Subsidiary shall be deemed to have consented to the admission of any other subsidiary of the Issuer as an Additional Charging Subsidiary by virtue of the giving of any such Security or to the release of any Charging Subsidiary by virtue of the release of any Security given by such Charging Subsidiary and it shall not be necessary for the Issuer or any other Charging Subsidiary to concur in or consent to any deed admitting or releasing any Charging Subsidiary
- 5.3** In the event that any Charging Subsidiary ceases to provide any Security by reason of the release of all Security provided by such Charging Subsidiary, pursuant to, and in accordance with these presents, then such Charging Subsidiary shall be automatically released from all its obligations pursuant to these presents without the need for any further formalities, provided however that the Issuer shall notify the Trustee as soon as possible of such release

6. RECEIVER

6.1 Appointment of Receiver

Except as provided below, at any time after the Security becomes enforceable (and so that no delay or waiver of the right to exercise the powers hereby conferred shall prejudice the future exercise of such powers), the Trustee may without further notice appoint under seal or in writing under hand any one or more persons to be a Receiver of all or any part of the Security Assets in like manner in every respect as if the Trustee had become entitled under the Law of Property Act 1925 to exercise the power of sale thereby conferred and may (subject to section 45 of the Insolvency Act 1986) remove any Receiver so appointed and appoint another such Receiver in his stead

The following provisions shall have effect in relation thereto

- (a) such appointment may be made either before or after the Trustee shall have taken possession of the Security Assets or the relevant part thereof,
- (b) such Receiver shall have, and may be vested by the Trustee with such further powers and discretions as the Trustee may think expedient and may sell or concur in selling the Security Assets or the relevant part thereof, or assign or release the whole or the relevant part of the Security Assets, in each case without restriction and on such terms and for such consideration (if any) as he may think fit and may carry any such transaction into effect by conveying, transferring and delivering in the name or on behalf of the Issuer, the Guarantor (solely in relation to its rights, title and interest in the share capital of the Issuer), any Charging Subsidiary or otherwise,
- (c) such Receiver shall, in the exercise of his functions, act in accordance with the regulations made by the Trustee from time to time,
- (d) the Trustee may from time to time fix the remuneration of such Receiver and direct payment thereof out of moneys accruing to him in the exercise of his powers as such Receiver,

- (e) the Trustee may from time to time and at any time require any such Receiver to give security for the due performance of his duties as Receiver and may fix the nature and amount of the security to be so given but the Trustee shall not be bound in any case to require any such security, nor shall the Trustee be responsible for its adequacy or sufficiency,
- (f) save so far as otherwise directed by the Trustee or as otherwise required by law, all moneys from time to time received by such Receiver shall be paid over forthwith to the Trustee (to be held by it in accordance with the provisions of Clause 21),
- (g) every such Receiver, so far as the law permits, shall be the agent of the Issuer, the Guarantor and each Charging Subsidiary (in each case, in respect of the Security Assets owned by it) for all purposes and (subject to applicable law) the Issuer, the Guarantor or the relevant Charging Subsidiary, as the case may be, alone shall be responsible for his acts and default, and none of the Trustee, the Bondholders, the Couponholders and any Secured Parties shall incur any liability therefor or by reason of its or their making or consenting to the appointment of a person as a Receiver under these presents, and
- (h) none of the Trustee, the Bondholders, the Couponholders and any Secured Parties shall be in any way responsible for supervising any such Receiver or for any misconduct or negligence on the part of any such Receiver

6.2 Powers of Receiver

Every Receiver appointed in accordance with Clause 6.1 shall (unless the document appointing him states otherwise) have and be entitled to exercise all of the powers set out below in addition to those conferred on it by any law, this includes all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Law of Property Act 1925 and the Insolvency Act 1986

If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under these presents individually and to the exclusion of any other Receiver

The powers referred to above are

- (a) **Take possession** to take immediate possession of, get in and collect the Security Assets or any part thereof,
- (b) **Carry on business** to carry on the business of the Issuer and any Charging Subsidiary relating to the Security Assets as he may think fit,
- (c) **Protection of assets** to make and effect all repairs and insurances and do all other acts which the Issuer, the Guarantor or any Charging Subsidiary might do in the ordinary conduct of its business for the protection and/or for the improvement of the Security Assets only and to commence and/or complete any building operations on the Mortgaged Properties and to apply for and maintain any planning permissions, building regulation approvals and any other permissions, consents or licences, in each case as he may in his absolute discretion think fit in order to protect and/or improve the Security Assets only,
- (d) **Employees** to appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes hereof upon such terms as to remuneration or otherwise as he may think proper and to discharge any such persons appointed by the Issuer, the Guarantor or any Charging Subsidiary in accordance with the terms of any such appointment and solely to the extent that such appointment relates to the Issuer, any Charging Subsidiary and any Security Assets,

- (e) **Borrow money** for the purpose of exercising any of the powers, authorities and discretions conferred on him by or pursuant to these presents and/or of defraying any costs, charges, losses or expenses (including his remuneration) which shall be incurred by him in the exercise thereof or for any other purpose, to raise and borrow money either unsecured or on the security of the Security Assets or any part thereof either in priority to the security constituted by these presents or otherwise and generally on such terms and conditions as he may think fit and no person lending such money shall be concerned to enquire as to the propriety or purpose of the exercise of such power or to see to the application of any money so raised or borrowed,
- (f) **Sell assets** to sell, exchange, convert into money and realise all or any part of the Security Assets by public auction or private contract and generally in such manner and on such terms as he shall think proper Without prejudice to the generality of the foregoing he may do any of these things for a consideration consisting of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he may think fit Fixtures, other than fixtures not belonging to the relevant Charging Subsidiary, may be severed and sold separately from the property containing them without the consent of the relevant Charging Subsidiary,
- (g) **Leases** to let all or any part of the Security Assets for such term and at such rent (with or without a premium), risk free period or other inducement as he may think proper and to vary the terms of such leases to accept a surrender of any lease or tenancy thereof on such terms as he may think fit (including the payment of money to a lessee or tenant on a surrender),
- (h) **Compromise** to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Issuer, the Guarantor (solely in relation to its rights, title and interest in the share capital of the Issuer) or a Charging Subsidiary or relating in any way to the Security Assets or any part thereof,
- (i) **Legal Actions** to bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Security Assets or any part thereof as may seem to him to be expedient,
- (j) **Receipts** to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Security Assets, and
- (k) **General powers** to do all such other acts and things as he may consider desirable or necessary for realising the Security Assets or any part thereof or incidental or conducive to any of the matters, powers or authorities conferred on a Receiver under or by virtue of these presents, to exercise in relation to the Security Assets or any part thereof all such powers, authorities and things as he would be capable of exercising if he were the absolute beneficial owner of the same and to use the name of the Issuer, the Guarantor (solely in relation to its rights, title and interest in the share capital of the Issuer) or the relevant Charging Subsidiary for all or any of such purposes

6.3 **Trustee may exercise**

To the fullest extent permitted by law, all or any of the powers, authorities and discretions which are conferred by these presents (either expressly or impliedly) upon a Receiver of the Security Assets may be exercised after the Security becomes enforceable by the Trustee in relation to the whole of such Security Assets or any part thereof without first appointing a Receiver of such Security Assets

or any part thereof or notwithstanding the appointment of a Receiver of such Security Assets or any part thereof

7. NO LIABILITY AS MORTGAGEE IN POSSESSION

The Trustee and the other Secured Parties shall not nor shall any Receiver appointed as aforesaid by reason of the Trustee, the Secured Parties or Receiver entering into possession of the Security Assets or any part thereof be liable to account as mortgagee in possession or be liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable. Every Receiver duly appointed by the Trustee under the powers in that behalf herein contained shall be deemed to be the agent of the Issuer, the Guarantor (solely in relation to its rights, title and interest in the share capital of the Issuer) or the relevant Charging Subsidiary, as the case may be, for all purposes and shall as such agent for all purposes be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Law of Property Act 1925. If a liquidator of the Issuer, the Guarantor or such Charging Subsidiary is appointed, the Receiver will act as principal and not as agent of the Trustee. The Issuer, the Guarantor or such Charging Subsidiary, as the case may be, alone shall be responsible for his contracts, engagements, acts, omissions, defaults and losses and for Liabilities incurred by him and neither the Trustee nor the Secured Parties shall incur any Liability therefor (either to the Issuer or to any other person whatsoever) by reason of the Trustee's making his appointment as such Receiver or for any other reason whatsoever. Every such Receiver and the Trustee and the Secured Parties shall be entitled to all the rights, powers, privileges and immunities by the said Act conferred on mortgagees and receivers when such receivers have been duly appointed under the said Act but so that Section 103 of that Act shall not apply.

8. PROTECTION OF THIRD PARTIES

No purchaser, mortgagee or other person or company dealing with the Trustee or the Receiver or its or his agents shall be concerned to enquire whether the Secured Obligations have become payable or whether any power which the Receiver is purporting to exercise has become exercisable or whether any money remains due under the Transaction Documents or to see to the application of any money paid to the Trustee or to such Receiver.

9. INDEMNITY FROM THE SECURITY ASSETS

The Trustee and the other Secured Parties and every Appointee (each an **Indemnified Party**) shall be entitled to be indemnified and/or secured out of the Security Assets in respect of all Liabilities and expenses properly incurred by them in the execution, or purported execution in good faith, of any of the powers, authorities or discretions vested in them pursuant hereto or pursuant to these presents and against all Liabilities, actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Security Assets and the Trustee, the Secured Parties and any such Appointee may retain and pay all sums in respect of the same out of any moneys received under the powers hereby conferred.

10 FEES, DUTIES AND TAXES

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

11. COVENANT OF COMPLIANCE

The Issuer, the Guarantor and each Charging Subsidiary covenants with the Trustee that it will comply with and perform and observe all the provisions of these presents which are expressed to be binding on it. The Conditions shall be binding on the Issuer, the Guarantor, the Charging Subsidiaries, the Bondholders and the Couponholders. The Trustee shall be entitled to enforce the obligations of the Issuer, the Guarantor and the Charging Subsidiaries under the Bonds and the Coupons as if the same were set out and contained in the trust deeds constituting the same, which shall be read and construed as one document with the Bonds and the Coupons. The Trustee will hold the benefit of this covenant upon trust for itself and the Bondholders and the Couponholders according to its and their respective interests.

12. CANCELLATION OF BONDS AND RECORDS

12.1 The Issuer shall procure that all Bonds (a) redeemed, (b) purchased and surrendered for cancellation by or on behalf of the Issuer, the Guarantor, any Charging Subsidiary or any other member of the PHP Group, (c) which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 15 (*Replacement of Bonds, Coupons and Talons*), (d) exchanged as provided in these presents or (e) cancelled following election by the Issuer to forfeit all or any of the Bonds in respect of which the Final Instalment has not been duly paid by any Bondholder on the Final Instalment Payment Date (together in each case with all unmatured Coupons attached thereto or delivered therewith) and all Coupons paid in accordance with the Conditions or which, being mutilated or defaced, have been surrendered and replaced pursuant to Condition 15 (*Replacement of Bonds, Coupons and Talons*) and all Talons exchanged in accordance with the Conditions for further Coupons shall forthwith be cancelled by or on behalf of the Issuer and a certificate stating

- (a) the aggregate nominal amount and the aggregate Outstanding Principal Amount of Bonds which have been redeemed and the aggregate amounts in respect of Coupons which have been paid,
- (b) the serial numbers of such Bonds in definitive form,
- (c) the total numbers by maturity date of such Coupons,
- (d) the aggregate amount of interest paid (and the due dates of such payments) on the Global Bonds,
- (e) the aggregate nominal amount and the aggregate Outstanding Principal Amount of Bonds (if any) which have been purchased by or on behalf of the Issuer, the Guarantor, any Charging Subsidiary or any other member of the PHP Group and cancelled or which, following election by the Issuer, are forfeited and cancelled and the serial numbers of such Bonds in definitive form and the total number by maturity date of the Coupons attached thereto or surrendered therewith,
- (f) the aggregate nominal amounts and the Outstanding Principal Amount of Bonds and the aggregate amounts in respect of Coupons which have been so exchanged or surrendered and replaced and the serial numbers of such Bonds in definitive form and the total number by maturity date of such Coupons,
- (g) the total number by maturity date of Talons which have been exchanged for further Coupons, and

- (h) the total number by maturity date of unmatured Coupons missing from Bonds in definitive form which have been redeemed or surrendered and replaced and the serial numbers of the Bonds in definitive form to which the missing unmatured Coupons appertained,

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

- 12.2 The Issuer shall procure (a) that the Principal Paying Agent shall keep a full and complete record of all Bonds and Coupons (other than serial numbers of Coupons) and of their redemption, purchase by or on behalf of the Issuer, the Guarantor, any Charging Subsidiary or any other member of the PHP Group (where such Bonds are subsequently surrendered for cancellation), forfeiture (where such Bonds are subsequently cancelled), cancellation, payment or exchange (as the case may be) and of all replacement bonds or coupons or talons issued in substitution for lost, stolen, mutilated, defaced or destroyed Bonds or Coupons and (b) that such records shall be made available to the Trustee at all reasonable times

13. GUARANTEE

- 13.1 The Guarantor hereby irrevocably and unconditionally, and notwithstanding the release of any other guarantor or any other person under the terms of any composition or arrangement with any creditors of the Issuer, guarantees to the Trustee

- (a) the due and punctual payment in accordance with the provisions of these presents of the principal of and interest on the Bonds and of any other amounts payable by the Issuer under these presents, and
- (b) the due and punctual performance and observance by the Issuer of each of the other provisions of these presents on the Issuer's part to be performed or observed

- 13.2 If the Issuer fails for any reason whatsoever punctually to pay any such principal, interest or other amount, the Guarantor shall cause each and every such payment to be made as if the Guarantor instead of the Issuer were expressed to be the primary obligor under these presents and not merely as surety (but without affecting the nature of the Issuer's obligations) to the intent that the holder of the relevant Bond or Coupon or the Trustee (as the case may be) shall receive the same amounts in respect of principal, interest or such other amount as would have been receivable had such payments been made by the Issuer

- 13.3 If any sum which, although expressed to be payable by the Issuer under these presents, the Bonds or the Coupons, is for any reason (whether or not now existing and whether or not now known or becoming known to the Issuer, the Guarantor, the Trustee or any Bondholder or Couponholder) not recoverable from the Guarantor on the basis of a guarantee then (a) it will nevertheless be recoverable from it as if it were the sole principal debtor and will be paid by it to the Trustee on demand and (b) as a separate and additional liability under these presents the Guarantor agrees, as a primary obligation, to indemnify each of the Trustee, each Bondholder, each Couponholder and each other Secured Party in respect of such sum by way of a full indemnity in the manner and currency as is provided for in the Bonds, the Coupons or these presents (as the case may be) and to indemnify each Bondholder, each Couponholder and each other Secured Party against all losses, claims, costs, charges and expenses to which it may be subject or which it may properly incur in recovering such sum

- 13.4** If any payment received by the Trustee or any Bondholder, Couponholder or other Secured Party under the provisions of these presents shall (whether on the subsequent bankruptcy, insolvency or corporate reorganisation of the Issuer or, without limitation, on any other event) be avoided or set aside for any reason, such payment shall not be considered as discharging or diminishing the liability of the Guarantor and this guarantee shall continue to apply as if such payment had at all times remained owing by the Issuer and the Guarantor shall indemnify the Trustee and the Bondholders, Couponholders and/or other Secured Parties (as the case may be) in respect thereof PROVIDED THAT the obligations of the Issuer and/or the Guarantor under this subclause shall, as regards each payment made to the Trustee or any Bondholder, Couponholder or other Secured Party which is avoided or set aside, be contingent upon such payment being reimbursed to the Issuer or other persons entitled through the Issuer
- 13.5** The Guarantor hereby agrees that its obligations under this Clause shall be unconditional and that the Guarantor shall be fully liable irrespective of the validity, regularity, legality or enforceability against the Issuer of, or of any defence or counter-claim whatsoever available to the Issuer in relation to, its obligations under these presents, whether or not any action has been taken to enforce the same or any judgment obtained against the Issuer, whether or not any of the other provisions of these presents have been modified, whether or not any time, indulgence, waiver, authorisation or consent has been granted to the Issuer by or on behalf of the Bondholders or the Couponholders or the Trustee, whether or not any determination has been made by the Trustee pursuant to subclause 33.1, whether or not there have been any dealings or transactions between the Issuer, any of the Bondholders, Couponholders or other Secured Parties or the Trustee, whether or not the Issuer has been dissolved, liquidated, merged, consolidated, bankrupted or has changed its status, functions, control or ownership, whether or not the Issuer has been prevented from making payment by foreign exchange provisions applicable at its place of registration or incorporation and whether or not any other circumstances have occurred which might otherwise constitute a legal or equitable discharge of or defence to a guarantor. Accordingly the validity of this guarantee shall not be affected by reason of any invalidity, irregularity, illegality or unenforceability of all or any of the obligations of the Issuer under these presents and this guarantee shall not be discharged nor shall the liability of the Guarantor under these presents be affected by any act, thing or omission or means whatever whereby its liability would not have been discharged if it had been the principal debtor
- 13.6** Without prejudice to the provisions of subclause 20.1 the Trustee may determine from time to time whether or not it will enforce this guarantee which it may do without making any demand of or taking any proceedings against the Issuer and may from time to time make any arrangement or compromise with the Guarantor in relation to this guarantee which the Trustee may consider expedient in the interests of the Bondholders
- 13.7** The Guarantor waives diligence, presentment, demand of payment, filing of claims with a court in the event of dissolution, liquidation, merger or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest or notice with respect to these presents or the indebtedness evidenced thereby and all demands whatsoever and covenants that this guarantee shall be a continuing guarantee, shall extend to the ultimate balance of all sums payable and obligations owed by the Issuer under these presents, shall not be discharged except by complete performance of the obligations in these presents and is additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise.
- 13.8** If any moneys shall become payable by the Guarantor under this guarantee the Guarantor shall not, so long as the same remain unpaid, without the prior written consent of the Trustee
- (a) in respect of any amounts paid or payable by it under this guarantee, exercise any rights of subrogation or contribution or, without limitation, any other right or remedy which may accrue to it in respect of or as a result of any such payment or any such obligation to make payment, or

- (b) in respect of any other moneys for the time being due to the Guarantor by the Issuer, claim payment thereof or exercise any other right or remedy,

(including in either case claiming the benefit of any security or right of set-off or contribution or, on the liquidation of the Issuer, proving in competition with the Trustee) If, notwithstanding the foregoing, upon the bankruptcy, insolvency or liquidation of the Issuer, any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, shall be received by the Guarantor before payment in full of all amounts payable under these presents shall have been made to the Bondholders, the Couponholders, the Trustee and the other Secured Parties, such payment or distribution shall be received by the Guarantor on trust to pay the same over immediately to the Trustee for application in or towards the payment of all sums due and unpaid under these presents in accordance with Clause 21

13.9 Until all amounts which may be or become payable by the Issuer under these presents have been irrevocably paid in full, the Trustee may

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Trustee in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise), and the Guarantor shall not be entitled to the benefit of the same, and
- (b) hold in a suspense account any moneys received from the Guarantor or on account of the Guarantor's liability under this guarantee, without liability to pay interest on those moneys

13.10 The obligations of the Guarantor under these presents constitute direct, unconditional and unsecured obligations of the Guarantor and rank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights

14. ASSET COVER COVENANT

The Issuer shall procure that

- (a) on the Issue Date, the Value of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.5 times the Outstanding Principal Amount of the Bonds (the **Initial Asset Cover Test**),
- (b) on each Mortgaged Properties Adjustment Date, the Value of (i) the Mortgaged Properties and (ii) the Charged Cash, in each case, immediately following the relevant adjustment to the Mortgaged Properties, will not be less than 1.5 times the Outstanding Principal Amount of the Bonds (the **Mortgaged Properties Adjustment Asset Cover Test**), and
- (c) on each Periodic Testing Date, the Value of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.35 times the Outstanding Principal Amount of the Bonds (the **Periodic Asset Cover Test**)

In the case of any breach by the Issuer of the Periodic Asset Cover Test, the Issuer covenants that it shall, within 30 days of the relevant Periodic Testing Date, procure that one or more Charging Subsidiaries charge additional properties as Mortgaged Properties pursuant to these presents in accordance with Clause 16.1 (*Addition of New Mortgaged Properties*) and/or the Issuer shall deposit, or shall procure that one or more Charging Subsidiaries deposit, money into a Charged Account in accordance with Clause 16.4 (*Charged Cash*) to ensure that the Value of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.5 times the Outstanding Principal Amount of the Bonds

15. INCOME COVER COVENANT

The Issuer shall procure that

- (a) on the Issue Date, the Net Annual Income of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.5 times the Annual Aggregate Bond Interest Amount (the **Initial Income Cover Test**),
- (b) on each Mortgaged Properties Adjustment Date, the Net Annual Income of (i) the Mortgaged Properties and (ii) the Charged Cash, in each case, immediately following the relevant adjustment to the Mortgaged Properties, will not be less than 1.5 the Annual Aggregate Bond Interest Amount (the **Mortgaged Properties Adjustment Income Cover Test**), and
- (c) on each Periodic Testing Date, the Net Annual Income of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.5 times the Annual Aggregate Bond Interest Amount (the **Periodic Income Cover Test**)

In the case of any breach by the Issuer of the Periodic Income Cover Test, the Issuer shall procure that, within 30 days of the relevant Periodic Testing Date, one or more Charging Subsidiaries charge additional properties as Mortgaged Properties pursuant to the Trust Deed in accordance with Clause 16.1 (*Addition of New Mortgaged Properties*) and/or the Issuer shall deposit, or procure that one or more Charging Subsidiaries deposit, money into a Charged Account in accordance with Clause 16.4 (*Charged Cash*) to ensure compliance with the Periodic Income Cover Test

16. ADDITION, SUBSTITUTION AND RELEASE OF MORTGAGED PROPERTIES AND CHARGED CASH

16.1 Addition of New Mortgaged Properties

The Issuer may procure that any Charging Subsidiary charges additional properties as Mortgaged Properties (the **New Additional Properties**) provided that

- (a) the Issuer delivers to the Trustee and the Bondholder Representative (if any) a completed New Property Approval Certificate certifying, *inter alia*, that
 - (i) the New Additional Properties satisfy the Eligible Property Criteria, and
 - (ii) in respect of any property situated in Wales, immediately following such addition the combined Value of any Mortgaged Properties located in Wales shall not exceed 10 per cent of the aggregate Value of all Mortgaged Properties,unless the Bondholder Representative (or, if no Bondholder Representative is appointed, the Trustee) otherwise agrees in writing to waive such requirements,
- (b) the Issuer or the relevant Charging Subsidiary delivers to the Trustee and the Bondholder Representative (if any)
 - (i) a Full Valuation in relation to the New Additional Properties prepared by the Valuer dated no earlier than three months prior to the date on which the New Additional Properties are to be charged, and
 - (ii) the Additional Property Conditions Precedent in respect of the New Additional Properties, and

- (c) a Supplemental Trust Deed in respect of the New Additional Properties is executed by, *inter alios*, the Issuer and the relevant Charging Subsidiary in form and with substance satisfactory to the Trustee

16.2 Substitution of Mortgaged Properties

At the request and expense of the Issuer, the Trustee shall release one or more Mortgaged Properties and substitute such other properties (the **New Substitute Properties**) as may be selected by any Charging Subsidiary provided that

- (a) the Issuer delivers to the Trustee and the Bondholder Representative (if any) a completed Substitute Property Certificate certifying, *inter alia*, that
 - (i) the New Substitute Properties satisfy the Eligible Property Criteria;
 - (ii) in respect of any substitution in relation to a property situated in Wales, immediately following such substitution the combined Value of any Mortgaged Properties located in Wales shall not exceed 10 per cent of the aggregate Value of all Mortgaged Properties, and
 - (iii) immediately following the substitution, the Issuer will be in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test,unless, in the case of (i) and (ii), the Bondholder Representative (or, if no Bondholder Representative is appointed, the Trustee) otherwise agrees in writing to waive such requirements,
- (b) the Issuer or the relevant Charging Subsidiary delivers to the Trustee and the Bondholder Representative (if any)
 - (i) a Full Valuation in relation to the New Substitute Properties prepared by the Valuer dated no earlier than three months prior to the date on which the New Substitute Properties are to be charged, and
 - (ii) the Additional Property Conditions Precedent in respect of the New Substitute Properties, and
- (c) a Supplemental Trust Deed in respect of the New Substitute Properties is executed by, *inter alios*, the Issuer and the relevant Charging Subsidiary in form and with substance satisfactory to the Trustee

16.3 Release of Mortgaged Properties

At the request and expense of the Issuer, the Trustee shall release from the Security one or more Mortgaged Properties as may be selected by any Charging Subsidiary provided that

- (a) the Issuer delivers to the Trustee and the Bondholder Representative (if any) a completed Property Release Certificate, certifying that, immediately following such release
 - (i) the Issuer will be in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test, and

- (ii) the combined Value of any Mortgaged Properties located in Wales shall not, as a result of such release, exceed 10 per cent of the aggregate Value of all Mortgaged Properties,

unless, in the case of (ii), the Bondholder Representative (or, if no Bondholder Representative is appointed, the Trustee) otherwise agrees in writing to waive such requirement, and

- (b) if a Bondholder Representative is then appointed, the Bondholder Representative consents to such withdrawal of the relevant property from the Mortgaged Properties, such consent not to be unreasonably delayed or withheld

16.4 Charged Cash

The Issuer or any Charging Subsidiary may, at any time, deposit money into a Charged Account to ensure compliance with the Mortgaged Properties Adjustment Asset Cover Test, the Periodic Asset Cover Test, the Mortgaged Properties Adjustment Income Cover Test and/or the Periodic Income Cover Test, as the case may be. The Issuer or any such Charging Subsidiary may only withdraw Charged Cash from a Charged Account if the Issuer is, at the relevant time, in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test and, immediately following the withdrawal, the Issuer will be in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test.

For the purposes of these presents, the Trustee may call for and shall be at liberty to accept and rely on a certificate signed by any two directors of the Issuer (including, for the avoidance of doubt, a Compliance Certificate), as sufficient evidence that the Issuer is, at the relevant time, or will be immediately following the withdrawal, in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test.

17. VALUATIONS

17.1 Valuations

The Issuer shall deliver to the Trustee and the Bondholder Representative (if any)

- (a) a Full Valuation not later than 45 days after 31st December of each year, and
- (b) a Desk Top Valuation not later than 45 days after 30th June in each year

17.2 Preparation and Form of Valuations

- (a) Each Charging Subsidiary shall give the relevant Valuers all reasonable assistance to enable them to carry out a Valuation of all the Mortgaged Properties and permit them such access to the Mortgaged Properties and the records and accounts of such Charging Subsidiary as they reasonably require
- (b) Each Charging Subsidiary shall give the Issuer all reasonable assistance for the preparation and delivery of such Valuations
- (c) Each Valuation shall set out in reasonable detail the Value of the Mortgaged Properties as at a date no more than three months prior to the date of delivery of the Valuation
- (d) All Valuations shall be at the expense of the Issuer (including, without limitation, the Valuers' fees and VAT (as defined below) thereon)

18. CERTIFICATES AND REPORTS BY AUDITORS, VALUERS AND OTHER EXPERTS

Any certificate or report given by the Auditors, Valuers or other experts approved by the Trustee (including, without limitation, in relation to the Asset Cover Test and Income Cover Test) at any particular time under any provision of these presents shall (in the absence of manifest error) be conclusive and binding for all the purposes of these presents on the Issuer, the Guarantor, the Charging Subsidiaries, the Trustee, the Bondholders and all other persons

19. ENFORCEMENT

19.1 The Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) against or in relation to the Issuer, the Guarantor or any Charging Subsidiary as it may think fit to enforce its obligations under these presents or otherwise

19.2 Proof that as regards any specified Bond or Coupon the Issuer or the Guarantor (as the case may be) has made default in paying any amount due in respect of such Bond or Coupon shall (unless the contrary be proved) be sufficient evidence that the same default has been made as regards all other Bonds or Coupons (as the case may be) in respect of which the relevant amount is due and payable

19.3 References in provisos (b) and (c) of subclause 2.2 to "the rate aforesaid" shall, in the event of any Bonds having become due and repayable, with effect from the expiry of the interest period during which the Bonds become due and repayable, be construed as references to a rate of interest calculated *mutatis mutandis* in accordance with the Conditions and notices thereof shall be published in accordance with the Conditions unless the Trustee otherwise agrees

20. ACTION, PROCEEDINGS AND INDEMNIFICATION

20.1 The Trustee shall not be bound to take any action in relation to these presents (including but not limited to the giving of any notice pursuant to Condition 14 (*Events of Default and Enforcement*) or the taking of any proceedings and/or other steps mentioned in subclause 19.1) unless respectively directed or requested to do so (a) by an Extraordinary Resolution, (b) by the Bondholder Representative (if any) or (c) in writing by the holders of at least 25 per cent in Outstanding Principal Amount of the Bonds then outstanding and in either case then only if it shall be indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities to which it may render itself liable or which it may incur by so doing

20.2 The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to take the relevant action in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power

20.3 Only the Trustee may enforce the provisions of these presents. No Bondholder, Couponholder or any Secured Party (other than the Trustee) shall be entitled (a) to take any steps or action against the Issuer, the Guarantor or any Charging Subsidiary to enforce the performance of any of the provisions of these presents or (b) to take any other action (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, the Guarantor or any Charging Subsidiary, in each case unless the Trustee having become bound as aforesaid to take any such action, steps or proceedings fails to do so within a reasonable period and such failure is continuing

21. APPLICATION OF MONEYS

All moneys received by the Trustee under these presents shall be held by the Trustee upon trust to apply them (subject to Clause 23) in accordance with Condition 6 (*Order of Payments*) following the enforcement of the Security

Without prejudice to this Clause 21, if the Trustee holds any moneys which represent principal or interest in respect of Bonds which have become void or in respect of which claims have been prescribed under Condition 13 (*Prescription*), the Trustee will hold such moneys on the above trusts

22. NOTICE OF PAYMENTS

The Trustee shall, subject to being indemnified and/or secured and/or pre-funded to its satisfaction, give notice to the Bondholders in accordance with Condition 16 (*Notices*) of the day fixed for any payment to them under Clause 21. Such payment may be made in accordance with Condition 10 (*Payments and Exchanges of Talons*) and any payment so made shall be a good discharge to the Trustee

23. INVESTMENT BY TRUSTEE

23.1 At any time after all or part of the Security constituted hereunder or pursuant hereto shall have become enforceable, the Trustee may at its discretion and pending payment invest moneys at any time available for the payment of principal and/or interest on the Bonds in some or one of the investments hereinafter authorised for such periods as it may consider expedient with power from time to time at the like discretion to vary such investments and to accumulate such investments and the resulting interest and other income derived therefrom. The accumulated investments and the resulting interest and other income derived therefrom shall be applied first in payment or satisfaction of all amounts then due and unpaid under Clause 29 to the Trustee and/or any Appointee and otherwise held for the benefit of and paid to the Bondholders or the holders of the related Coupons, as the case may be

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

24. PARTIAL PAYMENTS

Upon any payment under Clause 21 (other than payment in full against surrender of a Bond or Coupon) the Bond or Coupon in respect of which such payment is made shall be produced to the Trustee or the Paying Agent by or through whom such payment is made but the Trustee may in any particular case dispense with such production upon such indemnity being given as it shall think sufficient.

25. COVENANTS BY THE ISSUER, THE GUARANTOR AND THE CHARGING SUBSIDIARIES

25.1 So long as any of the Bonds remains outstanding (or, in the case of paragraph (f), so long as any of the Bonds or Coupons remains liable to prescription) the Issuer, the Guarantor and each Charging Subsidiary severally covenants with the Trustee that it shall

- (a) at all times carry on and conduct its affairs, and procure the Issuer and its subsidiaries to carry on and conduct their respective affairs, in a proper and efficient manner,
- (b) give or procure to be given to the Trustee such opinions, certificates, information and evidence as it shall require and in such form as it shall require (including without limitation the procurement by the Issuer, the Guarantor or the relevant Charging Subsidiary, as the case may be, of all such certificates called for by the Trustee pursuant to subclause 30(c)) for the purpose of the discharge or exercise of the duties, trusts, powers, authorities and discretions vested in it under these presents or by operation of law,
- (c) cause to be prepared and audited by the Auditors in respect of each financial accounting period accounts in such form as will comply with all relevant legal and accounting requirements and all requirements (if any) for the time being of the London Stock Exchange,
- (d) at all times keep proper books of account and, at any time after the occurrence of an Event of Default or if the Trustee has reason to believe an Event of Default may have occurred, allow the Trustee and any person appointed by the Trustee to whom the Issuer, the Guarantor or such Charging Subsidiary shall have no reasonable objection free access to the books of account of the Issuer and the Charging Subsidiaries at all reasonable times during normal business hours,
- (e) forthwith give notice in writing to the Trustee of the occurrence of any Event of Default, Potential Event of Default or any Change of Control Put Event,
- (f) at all times execute and do all such further documents, acts and things as may be necessary at any time or times to give effect to these presents,
- (g) save as expressly permitted by these presents, not create or permit to subsist over any of the Fixed Security Assets for the time being charged by it any mortgage or charge or any other security interest ranking in priority to, or *pari passu* with, the Security, excluding for this purpose any security created by operation of law, and
- (h) without prejudice to Clauses 16.2 and 16.3 above, not sell, transfer, grant or lease or otherwise dispose of all or any of the Fixed Security Assets for the time being charged by it without the prior written consent of the Trustee or as permitted under these presents, save that any Charging Subsidiary may enter into any agreement for lease, or grant or agree to grant any new Occupational Lease provided that
 - (i) such agreement for lease or Occupational Lease relates to a Mortgaged Property or part of a Mortgaged Property which is either
 - (A) vacant,
 - (B) subject to an Occupational Lease which is due to expire within the following six months, or

(C) subject to a break clause entitling the occupational tenant to terminate that Occupational Lease within the following six months, and

- (ii) the relevant Occupational Lease is on normal arm's length market terms and in favour of a health service body as defined in Section 9 of the National Health Service Act 2006 as amended by the Health and Social Care Act 2012 (or any replacement or successor authority thereof) or any other tenant involved in the healthcare, pharmaceutical, dental or related sectors at a market rent with a minimum term of 20 years in respect of any Occupational Lease in favour of a general practitioner or 10 years in respect of any other Occupational Lease, or
- (iii) the rent payable in respect of the relevant Occupational Lease is less than £50,000 per annum

25.2 So long as any of the Bonds remains outstanding the Issuer and each Charging Subsidiary covenants with the Trustee that it shall comply with its obligations and enforce and exercise its rights under the Account Agreement and use all reasonable endeavours to procure that the Account Bank complies with and performs all its obligations thereunder and any notice given by the Trustee pursuant to Clause 2 3(a)(i) and not make any amendment or modification to the Account Agreement without the prior approval of the Trustee and use all reasonable endeavours to make such amendments to the Account Agreement as the Trustee may require

25.3 So long as any of the Bonds remains outstanding (or, in the case of paragraphs (c), (g), (h), (i), and (j), so long as any of the Bonds or Coupons remains liable to prescription) each of the Issuer and the Guarantor covenants with the Trustee that it shall

- (a) procure that each Charging Subsidiary shall perform and observe all covenants, conditions and provisions binding on such Charging Subsidiary under these presents,
- (b) send to the Trustee (in addition to any copies to which it may be entitled as a holder of any securities of the Issuer or the Guarantor) two copies in English of every balance sheet, profit and loss account, report, circular and notice of general meeting and every other document issued or sent to its shareholders together with any of the foregoing, and every document issued or sent to holders of securities other than its shareholders (including the Bondholders) and any other item specified in Condition 7 6 (*Information Covenant*) as soon as practicable after the issue or despatch thereof and, in the case of each item specified in Condition 7 6 (*Information Covenant*), within the period specified therein,
- (c) at all times maintain an Agent Bank, Reference Banks and Paying Agents in accordance with the Conditions,
- (d) procure the Principal Paying Agent to notify the Trustee forthwith in the event that the Principal Paying Agent does not, on or before the due date for any payment in respect of the Bonds or any of them or any of the Coupons, receive unconditionally pursuant to the Agency Agreement payment of the full amount in the requisite currency of the moneys payable on such due date on all such Bonds or Coupons as the case may be,
- (e) in the event of the unconditional payment to the Principal Paying Agent or the Trustee of any sum due in respect of the Bonds or any of them or any of the Coupons being made after the due date for payment thereof forthwith give or procure to be given notice to the relevant Bondholders in accordance with Condition 16 (*Notices*) that such payment has been made,
- (f) use all reasonable endeavours to obtain and maintain a listing of the Bonds on a recognised stock exchange (as defined in section 1005 of the Income Tax Act 2007) in the European

Union and shall also upon obtaining a quotation or listing of the Bonds on such recognised stock exchange (as defined in section 1005 of the Income Tax Act 2007) in the European Union other than the London Stock Exchange enter into a trust deed supplemental to this Trust Deed to effect such consequential amendments to these presents as the Trustee may require or as shall be requisite to comply with the requirements of any such recognised exchange,

- (g) give notice to the Bondholders in accordance with Condition 16 (*Notices*) of any appointment, resignation or removal of any Agent Bank or Paying Agent (other than the appointment of the initial Agent Bank and Paying Agents) after having obtained the prior written approval of the Trustee thereto or any change of any Paying Agent's specified office and (except as provided by the Agency Agreement or the Conditions) at least 30 days prior to such event taking effect, PROVIDED ALWAYS THAT so long as any of the Bonds remains outstanding in the case of the termination of the appointment of the Agent Bank or so long as any of the Bonds or Coupons remains liable to prescription in the case of the termination of the appointment of the Principal Paying Agent no such termination shall take effect until a new Agent Bank or Principal Paying Agent, as the case may be, has been appointed on terms previously approved in writing by the Trustee,
- (h) send to the Trustee not less than 7 days prior to which any such notice is to be given, the form of every notice to be given to the Bondholders in accordance with Condition 16 (*Notices*) (other than any notice to be given solely for the purpose of notifying the applicable Rate of Interest and which does not include references to the Trustee) and obtain the prior written approval of the Trustee to, and promptly give to the Trustee two copies of, the final form of every notice given to the Bondholders in accordance with Condition 16 (*Notices*) (such approval, unless so expressed, not to constitute approval for the purposes of Section 21 of the Financial Services and Markets Act 2000 of the United Kingdom (the **FSMA**) of a communication within the meaning of Section 21 of the FSMA),
- (i) comply with and perform its obligations under the Agency Agreement and use all reasonable endeavours to procure that the Agent Bank and the Paying Agents comply with and perform all their respective obligations thereunder and (in the case of the Paying Agents) any notice given by the Trustee pursuant to Clause 2 3(a)(i) and not make any amendment or modification to the Agency Agreement without the prior written approval of the Trustee and use all reasonable endeavours to make such amendments to the Agency Agreement as the Trustee may properly require,
- (j) in order to enable the Trustee to ascertain the nominal amount and the Outstanding Principal Amount of Bonds for the time being outstanding for any of the purposes referred to in the proviso to the definition of **outstanding** in Clause 1, deliver to the Trustee forthwith upon being so requested in writing by the Trustee a certificate in writing signed by two directors of the Issuer or two directors of the Guarantor (as appropriate) setting out the total number and aggregate nominal amount and the aggregate Outstanding Principal Amount of Bonds which are at the date of such certificate held by, for the benefit of, or on behalf of, the Issuer, the Guarantor, any Charging Subsidiary, any other subsidiary of the Issuer, the Guarantor or any Charging Subsidiary, any holding company of the Issuer, the Guarantor or any Charging Subsidiary or any other subsidiary of any such holding company,
- (k) give to the Trustee (i) within ten Business Days after demand by the Trustee therefor and (ii) (without the necessity for any such demand) promptly after the publication of its audited financial statements in respect of each financial period commencing with the financial period ending 31st December, 2013 and in any event not later than 180 days after the end of each financial period a certificate in or substantially in the form set out in Schedule 5 signed by two directors of the Issuer and two directors of the Guarantor to the effect that, to the best

of their knowledge, information and belief (having made all prudent enquiries) as at a date not more than seven days before delivering such certificate (the **certification date**) there did not exist and had not existed or happened since the certification date of the previous certificate (or in the case of the first such certificate the date hereof) any Event of Default, Potential Event of Default or Change of Control Put Event (or if such exists, existed or happened specifying the same) and that during the period from and including the certification date of the last such certificate (or in the case of the first such certificate the date hereof) to and including the certification date of such certificate the Issuer, the Guarantor and the Charging Subsidiaries have complied with all their obligations contained in these presents or (if such is not the case) specifying the respects in which they have not complied. Such certificates shall either (i) be accompanied in each case by specimen signatures of any directors of the Issuer and the Guarantor executing such certificate whose signatures have not previously been provided or (ii) contain a statement that the list of directors most recently delivered to the Trustee remains up-to-date as at the date of that certificate. The Trustee shall be entitled to rely conclusively upon such certificates and shall not be liable to any person by reason thereof,

- (l) use all reasonable endeavours to procure that each of the Paying Agents makes available for inspection by Bondholders and Couponholders at its specified office copies of these presents, any other Transaction Documents and any other documents which are expressed to be held by them in the Preliminary Prospectus,
- (m) at all times use all reasonable endeavours to minimise Taxes and any other costs arising in connection with its payment obligations in respect of the Bonds, and
- (n) use all reasonable endeavours to procure that Euroclear and/or Clearstream, Luxembourg, as the case may be, issue(s) any record, certificate or other document requested by the Trustee under Clause 30(v) or otherwise as soon as practicable after such a request

26. REPRESENTATIONS AND WARRANTIES

26.1 Each Charging Subsidiary represents and warrants to the Trustee, for the benefit of itself and the other Secured Parties, for so long as the Secured Obligations are outstanding, that

- (a) save as disclosed in any Certificate of Title relating to the Mortgaged Properties charged by it provided on or prior to the date of this Trust Deed (in respect of the Initial Mortgaged Properties) or any Supplemental Trust Deed (in respect of the Mortgaged Properties charged pursuant to such Supplemental Trust Deed) and subject to the terms of these presents
 - (i) it is the legal and beneficial owner of the property set out under its name in Schedule 13 and Schedule 1 to each Supplemental Trust Deed under which it charges further Mortgaged Properties,
 - (ii) planning permission has been obtained or is deemed to have been granted in accordance with statute for the purposes of the Planning Acts and has been complied with in respect of any development and the existing use of the Mortgaged Properties charged by it and the Planning Acts and all relevant building regulations or previously relevant building bylaws have been complied with in respect of all developments, alterations and improvements to the Mortgaged Properties charged by it save where such building regulations or bylaws did not apply to it or its predecessors at the relevant time and they have also been complied with in respect of the use of the Mortgaged Properties charged by it,

- (iii) there are no covenants, agreements, stipulations, reservations, conditions, interest, rights or other matters whatsoever affecting the Mortgaged Properties charged by it which materially and adversely affect or are reasonably likely materially and adversely to affect the value of the Mortgaged Properties charged by it taken as a whole or any material part of it,
- (iv) save for the Letting Documents, so far as it is aware after all reasonable enquiries, nothing has arisen or been created or is subsisting which would be an overriding interest or an unregistered interest which overrides first registration or registered dispositions over the Mortgaged Properties charged by it which materially and adversely affects or is reasonably likely materially and adversely to affect the value of the Mortgaged Properties charged by it taken as a whole or any material part of it,
- (v) no facilities necessary for the enjoyment and use of the Mortgaged Properties charged by it are enjoyed by the Mortgaged Properties charged by it on terms entitling any person to terminate or curtail its or their use which materially and adversely affects or is reasonably likely materially and adversely to affect the value of the Mortgaged Properties charged by it taken as a whole or any material part of it,
- (vi) it has received no valid notice of any adverse claims by any person in respect of the ownership of the Mortgaged Properties charged by it or any interest therein, nor has any acknowledgement been given to any person in respect thereof,
- (vii) all information in relation to the Mortgaged Properties (including the list of Mortgaged Properties owned by it and the nature of its ownership) provided by it or on its behalf to the Valuer to provide each Valuation of the Mortgaged Properties in connection with the Transaction Documents is full, accurate and complete as at the date of the relevant valuation and that those are the Mortgaged Properties charged or to be charged pursuant to these presents, and
- (viii) the Mortgaged Properties charged by it will from the date hereof be free from any Security Interest or any tenancies or licences other than those permitted under these presents, and
- (b) subject to registration at Companies House and at the Land Registry or in the Land Charges Register (as appropriate) and subject to the Legal Reservations, these presents create those Security Interests they purport to create ranking as set out in these presents and there is no reason why any of them is liable to be avoided or otherwise set aside on the liquidation or administration of it or otherwise

26.2 The representations and warranties set out in this Clause 26 are made on the date hereof and shall be deemed to be repeated by any Charging Subsidiary entering into a Supplemental Trust Deed on the date of such Supplemental Trust Deed and by each Charging Subsidiary on the date on which any further bonds are issued pursuant to Clause 24, in each case with reference to the facts and circumstances then existing

27. UNDERTAKINGS

27.1 Each Charging Subsidiary undertakes to the Trustee, for the benefit of itself and the other Secured Parties, that it shall

- (a) **Repair** keep the Premises owned by it in good and substantial repair and condition and keep the Fixtures and all plant, machinery, implements and other effects for the time being owned by it and which are in or upon the Premises owned by it or elsewhere in a good state

of repair and in good working order and condition (save for fair wear and tear) or procure the same be undertaken by any tenant in accordance with the terms of an Occupational Lease,

- (b) **Insurance** insure and keep insured or procure the insurance of the Premises owned by it and all its other assets of an insurable nature therein owned by it against loss or damage by fire and other risks normally insured against by persons carrying on the same class of business as that carried on by it and such other insurable risks as the Trustee shall from time to time in writing reasonably require in a sum or sums not less than the replacement cost thereof (meaning the total cost of entirely rebuilding, reinstating or replacing such Premises and such other assets in the event of their being completely destroyed together with architects' and surveyors' fees) with a reputable independent insurance company or underwriters. All moneys which may at any time hereafter be received or receivable under any insurance in respect of the Premises or such other assets owned by it whether or not effected pursuant to the foregoing provisions shall be applied in replacing, restoring or reinstating such Premises or assets destroyed or damaged or in such manner as the Trustee may agree or, after the Security has become enforceable in accordance with Clause 4.8 if the Trustee so directs and the terms of the relevant insurances so permit, in or towards satisfaction of the Secured Obligations, subject always to such application or direction being in accordance with the terms of any applicable Occupational Lease. The relevant Charging Subsidiary shall cause every policy of such insurance to be endorsed with either a memorandum of the interest of the Trustee as mortgagee and as assignee of the interest of such Charging Subsidiary in such policy or ensure there is a provision for automatic noting directing the insurers, upon receiving notice in writing from the Trustee that the Security has become enforceable in accordance with Clause 4.8, to pay any moneys payable under such policy of insurance direct to the Trustee,
- (c) **Taxes and outgoings** pay or procure to be paid as and when the same shall become payable all Taxes, rates, duties, charges, assessments and outgoings whatsoever (whether parliamentary, parochial, local or of any other description) which shall be assessed, charged or imposed upon or payable in respect of the Mortgaged Properties charged by it or any part thereof but not in respect of those that are for the account of or the responsibility of the occupier thereof (save to the extent that payment of the same is being contested in good faith),
- (d) **User** use the Mortgaged Properties charged by it only for such purpose or purposes as may for the time being be authorised as the permitted use or user thereof under or by virtue of the Planning Acts,
- (e) **Notices** within 30 days after the receipt by the relevant Charging Subsidiary of any application, requirement, order or notice served or given by any public or local or any other authority in relation to the Mortgaged Properties charged by it (or any part thereof) where the cost of compliance with that application, order or notice when aggregated with others outstanding at that time in respect of such Mortgaged Properties is in excess of £100,000 (as increased in line with the Retail Price Index from the date of this Trust Deed) give written notice thereof to the Trustee and also (within seven days after demand) produce the same or a copy thereof to the Trustee and inform it of the steps taken or proposed to be taken to comply with any such requirement thereby made or implicit therein,
- (f) **Statutes** duly and punctually perform and observe or procure to be performed and observed all its obligations in connection with the Fixed Security Assets charged by it under any present or future statute or any regulation, order or notice made or given thereunder,
- (g) **Leases**

- (i) in all respects comply with the requirements of these presents in respect of the grant by it of leases, tenancies or licences and in addition not (except as authorised by these presents) without the previous consent in writing of the Trustee, grant or agree to grant (whether in exercise or independently of any statutory power) any lease or tenancy of the Mortgaged Properties charged by it or any part thereof or confer upon any person any contractual licence or right to occupy such Mortgaged Properties other than in the form of an tenancy agreement which complies with the Eligible Property Criteria or as provided in these presents and provided, it notifies the Trustee upon request of all leases, tenancies, licences or rights to occupy granted or surrendered by it in the period since any prior request under this subclause 27 1(g)(1) and it sends a copy thereof to the Trustee forthwith upon request,
 - (ii) not without the prior written consent of the Trustee accept or agree to accept the surrender or alteration of any of the Letting Documents which materially adversely affects or is reasonably likely to adversely affect materially the value of, or render less marketable or non-mortgageable, the Mortgaged Properties charged by it taken as a whole or of any material part of it and observe and perform all the covenants, conditions, agreements and obligations on its part in all material respects, and
 - (iii) enforce and not waive or release the covenants, conditions, agreements and obligations contained in or imposed by any of the Letting Documents or any guarantee in respect of the obligations of the tenants, lessees, licensees or other parties thereunder which materially affects or is reasonably likely to affect materially the value of the Mortgaged Properties charged by it taken as a whole or any part of it,
- (h) **Land Registry**
- (i) in respect of any freehold or leasehold property which is hereafter acquired by the relevant Charging Subsidiary and which is part of the Mortgaged Properties charged by it the title to which is registered at the Land Registry or the title to which is required to be so registered, give the Land Registry written notice of this Trust Deed or the relevant Supplemental Trust Deed and procure that notice of these presents is duly noted in the Register to each such title, and
 - (ii) if the relevant Charging Subsidiary's solicitors have not complied with their obligations to lodge applications at the Land Registry (with full and proper payment in respect of fees and all necessary documents) for registration of this Trust Deed as a first legal charge of the Mortgaged Properties charged by it, prior to the expiry of the priority period allowed by the searches referred to in any Letter of Undertaking, the relevant Charging Subsidiary shall notify the Trustee forthwith and shall, at the request of the Trustee, irrevocably instruct its solicitors to deliver forthwith to Allen & Overy LLP at its offices at One Bishops Square, London E1 6AD all fees (subject to the relevant Charging Subsidiary's solicitors having received such fees from such Charging Subsidiary) and necessary documents to enable Allen & Overy LLP to make such applications within the remainder of the priority period at the Issuer's or such Charging Subsidiary's expense,
- (i) **Deposit of title deeds** hold all deeds and documents of title relating to the Mortgaged Properties charged by it to the order of the Trustee and deliver them to the Trustee on demand (and it is hereby agreed that the Trustee shall be entitled to hold the same during the Security Period except to the extent that such Mortgaged Properties are released by the Trustee pursuant to the terms of these presents) or, if and to the extent such deeds and documents of title are held by a solicitor or other person on the relevant Charging

Subsidiary's behalf, procure that such solicitor or other person shall give a written undertaking to the Trustee in *mutatis mutandis* the same form as this undertaking,

- (j) **Compliance with covenants** duly and punctually perform and observe or procure to be performed and observed in all material respects all covenants and stipulations restrictive or otherwise affecting all or any part of the Mortgaged Properties charged by it,
- (k) **Investigation of title** after the Security has become enforceable in accordance with Clause 4.8 grant the Trustee or its legal advisers on request all such facilities within its power to enable such legal advisers to carry out investigations of title to the Mortgaged Properties charged by it and other property owned by it which is or may be subject to the Security and enquiries into matters in connection therewith as may be carried out by a prudent mortgagee. All expenses incurred by the Trustee in relation to such investigations and enquiries shall be paid by the Issuer, and
- (l) **Report on title** after the Security has become enforceable in accordance with Clause 4.8 as soon as practicable after demand by the Trustee, provide the Trustee with a report as to its title to the Mortgaged Properties charged by it and other property owned by it which is or may be subject to the Security and related matters concerning the items which may properly sought to be covered by a prudent mortgagee in a lawyer's report of this nature provided that no such report may be required where there has already been an investigation of title under paragraph (k) above
- (m) **Certificates of Title**
 - (i) give written notice to the Trustee immediately upon becoming aware of any change to the certifications contained in each Certificate of Title that would comprise adverse matters relating to the Mortgaged Properties which would materially and adversely affect any of the use, marketability or value of the Mortgaged Properties taken as a whole or any part or parts of them, and
 - (ii) give written notice to the Trustee immediately upon becoming aware that (a) any of the information in relation to the Mortgaged Properties (including the list of Mortgaged Properties owned by the relevant Charging Subsidiary and the nature of ownership by such Charging Subsidiary) provided by the relevant Charging Subsidiary to a Valuer to provide any valuation of the Mortgaged Properties in connection with the Transaction Documents is not full, accurate and complete and (b) any properties subject to any such valuation are not included within the Mortgaged Properties

27.2 Subject to Clause 5.3, the undertakings in this Clause 27 shall remain in force throughout the Security Period

28. POWER TO REMEDY

In case of default by any Charging Subsidiary in repairing or keeping in repair or insuring the Mortgaged Properties charged by it or any material part thereof or in observing or performing any of the covenants or stipulations affecting the same, the relevant Charging Subsidiary will permit the Trustee or its agents and contractors to enter on the Mortgaged Properties charged by it and to comply with or object to any notice served on the relevant Charging Subsidiary in respect of the Mortgaged Properties charged by it and to effect such repairs or insurance or generally do such things and the Issuer shall pay all such costs, charges and expenses as the Trustee may consider necessary or desirable to prevent or remedy any breach of covenant or stipulation or to comply with or object to any notice, subject always to the terms of any Occupational Lease. The Issuer will

indemnify and keep the Trustee indemnified and/or secured and/or prefunded against all losses, costs, charges and expenses incurred in connection with the exercise of the powers contained in this Clause 28

29. REMUNERATION AND INDEMNIFICATION OF TRUSTEE

29.1 The Issuer shall pay to the Trustee remuneration for its services as trustee as from the date of this Trust Deed, such remuneration to be at such rate and to be paid on such dates as may from time to time be agreed between the Issuer and the Trustee. In the absence of any agreement to the contrary, such remuneration shall be payable in advance on 4th November in each year, the first such payment to be made on the date hereof. Such remuneration shall accrue from day to day and be payable up to and including the date when, all the Bonds having become due for redemption, the redemption moneys and interest thereon to the date of redemption have been paid to the Principal Paying Agent or, as the case may be, the Trustee PROVIDED THAT if upon due presentation of any Bond or Coupon or any cheque payment of the moneys due in respect thereof is improperly withheld or refused, remuneration will commence again to accrue. For the avoidance of doubt, such remuneration shall include any fees or amounts payable to any attorney, agent, delegate, custodian or nominee of the Trustee and the Issuer shall not be separately liable for any such amounts.

29.2 In the event of the occurrence of an Event of Default, Potential Event of Default or Change of Control Put Event, the Issuer hereby agrees that the Trustee shall be entitled to be paid additional remuneration, which may be calculated at its normal hourly rates in force from time to time. In any other case, if the Trustee considers it expedient or necessary or is requested by the Issuer or the Guarantor to undertake duties which the Trustee and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under these presents the Issuer shall pay to the Trustee such additional remuneration as shall be agreed between them (and which may be calculated by reference to the Trustee's normal hourly rates from time to time).

29.3 All amounts payable to the Trustee under these presents which constitute the consideration for any supply for the purposes of value added tax or any similar tax (VAT) are deemed to be exclusive of VAT properly chargeable thereon and if VAT is or becomes chargeable in respect of any supply by the Trustee under these presents, the Issuer shall in addition pay to the Trustee an amount equal to the amount of such VAT, subject to the receipt of a valid VAT invoice.

29.4 In the event of the Trustee and the Issuer failing to agree

- (a) (in a case to which subclause 29.1 above applies) upon the amount of the remuneration, or
- (b) (in a case to which subclause 29.2 above applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under these presents, or upon such additional remuneration,

such matters shall be determined by an independent and appropriately qualified and experienced person (acting as an expert and not as an arbitrator) selected by the Trustee and approved in writing by the Issuer or, failing such approval, nominated (on the application of the Trustee) by the President for the time being of The Law Society of England and Wales (the expenses involved in such nomination and the fees of such person being payable by the Issuer) and the determination of any such person shall be final and binding upon the Trustee, the Issuer, the Guarantor, the Bondholders and the Couponholders.

29.5 Without prejudice to the right of indemnity by law given to trustees, each of the Issuer and the Guarantor shall severally indemnify the Trustee and every Appointee and keep it or him indemnified against all Liabilities to which it or he may be or become subject or which may be incurred by it or him in relation to the preparation and execution of, the exercise of its or his powers, trusts,

authorities and discretions under these presents or its or his functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to these presents or any such appointment (including all Liabilities properly incurred in disputing or defending any of the foregoing)

- 29.6 The Issuer shall also pay or discharge all Liabilities incurred by the Trustee in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner relating to, these presents, including but not limited to proper legal and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties (other than on the net income profits or gains of the Trustee) paid or payable by the Trustee and every Appointee in connection with any action taken or contemplated by or on behalf of the Trustee and every Appointee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, these presents
- 29.7 Where any amount which would otherwise be payable by the Issuer under subclause 29.5 has instead been paid by any person or persons other than the Issuer or the Guarantor (each, an **Indemnifying Party**), the Issuer or the Guarantor, as applicable, shall pay to the Trustee an equal amount for the purpose of enabling the Trustee to reimburse each Indemnifying Party
- 29.8 All amounts payable pursuant to subclause 29.5 shall be payable by the Issuer or the Guarantor on the date specified in a demand by the Trustee and in the case of payments actually made by the Trustee prior to such demand shall carry interest at a rate equivalent to the Trustee's cost of borrowing (on the date on which payment was made by the Trustee) from the date such demand is made, and in all other cases shall (if not paid within 30 days after the date of such demand or, if such demand specifies that payment is to be made on an earlier date, on such earlier date) carry interest at such rate from such thirtieth day of such other date specified in such demand. All remuneration payable to the Trustee shall carry interest at such rate from the due date therefor. A certificate from the Trustee as to the Trustee's cost of borrowing on any particular date or during any particular period shall be conclusive and binding on the Issuer
- 29.9 Unless otherwise specifically stated in any discharge of these presents the provisions of this Clause shall continue in full force and effect notwithstanding such discharge

30. SUPPLEMENT TO TRUSTEE ACTS

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

- (a) The Trustee may in relation to these presents act and rely on the advice or opinion of or any information (whether addressed to the Trustee or not) obtained from any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer or other expert whether obtained by the Issuer, the Guarantor, a Charging Subsidiary, the Trustee or otherwise and shall not be responsible for any Liability occasioned by so acting
- (b) Any such advice, opinion or information may be sent or obtained by letter, email, telex, telegram, facsimile transmission or cable and the Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, email, telex, telegram, facsimile transmission or cable although the same shall contain some error or shall not be authentic

- (c) The Trustee may call for and shall be at liberty to accept as sufficient evidence of any fact or matter or the expediency of any transaction or thing a certificate signed by any two directors of the Issuer, any two directors of the Guarantor or any two directors of a Charging Subsidiary or a certificate of any Secured Party and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by it or any other person acting on any such certificate
- (d) The Trustee shall be at liberty to hold these presents and any other documents relating thereto or to deposit the Security Assets in any part of the United Kingdom with any banker or banking company or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Trustee to be of good repute and the Trustee shall not be responsible for or required to insure against any Liability incurred in connection with any such holding or deposit and may pay all sums required to be paid on account of or in respect of any such deposit
- (e) The Trustee shall not be responsible for the receipt or application of the proceeds of the issue of any of the Bonds by the Issuer, the exchange of any Global Bond for another Global Bond or Definitive Bonds or the delivery of any Global Bond or Definitive Bonds to the person(s) entitled to it or them
- (f) The Trustee shall not be bound to give notice to any person of the execution of any documents comprised or referred to in these presents or the Security Assets or to take any steps to ascertain whether any Event of Default, Potential Event of Default or Change of Control Put Event has happened and, until it shall have actual knowledge or express notice pursuant to these presents to the contrary, the Trustee shall be entitled to assume that no Event of Default, Potential Event of Default or Change of Control Put Event has happened and that the Issuer, the Guarantor and each Charging Subsidiary is observing and performing all its obligations under these presents and the other Transaction Documents, as applicable
- (g) Save as expressly otherwise provided in these presents or in any other Transaction Document, the Trustee shall have absolute and uncontrolled discretion as to the exercise or non-exercise of its trusts, powers, authorities and discretions under these presents, the other Transaction Documents or by operation of law (the exercise or non-exercise of which as between the Trustee and the Bondholders, the Couponholders and the Secured Parties shall be conclusive and binding on the Bondholders, the Couponholders and the Secured Parties) and shall not be responsible for any Liability which may result from their exercise or non-exercise and in particular the Trustee shall not be bound to act at the request or direction of the Bondholders or any Secured Party or otherwise under any provision of these presents or to take at such request or direction or otherwise any other action under any provision of these presents, without prejudice to the generality of subclause 20 1, unless it shall first be indemnified and/or secured and/or pre-funded to its satisfaction against all Liabilities to which it may render itself liable or which it may incur by so doing and the Trustee shall incur no liability for refraining to act in such circumstances
- (h) The Trustee shall not be liable to any person by reason of having acted upon any Extraordinary Resolution in writing or any Extraordinary Resolution or other resolution purporting to have been passed at any meeting of Bondholders in respect whereof minutes have been made and signed or any Extraordinary Resolution passed by way of electronic consents received through the relevant Clearing System(s) in accordance with these presents or any direction or request of Bondholders even though subsequent to its acting it may be found that there was some defect in the constitution of the meeting or the passing of the resolution or (in the case of an Extraordinary Resolution in writing or a direction or a request) it was not signed by the requisite number of Bondholders or (in the case of an Extraordinary Resolution passed by electronic consents received through the relevant

Clearing System(s)) it was not approved by the requisite number of Bondholders or that for any reason the resolution, direction or request was not valid or binding upon such Bondholders and the relative Couponholders

- (i) The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any Bond or Coupon purporting to be such and subsequently found to be forged or not authentic
- (j) Any consent or approval given by the Trustee for the purposes of these presents and/or the other Transaction Documents may be given on such terms and subject to such conditions (if any) as the Trustee thinks fit and, notwithstanding anything to the contrary in these presents, may be given retrospectively. The Trustee may give any consent or approval, exercise any power, authority or discretion or take any similar action (whether or not such consent, approval, power, authority, discretion or action is specifically referred to in these presents) if it is satisfied that the interests of the Bondholders will not be materially prejudiced thereby. For the avoidance of doubt, the Trustee shall not have any duty to the Bondholders or the other Secured Parties in relation to such matters other than that which is contained in the preceding sentence
- (k) The Trustee shall not (unless and to the extent required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder or Couponholder or other Secured Party or any other person any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available to the Trustee by the Issuer, the Guarantor or any Charging Subsidiary or any other person in connection with these presents or the other Transaction Documents and no Bondholder or Couponholder or other Secured Party or any other person shall be entitled to take any action to obtain from the Trustee any such information
- (l) Where it is necessary or desirable for any purpose in connection with these presents to convert any sum from one currency to another it shall (unless otherwise provided by these presents or the other Transaction Documents or required by law) be converted at such rate or rates, in accordance with such method and as at such date for the determination of such rate of exchange, as may be agreed by the Trustee in consultation with the Issuer or the Guarantor as relevant and any rate, method and date so agreed shall be binding on the Issuer, the Guarantor, the Charging Subsidiaries, the Bondholders, the Couponholders and the other Secured Parties
- (m) The Trustee may certify that any of the conditions, events and acts set out in subparagraphs (b), (d), (e) and (k) or, insofar as they relate to any Charging Subsidiary, any of the events and acts set out in paragraphs (g), (h), (i) and (j) of Condition 14.1 (*Events of Default and Enforcement – Events of Default*) (each of which conditions, events and acts shall, unless in any case the Trustee in its absolute discretion shall otherwise determine, for all the purposes of these presents be deemed to include the circumstances resulting therein and the consequences resulting therefrom) is in its opinion materially prejudicial to the interests of the Bondholders and any such certificate shall be conclusive and binding upon the Issuer, the Guarantor, the Charging Subsidiaries, the Bondholders and the Couponholders.
- (n) The Trustee as between itself and the Bondholders and Couponholders and as between itself and the other Secured Parties may determine all questions and doubts arising in relation to any of the provisions of these presents. Every such determination, whether or not relating in whole or in part to the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders and the Couponholders and any other Secured Parties

- (o) In connection with the exercise by it of any of its trusts, powers, authorities and discretions under these presents (including, without limitation, any modification, waiver, authorisation or substitution), the Trustee shall have regard to the general interests of the Bondholders as a class and shall not have regard to any interests arising from circumstances particular to individual Bondholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Bondholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Bondholder or Couponholder be entitled to claim, from the Issuer, the Guarantor, any Charging Subsidiary, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders or Couponholders
- (p) In connection with the exercise of the powers, trusts, authorities, duties and discretions vested in it by these presents and the other Transaction Documents the Trustee shall, except where expressly provided otherwise, have regard only to the interests of the Bondholders and shall not be required to have regard to the interests of any other Secured Party or any other person or to act upon or comply with any direction or request of any other Secured Party or any other person whilst any amount remains owing to any Bondholder and none of the other Secured Parties or any other person shall have any claim against the Trustee for so doing
- (q) Any trustee of these presents being a lawyer, accountant, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his firm in connection with the trusts of these presents and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with these presents
- (r) The Trustee may whenever it thinks fit delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons (whether being a joint trustee of these presents or not) all or any of its trusts, powers, authorities and discretions under these presents. Such delegation may be made upon such terms (including power to sub-delegate with the consent of the Trustee) and subject to such conditions and regulations as the Trustee may in the interests of the Bondholders think fit provided that the Trustee has exercised reasonable care and skill in approaching such person or persons. The Trustee shall not be under any obligation to supervise the proceedings or acts of any such delegate or sub-delegate or be in any way responsible for any Liability incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate. The Trustee shall forthwith after any such delegation or any renewal, extension or termination thereof give notice thereof to the Issuer and the Guarantor
- (s) The Trustee may in the conduct of the trusts of these presents instead of acting personally employ and pay an agent (whether being a lawyer or other professional person) to transact or conduct, or concur in transacting or conducting, any business and to do, or concur in doing, all acts required to be done in connection with these presents (including the receipt and payment of money). Provided that the Trustee has exercised reasonable care and skill in the appointment of such agent, the Trustee shall not be in any way responsible for any Liability incurred by reason of any misconduct or default on the part of any such agent or be bound to supervise the proceedings or acts of any such agent
- (t) The Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trusts constituted by these presents as the Trustee may

determine, including for the purpose of depositing with a custodian these presents or any document relating to the trusts constituted by these presents and, provided the Trustee has exercised reasonable care and skill in the appointment of such person, the Trustee shall not be responsible for any Liability incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of such person, the Trustee is not obliged to appoint a custodian if the Trustee invests in securities payable to bearer

- (u) The Trustee shall not be responsible for the execution, delivery, legality, effectiveness, adequacy, sufficiency, genuineness, validity, performance, enforceability or admissibility in evidence of these presents (including any security created thereby), the Agency Agreement, the Account Agreement, any security or document the subject of the Security or any other document relating or expressed to be supplemental thereto and shall not be liable for any failure to obtain any licence, consent or other authority for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of these presents (including the Security), the Agency Agreement, the Account Agreement, any security or document the subject of the Security or any other document relating or expressed to be supplemental thereto
- (v) The Trustee may call for any records, certificate or other document of or to be issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Bonds represented by a Global Bond standing to the account of any person. Any such records, certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Creation Online system) in accordance with its usual procedures and in which the holder of a particular nominal amount of Bonds is clearly identified together with the amount of such holding. The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg and subsequently found to be forged or not authentic
- (w) The Trustee shall accept without investigation, requisition or objection such right, benefit, interest and title as the Issuer, the Guarantor and the Charging Subsidiaries have to any of the Security Assets and shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer, the Guarantor or any Charging Subsidiary to the Security Assets or any part thereof whether such defect or failure was known to the Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not
- (x) The Trustee shall have no responsibility whatsoever to the Issuer, the Guarantor, the Charging Subsidiaries, the Bondholders, the Couponholders or any Secured Party as regards any deficiency which might arise because the Trustee, any Appointee or any custodian of the Trustee is subject to any tax in respect of the Security Assets, income therefrom or the proceeds thereof
- (y) The Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to the Bonds or any Transaction Document or for checking or commenting upon the content of any such legal opinion and shall not be responsible for any Liability incurred thereby
- (z) Subject to the requirements, if any, of the London Stock Exchange, any corporation into which the Trustee may be merged or converted, or any corporation with which the Trustee may be consolidated, or any corporation resulting from any merger, conversion or

consolidation to which the Trustee shall be a party, or any corporation, including affiliated corporations, to which the Trustee shall sell or otherwise transfer (a) all or substantially all of its assets or (b) all or substantially all of its corporate trust business shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws and subject to any credit rating requirements set out in these presents become the successor trustee under these presents without the execution or filing of any paper or any further act on the part of the parties to these presents, unless otherwise required by the Issuer or the Guarantor, and after the said effective date all references in these presents to the Trustee shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion, consolidation or transfer shall immediately be given to the Issuer and the Guarantor by the Trustee.

- (aa) The Trustee shall not be bound to take any action in connection with these presents or any obligations arising pursuant thereto, including, without prejudice to the generality of the foregoing, forming any opinion or employing any financial adviser, where it is not satisfied that it will be indemnified against all Liabilities which may be incurred in connection with such action and may demand prior to taking any such action that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it and on such demand being made the Issuer shall be obliged to make payment of all such sums in full.
- (bb) No provision of these presents, the Agency Agreement or the Account Agreement shall require the Trustee to do anything which may (i) be illegal or contrary to applicable law or regulation, or (ii) cause it to expend or risk its own funds or otherwise incur any Liability in the performance of any of its duties or in the exercise of any of its rights, powers or discretions (including obtaining any advice which it might otherwise have thought appropriate or desirable to obtain), if it shall believe that repayment of such funds or adequate indemnity against such risk or Liability is not assured to it.
- (cc) Unless notified to the contrary, the Trustee shall be entitled to assume without enquiry (other than requesting a certificate pursuant to subclause 25 3(j)) that no Bonds are held by, for the benefit of, or on behalf of, the Issuer, the Guarantor, any Charging Subsidiary, any subsidiary of the Issuer, the Guarantor or any Charging Subsidiary, any holding company of the Issuer, the Guarantor or any Charging Subsidiary or any other subsidiary of such holding company.
- (dd) Any certificate, advice, opinion or report of the Auditors (if any) or any other expert or professional adviser called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of these presents may be relied upon by the Trustee as sufficient evidence of the facts stated therein notwithstanding that such certificate, advice, opinion or report and/or any engagement letter or other document entered into by the Trustee in connection therewith contains a monetary or other limit on the liability of such Auditors or such other expert or professional adviser in respect thereof and notwithstanding that the scope and/or basis of such certificate, advice, opinion or report may be limited by any engagement or similar letter or by the terms of the certificate, advice, opinion or report itself.
- (ee) The Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in these presents, or any other agreement or document relating to the transactions contemplated in these presents or under such other agreement or document.

- (ff) The Trustee shall not be liable or responsible for any Liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of these presents
- (gg) The Trustee shall not be liable for any failure, omission or defect in perfecting the security intended to be constituted hereby including, without prejudice to the generality of the foregoing
 - (i) failure to obtain any licence, consent or other authority for the execution of the same,
 - (ii) failure to register the same in accordance with the provisions of any of the documents of title of the Issuer, the Guarantor or any Charging Subsidiary to any of the Security Assets, and
 - (iii) failure to effect or procure registration of or otherwise protect any of these presents or any security created thereby or otherwise by registering the same under any registration laws in any territory, or by registering any notice, caution or other entry prescribed by or pursuant to the provisions of the said laws
- (hh) The Trustee shall not be bound to take any step or action in connection with these presents or obligations arising pursuant thereto or pursuant to any other Transaction Document where it is not satisfied that it is indemnified and/or secured and/or pre-funded against all its liabilities and costs incurred in connection with such step or action and may demand, prior to taking any such step or action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so as to indemnify it
- (ii) The Trustee shall have no responsibility for the validity, sufficiency or enforceability of the Security. The Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with any of their obligations under the Transaction Documents
- (jj) Without prejudice to the generality of the foregoing, the Trustee shall not be responsible for the genuineness, validity or effectiveness of any of the Transaction Documents or any other documents entered into in connection therewith or any other document or any obligations or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted by or pursuant to these presents or any of the other Transaction Documents, nor shall it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decisions of any court and (without prejudice to the generality of the foregoing) the Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for
 - (i) the registration, filing, protection or perfection of any security relating to these presents or the priority of the security thereby created whether in respect of any initial advance or any subsequent advance or any other sums or liabilities,
 - (ii) the performance or observance by the Issuer, the Guarantor or any Charging Subsidiary or any other person with any provisions of these presents or in each case in any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained therein or relating thereto or as to the existence or occurrence at any time of any default, event of default or similar event contained therein or any waiver or consent which has at any time been granted in relation to any of the foregoing,

- (iii) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection with the Security Assets,
 - (iv) the failure to effect or procure registration of or to give notice to any person in relation to or otherwise protect the security created or purported to be created by or pursuant to these presents or other documents entered into in connection therewith,
 - (v) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, charges or other further assurances in relation to any of the assets the subject matter of any of these presents or any other Transaction Document or other document, or
 - (vi) any other matter or thing relating to or in any way connected with these presents or the Security Assets or any document entered into in connection therewith whether or not similar to the foregoing
- (kk) The Trustee shall not incur any liability to the Issuer, the Guarantor, the Bondholders or any other person in connection with any approval given by it pursuant to Clause 25 3(h) to any notice to be given to Bondholders by the Issuer, the Trustee shall not be deemed to have represented, warranted, verified or confirmed that the contents of any such notice are true, accurate or complete in any respects or that it may be lawfully issued or received in any jurisdiction
- (ll) When determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled to evaluate its risk in any given circumstance by considering the worst-case scenario and, for this purpose, it may take into account, without limitation, the potential costs of defending or commencing proceedings in England or elsewhere and the risk, however remote, of any award of damages against it in England or elsewhere
- (mm) The Trustee shall be entitled to require that any indemnity or security given to it by the Bondholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security
- (nn) The Trustee shall not be responsible for monitoring whether any notices to Bondholders are given in compliance with the requirements of the London Stock Exchange or with any other legal or regulatory requirements

31. TRUSTEE'S LIABILITY

- 31.1** Nothing in these presents shall exempt the Trustee from or indemnify it against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to it in respect of any gross negligence, wilful default or fraud of which it may be guilty. In relation to its duties under these presents where the Trustee has failed to show the degree of care and diligence required of it as trustee having regard to the provisions of these presents conferring on it any trusts, powers, authorities or discretions
- 31.2** Notwithstanding any provision of these presents to the contrary, the Trustee shall not in any event be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits, business, goodwill or opportunity), whether or not foreseeable, even if the Trustee has been advised of the likelihood of such loss or damage, unless the claim for loss or damage is made in respect of fraud on the part of the Trustee

32. TRUSTEE CONTRACTING WITH THE ISSUER AND THE GUARANTOR

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

- (a) entering into or being interested in any contract or financial or other transaction or arrangement with the Issuer, the Guarantor, any Charging Subsidiary or any subsidiary or affiliate of the Issuer, the Guarantor or any Charging Subsidiary (each a **Relevant Party**) or any person or body corporate associated with any Relevant Party (including without limitation any contract, transaction or arrangement of a banking or insurance nature or any contract, transaction or arrangement in relation to the making of loans or the provision of financial facilities or financial advice to, or the purchase, placing or underwriting of or the subscribing or procuring subscriptions for or otherwise acquiring, holding or dealing with, or acting as paying agent in respect of, the Bonds or any other bonds, notes, stocks, shares, debenture stock, debentures or other securities of any Relevant Party or any person or body corporate associated as aforesaid), or
- (b) accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to any Relevant Party or any such person or body corporate so associated or any other office of profit under any Relevant Party or any such person or body corporate so associated,

and shall not be in any way liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith

33. WAIVER, AUTHORISATION, DETERMINATION AND MODIFICATION

- 33.1 The Trustee may (unless instructed to the contrary by the Bondholder Representative (if any)) without the consent or sanction of the Bondholders or Couponholders or any Secured Party and without prejudice to its rights in respect of any subsequent breach, Potential Event of Default or Event of Default from time to time and at any time but only if and in so far as in its opinion the interests of the Bondholders shall not be materially prejudiced thereby, waive or authorise any breach or proposed breach by the Issuer, the Guarantor or any Charging Subsidiary of any of the covenants or provisions contained in these presents or any other Transaction Document or determine that any Potential Event of Default or Event of Default shall not be treated as such for the purposes of these presents PROVIDED ALWAYS THAT the Trustee shall not exercise any powers conferred on it by this Clause in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 14 (*Events of Default and Enforcement*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions (if any) as the Trustee may determine, shall be binding on the Bondholders and the Couponholders and the Secured Parties and, unless the Trustee agrees otherwise, shall be notified by the Issuer to the Bondholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter
- 33.2 The Trustee may (unless instructed to the contrary by the Bondholder Representative (if any)), without the consent or sanction of the Bondholders, Couponholders or any Secured Party, at any time and from time to time, concur with the Issuer, the Guarantor and the Charging Subsidiaries in making any modification (a) to these presents or any other Transaction Document (other than any Basic Terms Modification), which in the opinion of the Trustee it may be proper to make PROVIDED THAT the Trustee is of the opinion that such modification is not materially prejudicial to the interests of the Bondholders or (b) to these presents or any other Transaction Document if in the opinion of the Trustee such modification is of a formal, minor or technical nature or to correct a

manifest error or an error which is, in the opinion of the Trustee, proven. Any such modification may be made on such terms and subject to such conditions (if any) as the Trustee may determine, shall be binding upon the Bondholders and the Couponholders and the Secured Parties and, unless the Trustee agrees otherwise, shall be notified by the Issuer to the Bondholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter.

34. APPOINTMENT OF BONDHOLDER REPRESENTATIVE

The Bondholders may, by Extraordinary Resolution, appoint a single entity to act as a representative of all Bondholders (a **Bondholder Representative**). Such appointment shall remain in effect at all times unless and until the Bondholder Representative provides notice to the Bondholders, the Issuer and the Trustee of its resignation or the Bondholder Representative is removed pursuant to a subsequent Extraordinary Resolution.

The Bondholder Representative shall have the right (which it may exercise in its sole discretion) to give approvals, consents, directions and waivers only where specifically provided for in the Conditions or these presents. In any case where any approval, consent, direction or waiver may be exercised under the Conditions or these presents by both the Bondholder Representative and the Trustee, the direction of, or exercise by the Bondholder Representative of such approval, consent or waiver, shall prevail.

The Trustee shall not be required to act pursuant to any direction of the Bondholder Representative unless it shall have been secured and/or indemnified and/or pre-funded to its satisfaction.

35. HOLDER OF DEFINITIVE BOND ASSUMED TO BE COUPONHOLDER

35.1 Wherever in these presents the Trustee is required or entitled to exercise a power, trust, authority or discretion under these presents, except as ordered by a court of competent jurisdiction or as required by applicable law, the Trustee shall, notwithstanding that it may have notice to the contrary, assume that each Bondholder is the holder of all Coupons appertaining to each Bond in definitive form of which he is the holder.

35.2 None of the Trustee, the Issuer or the Guarantor shall be required to give any notice to the Couponholders for any purpose under these presents and the Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Bondholders in accordance with Condition 16 (*Notices*).

35.3 The Issuer, the Guarantor, the Trustee and the Paying Agents may (to the fullest extent permitted by applicable laws) deem and treat the holder of any Bond or of a particular nominal amount of the Bonds and the holder of any Coupon as the absolute owner of such Bond, nominal amount or Coupon, as the case may be, for all purposes (whether or not such Bond, nominal amount or Coupon shall be overdue and notwithstanding any notice of ownership thereof or of trust or other interest with regard thereto, any notice of loss or theft thereof or any writing thereon), and the Issuer, the Guarantor, the Trustee and the Paying Agents shall not be affected by any notice to the contrary. All payments made to any such holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable in respect of such Bond, nominal amount or Coupon, as the case may be.

36. SUBSTITUTION

36.1 (a) Subject to (c) below, the Trustee may without the consent of the Bondholders or Couponholders or any Secured Party at any time agree with the Issuer and the Guarantor to the substitution in place of the Issuer (or of the previous substitute under this Clause) of another company or other entity as the principal debtor under these presents (such

substituted company or other entity being hereinafter called the **New Company**) provided that a supplemental trust deed is executed or some other form of undertaking is given by the New Company in form and manner satisfactory to the Trustee, agreeing to be bound by the provisions of these presents with any consequential amendments which the Trustee may deem appropriate as fully as if the New Company had been named in these presents as the principal debtor in place of the Issuer (or of the previous substitute under this Clause) and provided further that (except where the New Company is the Guarantor) the Guarantor unconditionally and irrevocably guarantees all amounts payable under these presents to the satisfaction of the Trustee

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

- (i) the New Company shall assume all rights, obligations and liabilities in relation to the Security Assets of the Issuer, acknowledge the security created in respect thereof pursuant to the relevant supplemental trust deed and take all such action as the Trustee may require so that the security constitutes a valid charge, pledge or other security interest as was originally created by the Issuer for the obligations of the New Company,
- (ii) the Issuer, the Guarantor, the Charging Subsidiaries and the New Company shall comply with such other requirements as the Trustee may direct in the interests of the Bondholders,
- (iii) without prejudice to the rights of reliance of the Trustee under the immediately following paragraph (iv), the Trustee is satisfied that the relevant transaction is not materially prejudicial to the interests of the Bondholders,
- (iv) if two directors of the New Company (or other officers acceptable to the Trustee) shall certify that the New Company is solvent both at the time at which the relevant transaction is proposed to be effected and immediately thereafter (which certificate the Trustee may rely upon absolutely) the Trustee shall not be under any duty to have regard to the financial condition, profits or prospects of the New Company or to compare the same with those of the Issuer or the previous substitute under this Clause as applicable,
- (v) the Trustee shall be satisfied (if it requires, by reference to legal opinions) that (a) all necessary governmental and regulatory approvals and consents necessary for or in connection with the assumption by the New Company of liability as principal debtor in respect of, and of its obligations under, these presents have been obtained and (b) such approvals and consents are at the time of substitution in full force and effect, and
- (vi) a legal opinion satisfactory to the Trustee shall be provided concerning any proposed substitution

(c) Notwithstanding paragraphs (a) and (b) above, if a Bondholder Representative has been appointed, no substitution can take effect without the approval of the Bondholder Representative and, if so directed by the Bondholder Representative, the Trustee will agree to such substitution on the terms directed by the Bondholder Representative subject only to the Trustee being satisfied that its personal interests are not thereby prejudiced

36.2 Any such supplemental trust deed or undertaking shall, if so expressed, operate to release the Issuer or the previous substitute as aforesaid from all of its obligations as principal debtor under these presents As soon as practicable and, in any event not later than 14 days, after the execution of such

documents and compliance with such requirements, the New Company shall give notice thereof in a form previously approved by the Trustee to the Bondholders in the manner provided in Condition 16 (*Notices*) Upon the execution of such documents and compliance with such requirements, the New Company shall be deemed to be named in these presents, the Bonds, the Coupons and the other Transaction Documents as the principal debtor in place of the Issuer (or in place of the previous substitute under this Clause) under these presents, the Bonds, the Coupons and the other Transaction Documents and these presents, the Bonds, the Coupons and the other Transaction Documents shall be deemed to be modified in such manner as shall be necessary to give effect to the above provisions and, without limitation, references in these presents, the Bonds, the Coupons and the other Transaction Documents to the Issuer shall, unless the context otherwise requires, be deemed to be or include references to the New Company

37. CURRENCY INDEMNITY

Each of the Issuer and the Guarantor shall severally indemnify the Trustee, every Appointee, the Bondholders and the Couponholders and keep them indemnified against

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

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

38. NEW TRUSTEE AND SEPARATE AND CO-TRUSTEES

- 38.1** The power to appoint a new trustee of these presents shall, subject as hereinafter provided, be vested in the Issuer but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution or by the Bondholder Representative (if any) One or more persons may hold office as trustee or trustees of these presents but such trustee or trustees shall be or include a Trust Corporation Whenever there shall be more than two trustees of these presents the majority of such trustees shall be competent to execute and exercise all the duties, powers, trusts, authorities and discretions vested in the Trustee by these presents provided that a Trust Corporation shall be included in such majority Any appointment of a new trustee of these presents shall as soon as practicable thereafter be notified by the Issuer to the Guarantor, the Charging Subsidiaries, the Principal Paying Agent and the Bondholders

38.2 Notwithstanding the provisions of subclause 38.1 above, the Trustee may, upon giving prior notice to the Issuer, the Guarantor and each Charging Subsidiary (but without the consent of the Issuer, the Guarantor, the Charging Subsidiaries, the Bondholders or the Couponholders or any Secured Party), appoint any person established or resident in any jurisdiction (whether a Trust Corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Trustee

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

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

39. TRUSTEE'S RETIREMENT AND REMOVAL

A trustee of these presents may retire at any time on giving not less than 90 days' prior written notice to the Issuer and the Guarantor without giving any reason and without being responsible for any Liabilities incurred by reason of such retirement. The Bondholder Representative (if any), or the Bondholders by Extraordinary Resolution, may remove any trustee or trustees for the time being of these presents. The Issuer and the Guarantor each undertakes that in the event of the only trustee of these presents which is a Trust Corporation (for the avoidance of doubt, disregarding for this purpose any separate or co-trustee appointed under subclause 38.2) giving notice under this Clause or being removed by Extraordinary Resolution or upon the direction of the Bondholder Representative (if any) it will use its best endeavours to procure that a new trustee of these presents being a Trust Corporation is appointed as soon as reasonably practicable thereafter. The retirement or removal of any such trustee shall not become effective until a successor trustee being a Trust Corporation is appointed. If, in such circumstances, no appointment of such a new trustee has become effective within 90 days of the date of such notice or Extraordinary Resolution, the Trustee shall be entitled to appoint a Trust Corporation as trustee of these presents, but no such appointment shall take effect unless previously approved by an Extraordinary Resolution.

40. TRUSTEE'S POWERS TO BE ADDITIONAL

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

41. NOTICES

Any notice or demand to the Issuer, the Guarantor, the Charging Subsidiaries or the Trustee to be given, made or served for any purposes under these presents shall be given, made or served by sending the same by post, delivering it by hand, facsimile transmission or email as follows:

- (a) in the case of the Issuer, to

PHP Bond Finance plc
Ground Floor, Ryder Court
14 Ryder Street
London SW1Y 6QB
Facsimile [REDACTED]
Email [REDACTED]
For the attention of Phil Holland

- (b) in the case of the Guarantor, to

Primary Health Properties PLC
Ground Floor, Ryder Court
14 Ryder Street
London SW1Y 6QB
Facsimile [REDACTED]
Email [REDACTED]
For the attention of Phil Holland

[REDACTED UNDER
S. 859 G OF THE
COMPANIES ACT
2006]

- (c) in the case of each Original Charging Subsidiary, to

Ground Floor, Ryder Court
14 Ryder Street
London SW1Y 6QB
Facsimile [REDACTED]
Email [REDACTED]
For the attention of Phil Holland

- (d) in the case of the Trustee, to

U S Bank Trustees Limited

125 Old Broad Street
London EC2N 1AR
Facsimile [REDACTED]
Email [REDACTED]
For the attention of Structured Finance Relationship Management

- (e) in the case of any Additional Charging Subsidiary, to the address, facsimile number or email address for the attention of such person or entity as specified in the relevant Supplemental Trust Deed,

or to such other address, facsimile number or email address as shall have been notified (in accordance with this Clause) to the other parties hereto and (i) any notice or demand sent by post as aforesaid shall be deemed to have been given three Business Days after being deposited in the post, first class postage prepaid, in a correctly addressed envelope, (ii) any notice or demand sent by facsimile transmission as aforesaid shall be deemed to have been given when received in legible form and (iii) any notice or demand sent by email as aforesaid shall be deemed to have been given when sent, and such notice or demand by facsimile transmission or by email shall forthwith be confirmed by post. The failure of the addressee to receive such confirmation shall not invalidate the relevant notice or demand given by facsimile transmission or by email. A communication given pursuant to this Clause but received on a non-Business Day or after business hours in the place of receipt will only be deemed to be given on the next Business Day in that place.

42. GOVERNING LAW

These presents, and any non-contractual obligations or matters arising from or connected with them, are governed by, and shall be construed in accordance with, English law

43. SUBMISSION TO JURISDICTION

The Issuer, the Guarantor and each Charging Subsidiary each irrevocably agrees for the benefit of the Trustee, the Bondholders and the Couponholders 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 (including a dispute relating to any non-contractual obligations arising out of or in connection with these presents) and accordingly submit to the exclusive jurisdiction of the English courts. The Issuer, the Guarantor and each Charging Subsidiary each waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee, the Bondholders and the Couponholders may take any suit, action or proceeding arising out of or in connection with these presents (including any suit, action or proceedings relating to any non-contractual obligations arising out of or in connection with these presents) (together referred to as **Proceedings**) against the Issuer, the Guarantor or any Charging Subsidiary in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions, provided that the Trustee, the Bondholders and the Couponholders shall only be entitled to take Proceedings in courts other than the courts of England to the extent necessary or desirable (in the opinion of such party) in connection with any relevant companies or assets which are located outside England

44. COUNTERPARTS

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

45. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to these presents has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these presents, but this does not affect any right or remedy of a third party which exists or is available apart from that Act

IN WITNESS whereof this Trust Deed has been executed as a deed by the Issuer, the Guarantor, the Original Charging Subsidiaries and the Trustee and delivered on the date first stated on page 1

SCHEDULE 1

THE ORIGINAL CHARGING SUBSIDIARIES

- 1 PHP Healthcare Investments Limited, a private limited company incorporated in England and Wales (with registered number 7289496) with its registered office at Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB
- 2 PHIP (Stourbridge) Limited, a private limited company incorporated in England and Wales (with registered number 8155250) with its registered office at Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB
- 3 PHP St Johns Limited, a private limited company incorporated in England and Wales (with registered number 8192779) with its registered office at Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB
- 4 PHP Clinics Limited, a private limited company incorporated in England and Wales (with registered number 8188277) with its registered office at Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB
- 5 PHP (Project Finance) Limited, a private limited company incorporated in England and Wales (with registered number 8188279) with its registered office at Ground Floor, Ryder Court, 14 Ryder Street, London SW1Y 6QB

SCHEDULE 2

FORM OF GLOBAL BONDS

PART 1

FORM OF TEMPORARY GLOBAL BOND

PHP BOND FINANCE PLC

*(incorporated in England with limited liability under
the Companies Act 2006 with registered number 8684414)*

TEMPORARY GLOBAL BOND

representing

£70,000,000 FLOATING RATE GUARANTEED SECURED BONDS DUE 2025

ISIN: XS0986853082

unconditionally and irrevocably guaranteed
as to payment of principal and interest by

PRIMARY HEALTH PROPERTIES PLC

*(incorporated in England with limited liability under
the Companies Act 2006 with registered number 3033634)*

This Bond is a temporary Global Bond without interest coupons in respect of a duly authorised issue of Bonds of PHP Bond Finance plc (the **Issuer**), designated as specified in the title hereof (the **Bonds**), limited to the aggregate nominal amount of seventy million pounds Sterling (£70,000,000)

The Bonds are to be paid up in two instalments as follows

- (a) £857 14 for each £1,000 in nominal amount of the Bonds (the **Initial Instalment**) due on the Issue Date (as defined in the Conditions), and
- (b) £142 86 for each £1,000 in nominal amount of the Bonds (the **Final Instalment**) due on the Interest Payment Date falling in June 2014 (the **Final Instalment Payment Date**)

The Bonds are constituted by a Trust Deed dated 4th November, 2013 (the **Trust Deed**) between the Issuer, Primary Health Properties PLC as guarantor (the **Guarantor**), the Original Charging Subsidiaries (as defined therein) and U S Bank Trustees Limited as trustee (the trustee for the time being thereof being herein called the **Trustee**) References herein to the Conditions (or to any particular numbered Condition) shall be to the Conditions (or that particular one of them) set out in Part 2 of Schedule 3 to the Trust Deed Terms and expressions defined in the Trust Deed and the Conditions shall bear the same meanings when used herein, unless the context otherwise requires

1. Nominal Amount and Outstanding Principal Amount

The nominal amount and the Outstanding Principal Amount (as defined in the Conditions) of Bonds represented by this temporary Global Bond shall be the aggregate nominal amount and the aggregate Outstanding Principal Amount from time to time entered in the records of both Euroclear Bank S A /N V (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg** and, together with Euroclear, the **relevant Clearing Systems**) The records of the relevant Clearing

Systems (which expression in this temporary Global Bond means the records that each relevant Clearing System holds for its customers which reflect the amount of each such customer's interest in the Bonds) shall be conclusive evidence of the nominal amount and the Outstanding Principal Amount of Bonds represented by this temporary Global Bond and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the nominal amount and Outstanding Principal Amount of Bonds represented by this temporary Global Bond at any time shall be conclusive evidence of the records of the relevant Clearing System at that time

On any redemption of, or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Bonds represented by this temporary Global Bond the Issuer shall procure that details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered *pro rata* in the records of the relevant Clearing Systems, and, upon any such entry being made, the nominal amount and the Outstanding Principal Amount of the Bonds recorded in the records of the relevant Clearing Systems and represented by this temporary Global Bond shall be reduced by the aggregate nominal amount and the Outstanding Principal Amount, respectively, of the Bonds so redeemed or purchased and cancelled or by the aggregate amount of such instalment so paid

2. Promise to pay

Subject as provided in this temporary Global Bond the Issuer promises to pay to the bearer the Outstanding Principal Amount of this temporary Global Bond (being at the date hereof seventy million pounds Sterling (£70,000,000)) on the Interest Payment Date (as defined in the Conditions) falling in December 2025 (or on such earlier date as the said Outstanding Principal Amount or part respectively may become repayable in accordance with the Conditions or the Trust Deed) and (subject to the Conditions) to pay interest six-monthly in arrear on each Interest Payment Date on the Outstanding Principal Amount from time to time of this temporary Global Bond at the rate determined from time to time in accordance with the Conditions, together with such other amounts (if any) as may be payable, all subject to and in accordance with the Conditions and the provisions of the Trust Deed

3. Exchange for Permanent Global Bond and purchases

This temporary Global Bond is exchangeable in whole or in part upon the request of the bearer for a further global bond in respect of up to £70,000,000 aggregate nominal amount of the Bonds (the **Permanent Global Bond**) only on and subject to the terms and conditions set out below

On and after the date (the **Exchange Date**) which is 40 days after this temporary Global Bond is issued, interests in this temporary Global Bond may be exchanged in whole or in part at the specified office of the Principal Paying Agent (or such other place as the Trustee may agree) for the Permanent Global Bond and the Issuer shall procure that the Principal Paying Agent shall issue and deliver, in full or partial exchange for this temporary Global Bond, the Permanent Global Bond (or, as the case may be, endorse the Permanent Global Bond) in an aggregate nominal amount equal to the nominal amount of this temporary Global Bond submitted for exchange provided that if definitive Bonds (together with the Coupons appertaining thereto) have already been issued in exchange for all the Bonds represented for the time being by the Permanent Global Bond, then this temporary Global Bond may thereafter be exchanged only for definitive Bonds (together with the Coupons appertaining thereto) and in such circumstances references herein to the Permanent Global Bond shall be construed accordingly and provided further that the Permanent Global Bond shall be issued and delivered (or, as the case may be, endorsed) only if and to the extent that there shall have been presented to the Issuer a certificate from Euroclear or from Clearstream, Luxembourg to the effect that it has received from or in respect of a person entitled to a particular nominal amount of

the Bonds (as shown by its records) a certificate of non-US beneficial ownership in the form required by it

Any person who would, but for the provisions of this temporary Global Bond, the Permanent Global Bond and the Trust Deed, otherwise be entitled to receive a definitive Bond or definitive Bonds shall only be entitled to require the exchange of an appropriate part of this temporary Global Bond for a like part of the Permanent Global Bond if and to the extent that there shall have been presented to the Issuer a certificate from Euroclear or from Clearstream, Luxembourg to the effect that it has received from or in respect of a person entitled to a particular nominal amount or Outstanding Principal Amount of the Bonds (as shown by its records) a certificate of non-US beneficial ownership in the form required by it

Upon (a) any exchange of a part of this temporary Global Bond for a like part of the Permanent Global Bond or (b) the purchase by or on behalf of the Issuer, the Guarantor, any Charging Subsidiary or any other member of the PHP Group (as defined in the Conditions) and cancellation of a part of this temporary Global Bond in accordance with the Conditions, as the case may be, the Issuer shall procure that the portion of the nominal amount and Outstanding Principal Amount hereof so exchanged shall be entered *pro rata* in the records of the relevant Clearing Systems, and, upon any such entry being made, the nominal amount and the Outstanding Principal Amount of the Bonds represented by this temporary Global Bond shall be reduced by the aggregate nominal amount and the aggregate Outstanding Principal Amount, respectively, of this temporary Global Bond so exchanged or cancelled

4. Payments

Until the entire Outstanding Principal Amount of this temporary Global Bond has been extinguished, this temporary Global Bond shall (subject as herein and in the Trust Deed provided) in all respects be entitled to the same benefits as the definitive Bonds for the time being represented hereby and shall be entitled to the benefit of and be bound by the Trust Deed, except that the holder of this temporary Global Bond shall not (unless upon due presentation of this temporary Global Bond for exchange, issue and delivery of the Permanent Global Bond or the recording of interests in the Permanent Global Bond in the records of the relevant Clearing Systems is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled (a) to receive any payment of interest on this temporary Global Bond except (subject to (b) below) upon certification as to non-US beneficial ownership in the form required by Euroclear and/or Clearstream, as the case may be, or (b) on and after the Exchange Date, to receive any payment on this temporary Global Bond

Upon any payment in respect of this temporary Global Bond the Principal Paying Agent shall, on behalf of the Issuer, instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such payment

All payments of any amounts payable and paid to the bearer of this temporary Global Bond shall be valid and, to the extent of the sums so paid, effectual to satisfy and discharge the liability for the moneys payable hereon, on the Permanent Global Bond and on the relevant definitive Bonds and Coupons

5 Accountholders

For so long as all of the Bonds are represented by one or both of the Permanent Global Bond and this temporary Global Bond and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount or Outstanding Principal Amount of such Bonds (each an

Accountholder) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount or Outstanding Principal Amount of such Bonds standing to the account of any person shall, in the absence of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of such nominal amount or Outstanding Principal Amount of such Bonds for all purposes (including, but not limited to, for the purposes of any quorum requirements of, or right to demand a poll at, meetings of the Bondholders and giving notice to the Issuer pursuant to Condition 11 4 (*Redemption at the Option of the Bondholders*) other than with respect to the payment of principal, premium and interest on such Bonds, the right to which shall be vested, as against the Issuer, the Guarantor and the Trustee, solely in the bearer of the relevant Global Bond in accordance with and subject to its terms and the terms of the Trust Deed. Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the bearer of the relevant Global Bond

6. Failure to pay the Final Instalment

If an Accountholder fails to pay the Final Instalment in respect of the Bonds held by it in full on the Final Instalment Payment Date, such failure will result in such Accountholder's position in respect of its Bonds being blocked in accordance with the procedures of Euroclear or Clearstream, Luxembourg, as the case may be, until such Final Instalment is paid in full, and/or further notice from the Issuer, which will result in such Accountholder being unable to trade its Bonds

The Issuer may at any time, in respect of any amounts of the Final Instalment which are due and unpaid, elect to forfeit all or any of the Bonds in respect of which such amount has not been duly paid. Upon such forfeiture, the Issuer shall be entitled to retain any amounts(s) paid to it under such Bonds and shall be discharged from any obligation to repay such amount(s) or to pay interest in respect of the Bonds so forfeited, but shall have no other rights against Accountholders whose Bonds have been so forfeited

Upon such forfeiture, the Issuer shall procure that details of such forfeiture shall be entered *pro rata* in the records of the relevant Clearing Systems, and, upon any such entry being made, any forfeited Bonds shall be cancelled and the aggregate nominal amount and the aggregate Outstanding Principal Amount of the Bonds represented by this temporary Global Bond shall be reduced by such forfeited amounts

7. Notices

For so long as all of the Bonds are represented by one or both of the Permanent Global Bond and this temporary Global Bond and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Bondholders (which includes, for this purpose, any annual financial statements, interim financial statements, management accounts, Compliance Certificate or Auditor's confirmation required to be made available pursuant to a request by any of the Bondholders pursuant to Condition 7 6 (*Information Covenant*)) may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant Accountholders rather than by publication as required by Condition 16 (*Notices*) provided that, so long as the Bonds are admitted to the official list maintained by the Financial Conduct Authority (the FCA) and admitted to trading on the London Stock Exchange plc's regulated market for listed securities, all requirements of the FCA have been complied with or, so long as the Bonds are listed on any other recognised stock exchange (as defined in section 1005 of the Income Tax Act 2007) in the European Union, all requirements of such recognised stock exchange have been complied with. Any such notice shall be deemed to have been given to the Bondholders on the day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid

Whilst any Bonds held by a Bondholder are represented by one or both of the Permanent Global Bond and this temporary Global Bond and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to be given by such Bondholder may be given by such Bondholder to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such a manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose

8. Put Option

For so long as all of the Bonds are represented by one or both of the Permanent Global Bond and this temporary Global Bond and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, the option of the Bondholders provided for in Condition 11.4 (*Redemption at the option of Bondholders*) may be exercised by an Accountholder giving notice to the Principal Paying Agent in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instructions by Euroclear or Clearstream, Luxembourg or any common safekeeper for them to the Principal Paying Agent by electronic means) of the Outstanding Principal Amount and the nominal amount of the Bonds in respect of which such option is exercised and at the same time presenting or procuring the presentation of the relevant Global Bond to the Principal Paying Agent for notation accordingly within the time limits set forth in that Condition

9. Prescription

Claims against the Issuer and the Guarantor in respect of principal, premium and interest on the Bonds represented by the Permanent Global Bond or this temporary Global Bond will be prescribed after ten years (in the case of principal or premium) and five years (in the case of interest) from the Relevant Date

10. Authentication and Effectuation

This temporary Global Bond shall not be or become valid or obligatory for any purpose unless and until authenticated by or on behalf of the Principal Paying Agent and effectuated by the entity appointed as common safekeeper

11. Governing law

This temporary Global Bond and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, the laws of England and the Issuer has in the Bond Trust Deed submitted to the jurisdiction of the courts of England for all purposes in connection with this temporary Global Bond

12. Contracts (Rights of Third Parties) Act 1999

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

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

PHP Bond Finance plc

By

(Duly authorised)

Issued in London, England on 4th November, 2013

Certificate of authentication

This temporary Global Bond is duly authenticated
without recourse, warranty or liability

Duly authorised
for and on behalf of
Elavon Financial Services Limited
as Principal Paying Agent

Effectuated without recourse,
warranty or liability by

Clearstream Banking, *société anonyme*
as Common Safekeeper

By

PART 2

FORM OF PERMANENT GLOBAL BOND

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

PHP BOND FINANCE PLC

(incorporated in England with limited liability under the Companies Act 2006 with registration number 8684414)

PERMANENT GLOBAL BOND

representing up to

£70,000,000 Floating Rate Guaranteed Secured Bonds due 2025

ISIN: XS0986853082

Unconditionally and irrevocably guaranteed
as to payment of principal, premium (if any) and interest by

PRIMARY HEALTH PROPERTIES PLC

(incorporated in England with limited liability under the Companies Act 1985 with registered number 3033634)

This Bond is a permanent Global Bond without interest coupons in respect of a duly authorised issue of Bonds of PHP Bond Finance plc (the **Issuer**), designated as specified in the title hereof (the **Bonds**), limited to the aggregate nominal amount of seventy million pounds Sterling (£70,000,000)

The Bonds are to be paid up in two instalments as follows

- (a) £857 14 for each £1,000 in nominal amount of the Bonds (the **Initial Instalment**) due on the Issue Date (as defined in the Conditions), and
- (b) £142 86 for each £1,000 in nominal amount of the Bonds (the **Final Instalment**) due on the Interest Payment Date falling in June 2014 (the **Final Instalment Payment Date**)

The Bonds are constituted by a Trust Deed dated 4th November, 2013 (the **Trust Deed**) between the Issuer, Primary Health Properties PLC as guarantor (the **Guarantor**), the Original Charging Subsidiaries (as defined therein) and U S Bank Trustees Limited as trustee (the trustee for the time being thereof being herein called the **Trustee**) References herein to the Conditions (or to any particular numbered Condition) shall be to the Conditions (or that particular one of them) set out in Part 2 of Schedule 3 to the Trust Deed Terms and expressions defined in the Trust Deed and the Conditions shall bear the same meanings when used herein, unless the context otherwise requires

1. Nominal Amount and Outstanding Principal Amount

The nominal amount and the Outstanding Principal Amount (as defined in the Conditions) of Bonds represented by this permanent Global Bond shall be the aggregate nominal amount and Outstanding Principal Amount from time to time entered in the records of both Euroclear Bank S A /N V (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg** and, together

with Euroclear, the **relevant Clearing Systems**) The records of the relevant Clearing Systems (which expression in this permanent Global Bond means the records that each relevant Clearing System holds for its customers which reflect the amount of each such customer's interest in the Bonds) shall be conclusive evidence of the nominal amount and the Outstanding Principal Amount of Bonds represented by this permanent Global Bond and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the nominal amount and the Outstanding Principal Amount of Bonds represented by this permanent Global Bond at any time shall be conclusive evidence of the records of the relevant Clearing System at that time

On any redemption of, or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Bonds represented by this permanent Global Bond the Issuer shall procure that details of such redemption, payment or purchase and cancellation (as the case may be) shall be entered *pro rata* in the records of the relevant Clearing Systems, and, upon any such entry being made, the nominal amount and the Outstanding Principal Amount of the Bonds recorded in the records of the relevant Clearing Systems and represented by this permanent Global Bond shall be reduced by the aggregate nominal amount and the Outstanding Principal Amount of the Bonds so redeemed or purchased and cancelled or by the aggregate amount of such instalment so paid

2. Promise to pay

Subject as provided in this permanent Global Bond the Issuer promises to pay to the bearer the Outstanding Principal Amount of this permanent Global Bond on the Interest Payment Date (as defined in the Conditions) falling in December 2025 (or on such earlier date as the said Outstanding Principal Amount or part respectively may become repayable in accordance with the Conditions or the Trust Deed) and (subject to the Conditions) to pay interest six-monthly in arrear on each Interest Payment Date on the Outstanding Principal Amount from time to time of this permanent Global Bond at rates determined from time to time in accordance with the Conditions together with such other amounts (if any) as may be payable, all subject to and in accordance with the Conditions and the provisions of the Trust Deed

3. Exchange for definitive Bonds and purchases

This permanent Global Bond will be exchangeable in whole but not in part (free of charge to the holder) for definitive Bonds only (a) if an Event of Default (as defined in Condition 14 (*Events of Default and Enforcement*)) has occurred and is continuing (b) if both Euroclear and Clearstream Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or do in fact do so and no successor clearing system satisfactory to the Trustee is available, or (c) if the Issuer has or would become subject to adverse tax consequences which will not be suffered were the Bonds in definitive form and a certificate to such effect signed by two directors of the Issuer is given to the Trustee Thereupon (in the case of (a) and (b) above) the holder of this permanent Global Bond (acting on the instructions of (an) Accountholder(s) (as defined below)) may give notice to the Issuer, and (in the case of (c) above) the Issuer may give notice to the Trustee and the Bondholders, of its intention to exchange this permanent Global Bond for definitive Bonds on or after the Exchange Date (as defined below)

On or after the Exchange Date the holder of this permanent Global Bond may or, in the case of (c) above, shall surrender this permanent Global Bond to or to the order of the Principal Paying Agent In exchange for this permanent Global Bond the Issuer will deliver, or procure the delivery of, definitive Bonds in bearer form, serially numbered, in the denominations of £200,000 and integral multiples of £1,000 in excess thereof up to and including £399,000 each with interest coupons and one talon (**Coupons**) attached on issue in respect of interest which has not already been paid on this permanent Global Bond (in exchange for the whole of this permanent Global Bond)

Exchange Date means a day specified in the notice requiring exchange falling not later than 45 days after that on which such notice is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located and (except in the case of (b) above) in the city in which the relevant clearing system is located

Upon (a) any exchange of a part of the Temporary Global Bond for a part of this permanent Global Bond or (b) the purchase by or on behalf of the Issuer, the Guarantor, any Charging Subsidiary or any other member of the PHP Group (as defined in the Conditions) and cancellation of a part of this permanent Global Bond in accordance with the Conditions, as the case may be, the Issuer shall procure that the portion of the nominal amount and the Outstanding Principal Amount hereof so exchanged or cancelled shall be entered pro rata in the records of the relevant Clearing Systems, and, upon any such entry being made, the nominal amount and the Outstanding Principal Amount of the Bonds represented by this permanent Global Bond shall be increased or, as the case may be, reduced by the aggregate nominal amount and Outstanding Principal Amount of this permanent Global Bond so exchanged or cancelled

Upon the exchange of the whole of this permanent Global Bond for definitive Bonds this permanent Global Bond shall be surrendered to or to the order of the Principal Paying Agent and cancelled and, if the holder of this permanent Global Bond requests, returned to it together with any relevant definitive Bonds

4. Payments

Until the entire Outstanding Principal Amount of this permanent Global Bond has been extinguished, this permanent Global Bond shall (subject as hereinafter and in the Trust Deed provided) in all respects be entitled to the same benefits as the definitive Bonds and shall be entitled to the benefit of and be bound by the Trust Deed. Payments of principal, premium and interest in respect of Bonds represented by this permanent Global Bond will be made against presentation and, if no further payment falls to be made in respect of the Bonds, surrender of this permanent Global Bond to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Bondholders for such purposes. Upon any payment in respect of this permanent Global Bond the Principal Paying Agent shall, on behalf of the Issuer, instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such payments

All payments of any amounts payable and paid to the bearer of this permanent Global Bond shall be valid and, to the extent of the sums so paid, effectual to satisfy and discharge the liability for the moneys payable hereon and on the relevant definitive Bonds and Coupons

5 Accountholders

For so long as all of the Bonds are represented by one or both of the Temporary Global Bond and this permanent Global Bond and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount or Outstanding Principal Amount of such Bonds (each an **Accountholder**) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount or Outstanding Principal Amount of such Bonds standing to the account of any person shall, in the absence of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of such nominal amount or Outstanding Principal Amount of such Bonds for all purposes (including, but not limited to, for the purposes of any quorum requirements of, or right to demand a poll at, meetings of the Bondholders and giving notice to the Issuer pursuant to Condition 11.4 (*Redemption at the Option of the Bondholders*) other than with respect to the payment of principal, premium and interest on such Bonds, the right to which shall be vested, as against the Issuer, the Guarantor and the Trustee, solely in the bearer of the

relevant Global Bond in accordance with and subject to its terms and the terms of the Trust Deed Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the bearer of the relevant Global Bond

6 Failure to pay the Final Instalment

If an Accountholder fails to pay the Final Instalment in respect of the Bonds held by it in full on the Final Instalment Payment Date, such failure will result in such Accountholder's position in respect of its Bonds being blocked in accordance with the procedures of Euroclear or Clearstream, Luxembourg, as the case may be, until such Final Instalment is paid in full, and/or further notice from the Issuer, which will result in such Accountholder being unable to trade its Bonds

The Issuer may at any time, in respect of any amounts of the Final Instalment which are due and unpaid, elect to forfeit all or any of the Bonds in respect of which such amount has not been duly paid Upon such forfeiture, the Issuer shall be entitled to retain any amount(s) paid to it under such Bonds and shall be discharged from any obligation to repay such amount(s) or to pay interest in respect of the Bonds so forfeited, but shall have no other rights against Accountholders whose Bonds have been so forfeited

Upon such forfeiture, the Issuer shall procure that details of such forfeiture shall be entered *pro rata* in the records of the relevant Clearing Systems, and, upon any such entry being made, any forfeited Bonds shall be cancelled and the aggregate nominal amount and the aggregate Outstanding Principal Amount of the Bonds represented by this permanent Global Bond shall be reduced by such forfeited amounts

7. Notices

For so long as all of the Bonds are represented by one or both of the Temporary Global Bond and this permanent Global Bond and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Bondholders (which includes, for this purpose, any annual financial statements, interim financial statements, management accounts, Compliance Certificate or Auditor's confirmation required to be made available pursuant to a request by any of the Bondholders pursuant to Condition 7.6 (*Information Covenant*)) may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant Accountholders rather than by publication as required by Condition 16 (*Notices*) provided that, so long as the Bonds are admitted to the official list maintained by the Financial Conduct Authority (the **FCA**) and admitted to trading on the London Stock Exchange plc's regulated market for listed securities, all requirements of the FCA have been complied with or, for long as the Bonds are listed on any other recognised stock exchange (as defined in section 1005 of the Income Tax Act 2007) in the European Union, all requirements of such recognised stock exchange have been complied with Any such notice shall be deemed to have been given to the Bondholders on the day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid

Whilst any Bonds held by a Bondholder are represented by one or both of the Temporary Global Bond and this permanent Global Bond and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to be given by such Bondholder may be given by such Bondholder to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such a manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose

8. Put Option

For so long as all of the Bonds are represented by one or both of Temporary Global Bond and this permanent Global Bond and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, the option of the Bondholders provided for in Condition 11.4 (*Redemption at the option of Bondholders*) may be exercised by an Accountholder giving notice to the Principal Paying Agent in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instructions by Euroclear or Clearstream, Luxembourg or any common safekeeper for them to the Principal Paying Agent by electronic means) of the Outstanding Principal Amount and the nominal amount of the Bonds in respect of which such option is exercised and at the same time presenting or procuring the presentation of the relevant Global Bond to the Principal Paying Agent for notation accordingly within the time limits set forth in that Condition

9. Prescription

Claims against the Issuer and the Guarantor in respect of principal, premium and interest on the Bonds represented by the Temporary Global Bond or this permanent Global Bond will be prescribed after ten years (in the case of principal or premium) and five years (in the case of interest) from the Relevant Date

10. Authentication and Effectuation

This permanent Global Bond shall not be or become valid or obligatory for any purpose unless and until authenticated by or on behalf of the Principal Paying Agent and effectuated by the entity appointed as common safekeeper

11. Governing law

This permanent Global Bond and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, the laws of England and the Issuer has in the Trust Deed submitted to the jurisdiction of the courts for England for all purposes in connection with this permanent Global Bond

12. Contracts (Rights of Third Parties) Act 1999

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

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

PHP Bond Finance plc

By
(Duly authorised)

Issued in London, England on 4th November, 2013

Certificate of authentication

This permanent Global Bond is duly authenticated
without recourse, warranty or liability

Duly authorised
for and on behalf of
Elavon Financial Services Limited
as Principal Paying Agent

Effectuated without recourse,
warranty or liability by
Clearstream Banking, *société anonyme*
as Common Safekeeper

By

SCHEDULE 3

FORM OF DEFINITIVE BOND, COUPON AND TALON

PART 1

FORM OF DEFINITIVE BOND

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

[●]

XS0986853082

[Serial No]

PHP BOND FINANCE PLC

*(incorporated in England with limited liability under
the Companies Act 2006 with registration number 8684414)*

£70,000,000 FLOATING RATE GUARANTEED SECURED BONDS DUE 2025

Unconditionally and irrevocably guaranteed
as to payment of principal, premium (if any) and interest by

PRIMARY HEALTH PROPERTIES PLC

*(Incorporated in England with limited liability under
the Companies Act 1985 with registered number 3033634)*

The issue of the Bonds was authorised by a resolution of the board of directors of PHP Bond Finance plc (the **Issuer**) passed on 1st November, 2013 and the giving of the guarantee in respect of the Bonds was authorised by a resolution of the board of directors of Primary Health Properties PLC (the **Guarantor**) passed on 1st November, 2013

This Bond forms one of a series of Bonds constituted by a Trust Deed (the **Trust Deed**) dated 4th November, 2013 made between the Issuer, the Guarantor, the Original Charging Subsidiaries (as defined therein) and U S Bank Trustees Limited as trustee for the holders of the Bonds and issued as Bonds in bearer form in the denominations of £200,000 and integral multiples of £1,000 in excess thereof up to and including £399,000 each with Coupons and one talon attached in an aggregate nominal amount of £70,000,000

The Issuer for value received and subject to and in accordance with the Conditions (the **Conditions**) endorsed hereon hereby promises to pay to the bearer on the Interest Payment Date (as defined in the Conditions) falling in December 2025 (or on such earlier date as the principal sum hereunder mentioned may become repayable in accordance with the Conditions) the principal sum of

£[●] ([●] thousand pounds Sterling)

together with interest on the said principal sum at rates determined in accordance with the said Conditions payable six-monthly in arrear on each Interest Payment Date and together with such other amounts (if any) as may be payable, all subject to and in accordance with the Conditions and the provisions of the Trust Deed

Neither this Bond nor the Coupons appertaining hereto shall be or become valid or obligatory for any purpose unless and until this Bond has been authenticated by or on behalf of the Principal Paying Agent.

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

PHP Bond Finance plc

By
Director

By
Director

Dated as of 4th November, 2013

Issued in London, England

Certificate of authentication

This Bond is duly authenticated
without recourse, warranty or liability

Duly authorised
for and on behalf of
Elavon Financial Services Limited
as Principal Paying Agent

[In the event that any Definitive Bond is required to be issued prior to the Final Instalment Payment Date or otherwise in respect of any Bond the Final Instalment in respect of which has not been paid, the Definitive Bond to be issued shall be endorsed with a note of the same and any adjustments to the Conditions which the Issuer and the Trustee agree to be necessary in respect thereof]

FORM OF COUPON

On the front

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

PHP BOND FINANCE PLC

£70,000,000 Floating Rate Guaranteed Secured Bonds due 2025

Coupon appertaining to a Bond in the denomination of £[●]

Coupon for the amount due in
accordance with the
Conditions of the said Bonds
on the Interest Payment Date
falling in [●], [20●]

This Coupon is payable to bearer subject to such Conditions, under which it may become void before its due date

[No]

[]

XS0986853082

[Serial No]

On the back

PRINCIPAL PAYING AGENT

Elavon Financial Services Limited
Fifth Floor
125 Old Broad Street
London EC2N 1AR

FORM OF TALON

On the front

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

PHP BOND FINANCE PLC

£70,000,000 Floating Rate Guaranteed Secured Bonds due 2025

Talon appertaining to a Bond in the denomination of £[●]

On and after [●], 20[●] [●] further Coupons and a further Talon will be issued at the specified office of any of the Paying Agents set out on the reverse hereof (and/or any other or further Paying Agents and/or specified offices as may from time to time be duly appointed and notified to the Bondholders) upon production and surrender of this Talon

This Talon may, in certain circumstances, become void under the Conditions of the said Bonds

[No]

[]

XS0986853082

[Serial No]

On the back

PRINCIPAL PAYING AGENT

Elavon Financial Services Limited
Fifth Floor
125 Old Broad Street
London EC2N 1AR

PART 2

CONDITIONS OF THE BONDS

The £70,000,000 Floating Rate Guaranteed Secured Bonds due 2025 (the **Bonds**, which expression shall in these Conditions, unless the context otherwise requires, include any further bonds issued pursuant to Condition 20 (*Further Issues*) and forming a single series with the Bonds) of PHP Bond Finance plc (the **Issuer**) are constituted by a Trust Deed dated 4th November, 2013 (as modified and/or amended and/or supplemented and/or restated from time to time, the **Trust Deed**) made between the Issuer, Primary Health Properties PLC (the **Guarantor**) as guarantor, the Original Charging Subsidiaries (as defined below) and U S Bank Trustees Limited (the **Trustee**, which expression shall include its successor(s)) as trustee for the holders of the Bonds (the **Bondholders**) and the holders of the interest coupons appertaining to the Bonds (the **Couponholders** and the **Coupons** respectively, which expressions shall, unless the context otherwise requires, include the talons for further interest coupons (the **Talons**) and the holders of the Talons)

The Bonds have the benefit of an Agency Agreement dated 4th November, 2013 (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) made between the Issuer, the Guarantor, the Trustee, Elavon Financial Services Limited as principal paying agent (the **Principal Paying Agent**, which expression shall include any successor agent), the other paying agents named therein (together with the Principal Paying Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents) and Elavon Financial Services Limited (in such capacity the **Agent Bank**, which expression shall include any duly appointed successor agent bank)

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours by the Bondholders and the Couponholders at the registered office for the time being of the Trustee, being at the date of issue of the Bonds at Fifth Floor, 125 Old Broad Street, London EC2N 1AR, and at the specified office of each of the Paying Agents, in each case, with reasonable notice to the Trustee or such Paying Agent, as the case may be. The Bondholders and the Couponholders are deemed to have notice of, and are bound by and entitled to the benefit of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed.

1. DEFINITIONS

Words and expressions defined in the Trust Deed or the Agency Agreement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated.

In these Conditions

Account Agreement means the Account Agreement dated 4th November, 2013 and made between the Issuer, the Original Charging Subsidiaries, the Trustee and the Account Bank, as amended and/or supplemented and/or restated from time to time,

Account Bank means Elavon Financial Services Limited as account bank under the Account Agreement and any successor account bank appointed thereunder,

Additional Charging Subsidiary means any subsidiary of the Issuer which creates security in favour of the Trustee for the benefit of itself, the Bondholders, the Couponholders and the other Secured Parties pursuant to, and in accordance with, the Trust Deed,

Additional Property Conditions Precedent means the documents listed in Schedule 10 (*Additional Property Conditions Precedent*) to the Trust Deed,

Annual Aggregate Bond Interest Amount means

- (a) in respect of the Issue Date, the aggregate amount of interest to be payable on the Bonds for the 12 month period ending immediately following the Issue Date, calculated in accordance with Condition 9 4 (*Determination of Rate of Interest and Interest Amount*) but assuming for this purpose that the Rate of Interest for such 12 month period shall be the Rate of Interest calculated in accordance with Condition 9 3 (*Rate of Interest*) on the Interest Determination Date falling on the Issue Date,
- (b) in respect of any Mortgaged Properties Adjustment Date, the aggregate amount of interest to be payable on the Bonds for the two Interest Periods ending immediately following such Mortgaged Properties Adjustment Date, calculated in accordance with Condition 9 4 (*Determination of Rate of Interest and Interest Amount*) but assuming for this purpose that
 - (i) the Rate of Interest for both Interest Periods shall be the Rate of Interest calculated in accordance with Condition 9 3 (*Rate of Interest*) on the Interest Determination Date falling on or immediately preceding such Mortgaged Properties Adjustment Date, and
 - (ii) any Bonds which have been cancelled in accordance with Condition 11 6 (*Cancellations*) shall be deemed to bear no interest, and
- (c) in respect of any Periodic Testing Date, the aggregate amount of interest paid for the Interest Period ending, on or about such Periodic Testing Date and the Interest Period immediately prior to that, except where such period coincides with any part of the Long First Interest Period in which such case the Annual Aggregate Bond Interest Amount in respect of the Long First Interest Period shall be pro-rated for a six month period,

Appointee means any attorney, manager, agent, delegate, nominee, custodian, receiver or other person appointed by the Trustee under, or pursuant to, these Conditions or the Trust Deed,

Auditors means, in respect of each Charging Subsidiary, the auditors of such Charging Subsidiary from time to time,

Bondholder Representative has the meaning given to it in Condition 34 (*Appointment of Bondholder Representative*),

Business Day means a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments are open for general business (including dealing in foreign exchange and foreign currency deposits) in London,

Charged Account means each account in the name of the Issuer or any Charging Subsidiary established pursuant to the Account Agreement which is charged in favour of the Trustee pursuant to the Trust Deed,

Charged Cash means, at any time, the aggregate of all amounts standing to the credit of the Charged Accounts at such time,

Charging Subsidiary means each Original Charging Subsidiary and any Additional Charging Subsidiary, subject to any such Original Charging Subsidiary or Additional Charging Subsidiary ceasing to be a Charging Subsidiary in accordance with the Trust Deed,

Community Health Service Property means facilities used for the delivery of, or advice and support in relation to, health and social care services in a community setting,

Compliance Certificate means a certificate, signed by two directors of the Issuer, substantially in the form set out in Schedule 6 (*Form of Compliance Certificate*) to the Trust Deed setting out, *inter alia*, calculations in respect of (a) the Periodic Asset Cover Test and the Periodic Income Cover Test if such certificate is provided pursuant to Condition 7 6(c) or (b) the Mortgaged Properties Adjustment Asset Cover Test, the Periodic Asset Cover Test, the Mortgaged Properties Adjustment Income Cover Test and/or the Periodic Income Cover Test, as the case may be, if such certificate is provided pursuant to Condition 8 4,

Desk Top Valuation means, in relation to the Mortgaged Properties, a valuation (or valuations, taken together) of those properties conducted in accordance with the same methodology as a Full Valuation addressed to, *inter alios*, the Trustee provided by a Valuer on a "desk-top" basis,

Eligible Property Criteria means any property situated in England or Wales that, as at the Mortgaged Properties Adjustment Date in respect of which it was or is to be charged as a Mortgaged Property

- (a) is operated or let principally as a primary health care property, a Community Health Service Property, a general practitioner surgery or a pharmacy, and
- (b) is subject to a lease
 - (i) with a remaining term which expires on or after 31st December, 2028, but where such lease includes a break clause exercisable by the tenant, the date of the exercise of such break clause is on or after, 31st December 2028, and
 - (ii) with a tenant that
 - (A) is a health service body as defined in Section 9 of the National Health Service Act 2006 as amended by the Health and Social Care Act 2012 (or any replacement therefor or successor authority thereto), or
 - (B) is otherwise involved in the healthcare, pharmaceutical, dental or related sectors, and
- (c) at least 75 per cent of the Net Annual Income in respect of which is derived from a lease described in paragraph (b)(ii)(A) above, or
- (d) immediately following it being charged as Mortgaged Property pursuant to the Trust Deed, would not have a Value of less than 1 per cent or more than 15 per cent of the aggregate Value of the Mortgaged Properties,

Event of Default has the meaning given to it in Condition 14 1 (*Events of Default and Enforcement*),

Extraordinary Resolution has the meaning given to it in Condition 18 1 (*Meetings of Bondholders*),

Final Instalment Payment Date means the Interest Payment Date falling in June, 2014,

Financial Year means each 12 month period ending on 31st December,

Fixtures means, in relation to any freehold or leasehold property charged by or pursuant to the Trust Deed, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time thereon owned by the relevant Charging Subsidiary,

Full Valuation means in relation to the Mortgaged Properties, the New Additional Properties or the New Substitute Properties, a valuation (or valuations, taken together) of those properties addressed to, *inter alios*, the Trustee provided by a Valuer showing the Value of the Mortgaged Properties, the New Additional Properties and/or the New Substitute Properties, as applicable, on the basis of "market value" as that expression is defined by the Valuation Standards published by the Royal Institution of Chartered Surveyors in effect on the date at which the relevant valuation is made (commonly known as the Red Book) or such other basis as the Trustee may approve,

IFRS means International Financial Reporting Standards, as issued by the International Accounting Standards Board and, for the purposes of these Conditions, as adopted by the European Union,

Indebtedness for Borrowed Money means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any borrowed money, including without limitation, any liability under or in respect of any acceptance or acceptance credit or any notes, bonds, debentures, debenture stock, loan stock or other securities,

Initial Asset Cover Test has the meaning given to it in Condition 7 3 (*Asset Cover Covenant*),

Initial Income Cover Test has the meaning given to it in Condition 7 4 (*Income Cover Covenant*),

Insurances means all contracts and policies of insurance of whatever nature which are from time to time taken out by or with the authority and on behalf of the relevant Charging Subsidiary in connection with the Mortgaged Property;

Interest Determination Date means the first day of the Interest Period for which the rate will apply,

Issue Date means 4th November, 2013,

Letting Documents means any lease, tenancy or licence to occupy, or any agreement for any of the same, from time to time granted or entered into by the relevant Charging Subsidiary or any predecessor in title of such Charging Subsidiary to which a Mortgaged Property may be subject from time to time and any licence, consent or approval given thereunder,

Mortgaged Properties means the property legally mortgaged and any other freehold or leasehold property charged by way of first fixed charge pursuant to the Trust Deed,

Mortgaged Properties Adjustment Asset Cover Test has the meaning given to it in Condition 7 3 (*Asset Cover Covenant*),

Mortgaged Properties Adjustment Date means the date on which any substitution or release of Mortgaged Properties, or release of Charged Cash, takes place pursuant to Condition 8 (*Addition, Substitution and Release of Mortgaged Property and Charged Cash*),

Mortgaged Properties Adjustment Income Cover Test has the meaning given to it in Condition 7 4 (*Income Cover Covenant*),

Net Annual Income means, at any time, the aggregate of

- (a) in relation to each Mortgaged Property or each property which is to become a Mortgaged Property, as the case may be
 - (i) in respect of the Issue Date or a Mortgaged Properties Adjustment Date, the amount as certified by two directors of the relevant Charging Subsidiary to be the actual

annual income from such property expected to be received within the 12 month period following the Issue Date or such Mortgaged Properties Adjustment Date,

- (ii) in respect of a Periodic Testing Date falling in June in each year, the amount as certified by two directors of the relevant Charging Subsidiary to be the income from such property for the immediately preceding twelve month period, except in the case of the Periodic Testing Date falling on the first Interest Payment Date in which such case the Net Annual Income will be the amount as certified by two directors of the relevant Charging Subsidiary for the six month period ending on the first Interest Payment Date, and
- (iii) in respect of a Periodic Testing Date falling in December in each year, the amount determined by the Auditors in the most recent financial statements of the relevant Charging Subsidiary or otherwise confirmed by the Auditors to be the income from such property in respect of such financial year ending on the Periodic Testing Date,

in each case, excluding any value added tax (**output tax**) charged in respect of such income but before deducting any other taxation and after making normal provision where appropriate in the opinion of the Auditors or directors of the relevant Charging Subsidiary, as applicable, in relation to such property for ground and head rents, rates, insurance, property management expenses, repairs, maintenance and other outgoings (to the extent that such expenses are not reimbursed by tenants) borne or to be borne by the Charging Subsidiary (such provision to exclude any value added tax charged or chargeable to the Charging Subsidiary in respect of such outgoings to the extent that the same does not exceed the output tax and is recoverable by way of credit by reason of such outgoings having been incurred in relation to any of the Mortgaged Properties), and

(b) in relation to Charged Cash,

- (i) in respect of the Issue Date or a Mortgaged Properties Adjustment Date, the amount as reported by the Issuer to the Trustee to be the annual income to be derived from such Charged Cash for the 12 month period commencing on the Issue Date or a Mortgaged Properties Adjustment Date, as applicable, based on the rate then accruing therefrom before deducting taxation, and
- (ii) in respect of a Periodic Testing Date, the amount as reported by the Issuer to the Trustee to be the amount of interest or similar income received with regard to the Charged Cash for the Interest Period ending, on or about such Periodic Testing Date and the Interest Period immediately prior to that, except in the case of the Periodic Testing Date falling on the first Interest Payment Date in which such case the Net Annual Income in relation to the Charged Cash will be the amount as reported by the Issuer for the six month period ending on the first Interest Payment Date,

New Additional Properties has the meaning given to it in Condition 8.1 (*Addition of New Mortgaged Properties*),

New Property Approval Certificate means a certificate, signed by two directors of the Issuer, substantially in the form set out in Schedule 7 (*Form of New Property Approval Certificate*) to the Trust Deed,

New Substitute Properties has the meaning given to it in Condition 8.2 (*Substitution of Mortgaged Properties*),

Occupational Lease means any lease or licence or other right of occupation or right to receive rent to which a Mortgaged Property may at any time be subject,

Original Charging Subsidiaries means PHP Healthcare Investments Limited, PHIP (Stourbridge) Limited, PHP St Johns Limited, PHP Clinics Limited and PHP (Project Finance) Limited,

Outstanding Principal Amount means, in respect of each Bond, its paid up nominal amount,

Periodic Asset Cover Test has the meaning given to it in Condition 7.3 (*Asset Cover Covenant*),

Periodic Income Cover Test has the meaning given to it in Condition 7.4 (*Income Cover Covenant*),

Periodic Testing Date means each Interest Payment Date (or, if such Interest Payment Date is not the last day of the relevant month, the last day of the month in which such Interest Payment Date falls),

PHP Group means the Guarantor and its subsidiaries from time to time,

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

Property Release Certificate means a certificate, signed by two directors of the Issuer, substantially in the form set out in Schedule 9 (*Form of Property Release Certificate*) to the Trust Deed,

Reference Banks means the principal London office of each of four major banks engaged in the London interbank market selected by the Agent Bank provided that, once a Reference Bank has been selected by the Agent Bank, that Reference Bank shall not be changed unless and until it ceases to be capable of, or is unwilling to continue, acting as such,

Relevant Date means the date on which the 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 before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Bondholders by the Issuer in accordance with Condition 16 (*Notices*),

Relevant Jurisdiction means the United Kingdom or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer or the Guarantor, as the case may be, becomes subject in respect of payments made by it of principal and interest on the Bonds and Coupons,

Representative Amount means, in relation to any quotation of a rate for which a Representative Amount is relevant, an amount that is representative for a single transaction in the relevant market at the relevant time,

Screen Rate means

- (a) in respect of any Interest Period other than the Long First Interest Period, the rate for six month deposits in Sterling which appears on LIBOR01 (or such replacement page on that service which displays the information), and

- (b) in respect of the Long First Interest Period, the rates for deposits in Sterling which appear on LIBOR01 (or such replacement page on that service which displays the information) in respect of both (i) the period of time for which rates are available next shorter than the length of the Long First Interest Period and (ii) the period of time for which rates are available next longer than the length of the Long First Interest Period,

Secured Parties means the Trustee (for itself and on behalf of the Bondholders and the Couponholders), the Principal Paying Agent, the other Paying Agents, the Agent Bank and the Account Bank,

Security has the meaning given to it in Condition 5 (*Security*),

Security Assets has the meaning given to it in Condition 5 (*Security*),

subsidiary has the meaning given to it in section 1159 of the Companies Act 2006,

Substitute Property Certificate means a certificate, signed by two directors of the Issuer, substantially in the form set out in Schedule 8 (*Form of Substitute Property Certificate*) to the Trust Deed,

Supplemental Trust Deed means a fixed legal charge executed by a Charging Subsidiary in favour of the Trustee entered into after the date of the Trust Deed in respect of additional properties, substantially in the form set out in Schedule 11 (*Form of Supplemental Trust Deed*) to the Trust Deed,

Transaction Documents means the Trust Deed, the Agency Agreement and the Account Agreement,

Transaction Party means any person who is a party to a Transaction Document,

Valuation means

- (a) in relation to the Mortgaged Properties, the New Additional Properties or the New Substitute Properties, a Full Valuation and/or a Desk Top Valuation, as applicable, (or such valuations, taken together) of those properties, and
- (b) in relation to Charged Cash, the amount thereof for the time being,

Value means

- (a) in relation to a Mortgaged Property, New Additional Property or the New Substitute Property, the value ascribed thereto by the most recent Valuation in respect thereof or, if not included in such most recent Valuation, by a Valuation as at a date not more than three months (or such longer period as the Trustee may agree) before the date at which such value falls to be determined, provided that
- (i) for the purposes of Condition 8.1 (*Addition of New Mortgaged Properties*) and Condition 8.2 (*Substitution of Mortgaged Properties*) only, and except where the relevant price arises from an intra-PHP Group transaction the Trustee may, if the Issuer agrees, instead of requiring a Full Valuation, treat the value of a Property as being its acquisition price or its agreed sale price, and
- (ii) for the purposes of determining value

- (A) there shall be added to any Full Valuation or acquisition price the cost net of any relevant impairments (as reported by the relevant Charging Subsidiary and verified by the auditors of the Issuer or such Charging Subsidiary upon the Trustee's request) of additions or improvements of a capital nature made to such property after such Full Valuation or acquisition and before such determination, and/or
 - (B) where there is any unremedied breach of any of the covenants of the Trust Deed in relation to a property which is to be released from the Security, there may, at the discretion of the Trustee, be deducted from any Full Valuation or acquisition price of such property any amount (as reported by a Valuer) by which its value has been reduced as a result of such breach, and
- (b) in relation to Charged Cash, the amount thereof as at the date at which such amount falls to be determined, and

Valuer means Lambert Smith Hampton Limited and/or such other reputable firm of surveyors which is a member of the Royal Institute of Chartered Surveyors as may be appointed by the Issuer from time to time

2. **FORM, DENOMINATION AND TITLE**

The Bonds are in bearer form, serially numbered, with Coupons and Talons attached on issue. The Bonds shall be issued in the denomination of 200,000 and integral multiples of £1,000 in excess thereof up to and including £399,000 and no Bonds will be issued with a denomination above £399,000

Title to the Bonds and the Coupons will pass by delivery. The Issuer, the Guarantor, any Paying Agent and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Bond or Coupon as the absolute owner for all purposes (whether or not the Bond or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Bond or Coupon or any notice of previous loss or theft of the Bond or Coupon or of any trust or interest therein) and shall not be required to obtain any proof thereof or as to the identity of such bearer

3. **STATUS OF THE BONDS**

The Bonds and the Coupons are direct obligations of the Issuer, secured in the manner set out in Condition 5 (*Security*), and rank *pari passu* without any preference or priority amongst themselves

4. **GUARANTEE**

4.1 **Guarantee**

The payment of the principal and interest in respect of the Bonds and all other moneys payable by the Issuer under or pursuant to the Trust Deed has been unconditionally and irrevocably guaranteed by the Guarantor (the **Guarantee**) in the Trust Deed

4.2 **Status of the Guarantee**

The obligations of the Guarantor under the Guarantee constitute direct, unconditional and unsecured obligations of the Guarantor and rank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights

5 SECURITY

The Issuer's obligations in respect of, *inter alia*, the Bonds and under the Trust Deed are secured (subject as provided in these Conditions and the Trust Deed) pursuant to the Trust Deed in favour of the Trustee for the benefit of itself and the Bondholders and the other Secured Parties as follows

- (a) by way of first legal mortgages by the Charging Subsidiaries over the Mortgaged Properties together with all buildings and Fixtures thereon, the proceeds of sale of all or any part thereof and (so far as the same are capable of being mortgaged) the benefit of any covenants for title given or entered into by any predecessor in title of any Charging Subsidiary and any moneys paid or payable in respect of such covenants,
- (b) by way of first fixed charges by the Charging Subsidiaries over
 - (i) all fixed plant and machinery now or in the future owned by any Charging Subsidiary and its interest in any fixed plant or machinery in its possession, in each case which form part of the Mortgaged Property,
 - (ii) all benefits in respect of the Insurances and all claims and returns of premiums in respect thereof, other than those that are payable or refundable to the tenants of such Mortgaged Properties in accordance with the terms of an Occupational Lease,
 - (iii) the benefit of all present and future licences, consents and authorisations (statutory or otherwise) held in connection with any Charging Subsidiary's business so far as it relates to the Security Assets or the use of any of the Security Assets specified in paragraph (a) and subparagraph (i) above and the right to recover and receive all compensation which may at any time become payable to it in respect thereof, and
 - (iv) if and in so far as the legal mortgages set forth in paragraph (a) above or the assignments referred to in paragraph (c) shall for any reason be ineffective as legal mortgages or assignments, the assets referred to in those clauses,
- (c) by assignments by way of security by the Charging Subsidiaries of their rights, title and interest arising under
 - (i) the personal agreements and covenants by the tenants, lessees, licensees or other parties under the Letting Documents and by all guarantors in respect thereof and all security held by any Charging Subsidiary in respect of the obligations of the tenants, lessees, licensees or other parties under the Letting Documents (including, without limiting the generality of the foregoing, all moneys due and owing to any Charging Subsidiary or which may become due and owing to any Charging Subsidiary at any time in the future in connection therewith), and
 - (ii) all agreements, now or from time to time entered into or to be entered into for the sale, letting or other disposal or realisation of, or in connection with the management, ownership, refurbishment, development, repair, improvement or servicing of, the whole or any part of the Fixed Security Assets (including, without limiting the generality of the foregoing, all moneys due and owing to any Charging Subsidiary or which may become due and owing to any Charging Subsidiary at any time in the future in connection therewith),
- (d) by charges by way of first fixed charge by the Issuer and the Charging Subsidiaries over all moneys from time to time standing to the credit of the Charged Accounts and all debts represented thereby,

- (e) by assignments by way of security by the Issuer and the Charging Subsidiaries of their rights, title and interest arising under the Account Agreement to the extent they relate to the Bonds,
- (f) by an assignment by way of security by the Issuer of its rights, title and interest arising under the Agency Agreement to the extent they relate to the Bonds,
- (g) by a charge by way of first fixed charge by the Issuer over all its rights, title and interest in sums held from time to time by the Paying Agents for the payment of principal or interest in respect of the Bonds,
- (h) by way of first floating charges by the Issuer and the Charging Subsidiaries over all their undertakings, properties and assets, both present and future, wheresoever situated, (including any uncalled capital) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to such floating charges, and
- (i) by way of first fixed charge by the Guarantor over its rights, title and interest in the share capital of the Issuer,

provided always that, unless and until the security described above has become enforceable (but subject to the terms of the Transaction Documents), the Issuer and each Charging Subsidiary shall be entitled to exercise all their respective rights and claims under or in connection with the agreements and covenants referred to in paragraphs (c), (e) and (f) above, and provided further that the Trustee shall not give, or require the Issuer or any Charging Subsidiary to give, any notice of any assignment contained in this Condition 5 to any person unless and until the security described above has become enforceable

Upon the Security (as defined below) becoming enforceable pursuant to the Trust Deed, the Trustee shall be entitled to enforce the same in accordance with the provisions set out in the Trust Deed. No Secured Party shall be entitled to enforce the Security unless the Trustee has become bound to do so in accordance with the Trust Deed and has failed to do so for a reasonable period and such failure is continuing

The property charged and assigned pursuant to the Trust Deed listed in (a) to (i) above, together with any other property or assets held by and/or assigned to the Trustee and/or any deed or document supplemental thereto, is referred to herein as the **Security Assets** and the security created thereby, the **Security**. The Security Assets, other than those listed in 4.1(e) above only, are referred to herein as the **Fixed Security Assets**

6. ORDER OF PAYMENTS

Following the enforcement of the Security, all monies standing to the credit of the Charged Accounts and the net proceeds of enforcement of the Security shall be applied in the following order of priority

- (a) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Trustee, any Appointee or any receiver in preparing and executing the trusts under the Trust Deed (including the costs of realising the Security and the Trustee's and such receiver's remuneration),
- (b) second, in payment of all amounts owing to the Paying Agents and the Agent Bank under the Agency Agreement and the Account Bank under the Account Agreement on a *pro rata* and *pari passu* basis,

- (c) third, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any interest due and payable in respect of the Bonds,
- (d) fourth, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any principal and premium due and payable in respect of the Bonds, and
- (e) fifth, in payment of the surplus (if any) to the Issuer or any other person entitled thereto

7 COVENANTS

7.1 General Covenant

In addition to the covenants of the Issuer set out in the Trust Deed, for so long as any of the Bonds remain outstanding, the Issuer covenants that it will not, without the prior consent in writing of the Trustee, engage in any activity or do anything other than

- (a) carry out the business of a company which has as its purpose raising finance and on-lending such finance for the benefit of the Charging Subsidiaries and/or other members of the PHP Group (including, without limitation, as envisaged by the Transaction Documents), and
- (b) perform any act incidental to or necessary in connection with (a) above

The Issuer covenants to comply with, and to procure that each Charging Subsidiary complies with, its various undertakings set out in the Trust Deed including, but not limited to, undertakings as to the maintenance of the Mortgaged Properties owned by it

7.2 Negative Pledge and Disposals

The Issuer and the Guarantor each covenant, and each Charging Subsidiary has covenanted or will covenant (as the case may be) in the Trust Deed, in each case for so long as any of the Bonds remain outstanding, not to create or permit to subsist, over any of the Fixed Security Assets, any mortgage or charge or any other security interest ranking in priority to, or *pari passu* with, the Security, excluding, for this purpose any security interest created by operation of law

The Issuer and the Guarantor each also covenant, and each Charging Subsidiary has covenanted or will covenant (as the case may be) in the Trust Deed, that it shall not sell, transfer, grant or lease or otherwise dispose of all or any part of the Fixed Security Assets without the prior written consent of the Trustee or as permitted under these Conditions and the Trust Deed

7.3 Asset Cover Covenant

The Issuer covenants that it shall ensure that

- (a) on the Issue Date, the Value of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.5 times the Outstanding Principal Amount of the Bonds (the **Initial Asset Cover Test**),
- (b) on each Mortgaged Properties Adjustment Date, the Value of (i) the Mortgaged Properties and (ii) the Charged Cash, in each case, immediately following the relevant adjustment to the Mortgaged Properties, will not be less than 1.5 times the Outstanding Principal Amount of the Bonds (the **Mortgaged Properties Adjustment Asset Cover Test**), and

- (c) on each Periodic Testing Date, the Value of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.35 times the Outstanding Principal Amount of the Bonds (the **Periodic Asset Cover Test**)

In the case of any breach by the Issuer of the Periodic Asset Cover Test, the Issuer covenants that it shall, within 30 days of the relevant Periodic Testing Date, procure that one or more Charging Subsidiaries charge additional properties as Mortgaged Properties pursuant to the Trust Deed in accordance with Condition 8.1 and/or the Issuer shall deposit, or shall procure that one or more Charging Subsidiaries deposit, money into a Charged Account in accordance with Condition 8.4 to ensure that the Value of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.5 times the Outstanding Principal Amount of the Bonds

7.4 Income Cover Covenant

The Issuer covenants that it shall ensure that

- (a) on the Issue Date, the Net Annual Income of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.5 times the Annual Aggregate Bond Interest Amount (the **Initial Income Cover Test**),
- (b) on each Mortgaged Properties Adjustment Date, the Net Annual Income of (i) the Mortgaged Properties and (ii) the Charged Cash, in each case, immediately following the relevant adjustment to the Mortgaged Properties, will not be less than 1.5 the Annual Aggregate Bond Interest Amount (the **Mortgaged Properties Adjustment Income Cover Test**), and
- (c) on each Periodic Testing Date, the Net Annual Income of (i) the Mortgaged Properties and (ii) the Charged Cash will not be less than 1.15 times the Annual Aggregate Bond Interest Amount (the **Periodic Income Cover Test**)

In the case of any breach by the Issuer of the Periodic Income Cover Test, the Issuer covenants that it shall, within 30 days of the relevant Periodic Testing Date, procure that one or more Charging Subsidiaries charge additional properties as Mortgaged Properties pursuant to the Trust Deed in accordance with Condition 8.1 and/or the Issuer shall deposit, or shall procure that one or more Charging Subsidiaries deposit, money into a Charged Account in accordance with Condition 8.4 to ensure compliance with the Periodic Income Cover Test

7.5 Valuations

The Issuer covenants, for so long as any of the Bonds remains outstanding, that it shall deliver to the Trustee and the Bondholder Representative (if any)

- (a) a Full Valuation not later than 45 days after 31st December in each year, and
- (b) a Desk Top Valuation not later than 45 days after 30th June in each year

Each Valuation shall set out in reasonable detail the Value of the Mortgaged Properties as at a date no more than three months prior to the date of delivery of the Valuation

Each Charging Subsidiary has covenanted, or will covenant, pursuant to the Trust Deed to provide all reasonable assistance to the Issuer for the preparation and delivery to the Trustee and the Bondholder Representative (if any) of such Valuations

7.6 Information Covenant

For so long as any of the Bonds remains outstanding, the Issuer shall provide to the Trustee and the Bondholder Representative (if any)

- (a) not later than 120 days after the publication thereof and, in any event, not later than 180 days after the end of each Financial Year
 - (i) a copy of the audited financial statements of the Issuer for such Financial Year,
 - (ii) a copy of the consolidated audited financial statements of the Guarantor for such Financial Year, and
 - (iii) a copy of the audited financial statements of each Charging Subsidiary for such Financial Year,
- (b) not later than 90 days following the publication thereof and, in any event, not later than 120 days after the end of each first half-year of each Financial Year, to the extent that such interim financial statements are produced
 - (i) a copy of the consolidated interim financial statements of the Guarantor for such first half-year of such Financial Year, and
 - (ii) a copy of the interim financial statements of each Charging Subsidiary for such first half-year of such Financial Year,
- (c) within 45 days of the end of each first half-year of each Financial Year a copy of the consolidated management accounts of the Issuer, comprising an income statement, balance sheet and certain commentary on material balances, for such first half-year of such Financial Year, and
- (d) within 45 days of each Periodic Testing Date, (i) a Compliance Certificate given in respect of such Periodic Testing Date (and, subject to the consent of the Valuer, the Valuation(s) delivered for the purposes of preparing such Compliance Certificates) and (ii) (in respect of each Periodic Testing Date falling in December in each year) the Auditors' confirmations in respect of the Net Annual Income in respect of each Mortgaged Property,

and, upon request by any Bondholder to the Issuer, make copies of such documents available to the Bondholders at the Issuer's registered office during normal business hours

8. ADDITION, SUBSTITUTION AND RELEASE OF MORTGAGED PROPERTY AND CHARGED CASH

8.1 Addition of New Mortgaged Properties

The Issuer may procure that any Charging Subsidiary charges additional properties as Mortgaged Properties (the **New Additional Properties**) pursuant to the Trust Deed subject to

- (a) the delivery by the Issuer to the Trustee and the Bondholder Representative (if any) of a completed New Property Approval Certificate certifying that, *inter alia*
 - (i) the New Additional Properties satisfy the Eligible Property Criteria, and

- (ii) in respect of any property situated in Wales, immediately following such addition the combined Value of any Mortgaged Properties located in Wales shall not exceed 10 per cent of the aggregate Value of all Mortgaged Properties,
- unless the Bondholder Representative (or, if no Bondholder Representative is appointed, the Trustee) otherwise agrees in writing to waive such requirements,
- (b) the delivery by the Issuer or the relevant Charging Subsidiary to the Trustee and the Bondholder Representative (if any) of
 - (i) a Full Valuation in relation to the New Additional Properties prepared by the Valuer dated no earlier than three months prior to the date on which the New Additional Properties are to be charged, and
 - (ii) the Additional Property Conditions Precedent in respect of the New Additional Properties, and
 - (c) the execution of a Supplemental Trust Deed in respect of the New Additional Properties by, *inter alios*, the Issuer and the relevant Charging Subsidiary

8.2 Substitution of Mortgaged Properties

Any Charging Subsidiary may substitute any one or more of the Mortgaged Properties with other properties (the **New Substitute Properties**) subject to

- (a) the delivery by the Issuer to the Trustee and the Bondholder Representative (if any) of a completed Substitute Property Certificate certifying, *inter alia*, that
 - (i) the New Substitute Properties satisfy the Eligible Property Criteria,
 - (ii) in respect of any substitution in relation to a property situated in Wales, immediately following such substitution the combined Value of any Mortgaged Properties located in Wales shall not exceed 10 per cent of the aggregate Value of all Mortgaged Properties, and
 - (iii) immediately following the substitution, the Issuer will be in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test,

unless, in the case of (i) and (ii), the Bondholder Representative (or, if no Bondholder Representative is appointed, the Trustee) otherwise agrees in writing to waive such requirements;
- (b) the delivery by the Issuer or the relevant Charging Subsidiary to the Trustee and the Bondholder Representative (if any) of
 - (i) a Full Valuation in relation to the New Substitute Properties prepared by the Valuer dated no earlier than three months prior to the date on which the New Substitute Properties are to be charged, and
 - (ii) the Additional Property Conditions Precedent in respect of the New Substitute Properties, and

- (c) the execution of a Supplemental Trust Deed in respect of the New Substitute Properties by, *inter alios*, the Issuer and the relevant Charging Subsidiary

8.3 Release of Mortgaged Properties

Any Charging Subsidiary may withdraw any one or more of the Mortgaged Properties from the Security, provided that

- (a) the Issuer delivers to the Trustee and the Bondholder Representative (if any) a completed Property Release Certificate, certifying that, immediately following such release
 - (i) the Issuer will be in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test, and
 - (ii) the combined Value of any Mortgaged Properties located in Wales shall not, as a result of such release, exceed 10 per cent of the aggregate Value of all Mortgaged Properties,unless, in the case of (ii), the Bondholder Representative (or, if no Bondholder Representative is appointed, the Trustee) otherwise agrees in writing to waive such requirement, and
- (b) if a Bondholder Representative is then appointed, the Bondholder Representative consents to such withdrawal of the relevant property from the Mortgaged Properties, such consent not to be unreasonably delayed or withheld

8.4 Charged Cash

The Issuer or any Charging Subsidiary may, at any time, deposit money into a Charged Account to ensure compliance with the Mortgaged Properties Adjustment Asset Cover Test, the Periodic Asset Cover Test, the Mortgaged Properties Adjustment Income Cover Test and/or the Periodic Income Cover Test, as the case may be. The Issuer or any such Charging Subsidiary may only withdraw Charged Cash from a Charged Account if the Issuer is, at the relevant time, in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test, and, immediately following the withdrawal, the Issuer will be in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test.

For these purposes, the Trustee may call for and shall be at liberty to accept and rely on a certificate signed by any two directors of the Issuer (including, for the avoidance of doubt, a Compliance Certificate), as sufficient evidence that the Issuer is at the relevant time, or will be immediately following the withdrawal, in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test.

9. INTEREST

9.1 Interest Payment Dates

The Bonds bear interest on their Outstanding Principal Amount from and including 4th November, 2013 (the **Interest Commencement Date**), and interest will be payable on each date (each an **Interest Payment Date**) which (subject as follows) falls six months after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, on 30th June, 2014. If there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur, such Interest Payment Date shall be the last day that is a Business Day (as defined below) in

the relevant month. If any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. If an Interest Payment Date falls on the last Business Day of a month, each subsequent Interest Payment Date shall be the last Business Day of the sixth month after the month in which that Interest Payment Date fell. The period from and including the Interest Commencement Date to but excluding the first Interest Payment Date, and each successive period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date, is called an **Interest Period**.

The long first Interest Period shall begin on (and include) the Interest Commencement Date and end on (but exclude) 30th June, 2014 (the **Long First Interest Period**).

9.2 Interest Accrual

Each Bond will cease to bear interest from and including the due date for redemption unless, upon due presentation, payment of the principal in respect of the Bond is improperly withheld or refused or unless default is otherwise made in respect of the payment, in which event interest shall continue to accrue as provided in the Trust Deed.

9.3 Rate of Interest

The rate of interest payable from time to time in respect of the Bonds (the **Rate of Interest**) will be determined on the basis of the following provisions:

- (a) On each Interest Determination Date, the Agent Bank will determine the Screen Rate(s) at approximately 11 00 a.m. (London time) on that Interest Determination Date. If the Screen Rate (or either Screen Rate in respect of the Long First Interest Period) is unavailable, the Agent Bank will request the principal London office of each of the Reference Banks to provide the Agent Bank with the rate at which deposits in Sterling are offered by it to prime banks in the London interbank market for six months (or in respect of the Long First Interest Period, the relevant period in respect of which the Screen Rate was sought) at approximately 11 00 a.m. (London time) on the Interest Determination Date in question and for a Representative Amount.

In respect of the Long First Interest Period, the Agent Bank will calculate the interpolated rate by straight-line interpolation of the two Screen Rates in respect of such Interest Period (the **Interpolated Rate**).

- (b) The Rate of Interest for the Interest Period shall be the Screen Rate or (in respect of the Long First Interest Period) the Interpolated Rate plus the Margin (as defined below) or, if the Screen Rate or (in respect of the Long First Interest Period) the Interpolated Rate is unavailable, and at least two of the Reference Banks provide such rates, the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) as established by the Agent Bank of such rates, plus the Margin.
- (c) If fewer than two rates are provided as requested, the Rate of Interest for that Interest Period will be the arithmetic mean of the rates quoted by major banks in London, selected by the Agent Bank, at approximately 11 00 a.m. (London time) on the first day of such Interest Period for loans in Sterling to leading European banks for a period of six months (or, in the case of the Long First Interest Period, such longer period as the Agent Bank considers appropriate) commencing on the first day of such Interest Period and for a Representative Amount, plus the Margin. If the Rate of Interest cannot be determined in accordance with the above provisions, the Rate of Interest shall be determined as at the last preceding Interest

Determination Date (or, in the case of the Long First Interest Period, by the Agent Bank by reference to such sources as it determines appropriate)

- (d) Subject as follows, the Margin (the **Margin**) in relation to the Bonds is 2 20 per cent per annum

In respect of any Interest Period or part thereof falling on or after the first Interest Payment Date during which the Bonds are not and have not been listed on a recognised stock exchange (as defined in section 1005 of the Income Tax Act 2007) within the European Union, the Margin in relation to the Bonds shall be 3 20 per cent per annum, unless the Issuer has satisfied the Trustee that it has failed to obtain such a listing having used all reasonable endeavours to do so, in which case the Margin shall be 2 20 per cent per annum notwithstanding the fact that the Bonds may be unlisted. For the avoidance of doubt, the Margin shall be 2 20 per cent per annum in respect of any period on and following the date on which the Bonds are first listed on a recognised stock exchange (as defined in section 1005 of the Income Tax Act 2007) within the European Union, irrespective of whether the Bonds subsequently become unlisted

9.4 Determination of Rate of Interest and Interest Amount

The Agent Bank shall, as soon as practicable after 11 00 a.m. (London time) on each Interest Determination Date, but in no event later than the third Business Day thereafter, determine the Sterling amount (the **Interest Amount**) payable in respect of interest on the Outstanding Principal Amount in respect of each £200,000 in nominal amount of the Bonds for the relevant Interest Period. The Interest Amount shall be determined by applying the Rate of Interest to such Outstanding Principal Amount in respect of each £200,000 in nominal amount of the Bonds, multiplying the sum by the actual number of days in the Interest Period concerned divided by 365 or (in the case of an Interest Period ending in a leap year) 366 and rounding the resultant figure to the nearest penny (half a pence being rounded upwards)

Notwithstanding the above, in respect of any Interest Period for which the Margin changes mid-Interest Period in accordance with Condition 9 3(d) above

- (a) the Agent Bank shall, as soon as practicable after the listing of the Bonds and, in any event, prior to the relevant Interest Payment Date, recalculate the Interest Amount in accordance with (b) below and cause the revised Interest Amount to be notified in accordance with Condition 9 5 below,
- (b) the Interest Amount shall be the sum of
- (i) in respect of any part of the Interest Period for which the Margin is 2 20 per cent, per annum, the Rate of Interest multiplied by such Outstanding Principal Amount in respect of each £200,000 in nominal amount of the Bonds and multiplied by the actual number of days in the Interest Period concerned for which the Margin of 2 20 per cent per annum applies divided by 365 or (in the case of an Interest Period ending in a leap year) 366 and rounding the resultant figure to the nearest penny (half a pence being rounded upwards), and
 - (ii) in respect of any part of the Interest Period for which the Margin is 3 20 per cent, per annum, the Rate of Interest multiplied by such Outstanding Principal Amount in respect of each £200,000 in nominal amount of the Bonds and multiplied by the actual number of days in the Interest Period concerned for which the Margin of 3 20 per cent per annum applies divided by 365 or (in the case of an Interest Period

ending in a leap year) 366 and rounding the resultant figure to the nearest penny (half a pence being rounded upwards), and

- (c) for the avoidance of doubt, the Screen Rate to be used in calculating the Rate of Interest shall be the Screen Rate calculated in accordance with Condition 9.3 above on the immediately preceding Interest Determination Date

9.5 Publication of Rate of Interest and Interest Amount

The Agent Bank shall cause the Rate of Interest and the Interest Amount for each Interest Period and the relative Interest Payment Date to be notified to the Issuer, the Guarantor, the Trustee and to any stock exchange or other relevant authority on which the Bonds are at the relevant time listed and to be published in accordance with Condition 16 (*Notices*) as soon as possible after their determination, and in no event later than the second Business Day thereafter. The Interest Amount and Interest Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

9.6 Determination by the Trustee

The Trustee (or an agent appointed by the Trustee at the expense of the Issuer) shall, if the Agent Bank defaults at any time in its obligation to determine the Rate of Interest and Interest Amount in accordance with the above provisions, determine the Rate of Interest and Interest Amount, the former at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described above), it shall deem fair and reasonable in all the circumstances and the latter in the manner provided in Condition 9.4 and the determinations shall be deemed to be determinations by the Agent Bank.

9.7 Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition, whether by the Reference Banks (or any of them), the Agent Bank or the Trustee, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Trustee, the Agent Bank, the Paying Agents and all Bondholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantor, or the Bondholders or the Couponholders shall attach to the Reference Banks (or any of them), the Agent Bank or, if applicable, the Trustee in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 9.

9.8 Agent Bank

The Issuer shall procure that, so long as any of the Bonds remains outstanding, there is at all times an Agent Bank for the purposes of the Bonds and the Issuer may, subject to the prior written approval of the Trustee, terminate the appointment of the Agent Bank. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Agent Bank or failing duly to determine the Rate of Interest and the Interest Amount for any Interest Period, the Issuer shall, subject to the prior written approval of the Trustee, appoint the London office of another major bank engaged in the London interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed.

10. PAYMENTS AND EXCHANGES OF TALONS

10.1 Payments in respect of Bonds and Coupons

Payments of principal and interest in respect of each Bond will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the Bond, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents

10.2 Method of Payment

Payments will be made by credit or transfer to an account in Sterling maintained by the payee with or, at the option of the payee, by a cheque in Sterling drawn on a bank in London

10.3 Missing Unmatured Coupons

Each Bond should be presented for payment together with all relative unmatured Coupons (which expression shall, for the avoidance of doubt, include Coupons falling to be issued on exchange of matured Talons) Upon the date on which any Bond becomes due and payable, all unmatured Coupons appertaining to the Bond (whether or not attached) shall become void and no payment shall be made in respect of such Coupons

10.4 Payments subject to Applicable Laws

Payments in respect of principal and interest on the Bonds are subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment

10.5 Payment only on a Presentation Date

A holder shall be entitled to present a Bond or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 9 (*Interest*), be entitled to any further interest or other payment if a Presentation Date is after the due date

Presentation Date means a day which (subject to Condition 13 (*Prescription*))

- (a) is, or falls after, the relevant due date,
- (b) is a Business Day in the place of the specified office of the Paying Agent at which the Bond or Coupon is presented for payment, and
- (c) in the case of payment by credit or transfer to a Sterling account in London, is a Business Day in London

In this Condition, **Business Day** means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place

10.6 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 13 (*Prescription*) Each Talon shall, for the purposes of these

Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures

10.7 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer and the Guarantor reserve the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that

- (a) there will at all times be a Principal Paying Agent,
- (b) there will at all times be at least one Paying Agent (which may be the Principal Paying Agent) having its specified office in a European city which so long as the Bonds are admitted to official listing on the London Stock Exchange shall be London or such other place as the Financial Conduct Authority and/or the Prudential Regulation Authority may approve, and
- (c) the Issuer undertakes to maintain a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive

Notice of any termination or appointment and of any changes in specified offices will be given to the Bondholders promptly by the Issuer in accordance with Condition 16 (*Notices*)

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and the Guarantor and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Bondholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent

11. REDEMPTION AND PURCHASE

11.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Bonds at their Outstanding Principal Amount on the Interest Payment Date falling in December 2025 (the **Maturity Date**)

11.2 Redemption for Taxation Reasons

If the Issuer satisfies the Trustee immediately before the giving of the notice referred to below that

- (a) as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction, or any change in the application or official interpretation of the laws or regulations of the Relevant Jurisdiction, which change or amendment becomes effective after 4th November, 2013, on the next Interest Payment Date either (i) the Issuer would be required to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) or (ii) the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, and

Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures

10.7 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer and the Guarantor reserve the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that

- (a) there will at all times be a Principal Paying Agent,
- (b) there will at all times be at least one Paying Agent (which may be the Principal Paying Agent) having its specified office in a European city which so long as the Bonds are admitted to official listing on the London Stock Exchange shall be London or such other place as the Financial Conduct Authority and/or the Prudential Regulation Authority may approve, and
- (c) the Issuer undertakes to maintain a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive

Notice of any termination or appointment and of any changes in specified offices will be given to the Bondholders promptly by the Issuer in accordance with Condition 16 (*Notices*)

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and the Guarantor and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Bondholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent

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- (a) as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction, or any change in the application or official interpretation of the laws or regulations of the Relevant Jurisdiction, which change or amendment becomes effective after 4th November, 2013, on the next Interest Payment Date either (i) the Issuer would be required to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) or (ii) the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, and

- (b) the requirement cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Bondholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable), redeem all the Bonds, but not some only, on the next Interest Payment Date at their Outstanding Principal Amount, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be required to pay such additional amounts, were a payment in respect of the Bonds then be due. Prior to the publication of any notice of redemption pursuant to this Condition 11.2, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer or, as the case may be, the Guarantor stating that the requirement referred to in (a) above will apply on the next Interest Payment Date and cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Bondholders and the Couponholders.

11.3 Early Redemption at the Option of the Issuer

The Issuer may, at any time on or after the Final Instalment Payment Date, having given

- (a) not less than 15 nor more than 30 days' notice to the Bondholders in accordance with Condition 16 (*Notices*), and
- (b) notice to the Trustee and the Principal Paying Agent not less than 15 days before the giving of the notice referred to in (a),

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Bonds on any following Interest Payment Date.

Redemption of the Bonds pursuant to this Condition 11.3 shall be made at the higher of the following.

- (i) their Outstanding Principal Amount, and
- (ii) the price determined to be appropriate by a financial adviser in London (selected by the Issuer and approved by the Trustee) that is equivalent to the present value of future interest payments and principal redemption where the discount rate to be used is equal to the Interpolated Mid-Swap Rate plus 0.25 per cent.

For the purposes of this calculation the future interest payments are assumed to be the Interpolated Mid-Swap Rate plus 2.20 per cent.

For the purposes of this Condition

Interpolated Mid-Swap Rate means the interpolation between the two Reference Mid-Swap Rates for a term equal to the Remaining Life (or Term), using Reference Mid-Swap Rates taken from ICAP at 3.00 p.m. (London time) on the Reference Date,

Reference Mid-Swap Rates means two rates which are calculated as the average of the bid and offer levels for a 6 month GBP Libor swapped to fixed rate with a tenor rounding down and up to the nearest whole years to the remaining tenor until the Maturity Date of the Bonds,

Reference Date means the date which is two Business Days prior to the despatch of the notice of redemption to Bondholders under this Condition 11 3, and

Remaining Life (or Term) means the number of years remaining until the Maturity Date, calculated by subtracting the Reference Date from the Maturity Date and rounding down to three decimal places

11.4 Redemption at the Option of the Bondholders

On the occurrence of a Change of Control Put Event (as defined below), the holder of each Bond will have the option (a **Put Option**) (unless prior to the giving of the relevant Put Event Notice (as defined below) the Issuer has given notice of redemption under Condition 11 2 or 11 3) to require the Issuer to redeem such Bond on the Put Date (as defined below) at its Outstanding Principal Amount, together with interest accrued to (but excluding) the Put Date

Promptly upon the Issuer or the Guarantor becoming aware that a Change of Control Put Event has occurred the Issuer or the Guarantor, as the case may be, shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested by the holders of at least one-fifth in Outstanding Principal Amount of the Bonds or if so directed by an Extraordinary Resolution of the Bondholders, shall, (subject in each case to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction) give notice (a **Put Event Notice**) to the Bondholders in accordance with Condition 16 (*Notices*) specifying the nature of the Change of Control Put Event and the procedure for exercising the Put Option

To exercise the Put Option, the holder of each Bond must deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the period of 45 days (the **Put Period**) after a Put Event Notice is given, a duly completed and signed irrevocable notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) in which the Bondholder must undertake not to sell or transfer the relevant Bond for the duration of the Put Period and specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 11 4 accompanied by such Bond or evidence satisfactory to the Paying Agent concerned that such Bond will, following delivery of the Put Notice, be held to its order or under its control

The Paying Agent to which such Bond and Put Notice are delivered will issue to the Bondholder concerned a non-transferable receipt in respect of the Bond so delivered. Payment in respect of any Bond so delivered will be made, if the holder duly specified a bank account in the Put Notice to which payment is to be made, on the Put Date by transfer to that bank account and, in every other case, on or after the Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent. For the purposes of these Conditions, receipts issued pursuant to this Condition 11 4 shall be treated as if they were Bonds. The Issuer shall redeem the Bonds in respect of which the Put Option has been validly exercised in accordance with the provisions of this Condition 11 4 on the Put Date unless previously redeemed and cancelled

The Trustee is under no obligation to ascertain whether a Change of Control Put Event or any event which could lead to the occurrence of or could constitute a Change of Control Put Event has occurred and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or other such event has occurred

If more than 90 per cent. in nominal amount of the Bonds originally issued has been redeemed in accordance with this Condition, the Issuer may, on not less than 30 or more than 60 days' notice to the Bondholders, redeem, at its option, on the date specified in the notice the remaining Bonds, as a

whole, at the Outstanding Principal Amount, together with interest accrued to, but excluding, the date of such redemption

In this Condition

A Change of Control Put Event will be deemed to have occurred if

- (a) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006 as amended) whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Guarantor, and any person(s) acting on behalf of any such person(s), at any time is/are or become(s) interested (within the meaning of Part 22 of the Companies Act 2006), in (A) more than 50 per cent of the issued or allotted ordinary share capital of the Guarantor or (B) shares in the capital of the Guarantor carrying more than 50 per cent of the voting rights normally exercisable at a general meeting of the Guarantor, or
- (b) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006 as amended) whose shareholders are or are to be substantially similar to the pre-existing shareholders of any direct or indirect holding company of the Guarantor, and any person(s) acting on behalf of any such person(s), at any time is/are or become(s) interested (within the meaning of Part 22 of the Companies Act 2006), in (A) more than 50 per cent of the issued or allotted ordinary share capital of any direct or indirect holding company of the Guarantor or (B) shares in the capital of any direct or indirect holding company of the Guarantor carrying more than 50 per cent of the voting rights normally exercisable at a general meeting of any such direct or indirect holding company of the Guarantor

Put Date means the day which is ten days after the expiration of the Put Period provided that such day is a day (other than a Saturday, Sunday or public holiday) on which banks are open generally for business in London, or, if not, the next such day

11.5 Purchases

The Issuer, the Guarantor, any Charging Subsidiary or any other member of the PHP Group may at any time purchase Bonds (provided that all unmatured Coupons appertaining to the Bonds are purchased with the Bonds) in any manner and at any price. Following any such purchase, the Guarantor, such Charging Subsidiary or such other member of the PHP Group, as the case may be, may (but is not obliged to) surrender the Bonds to the Issuer for cancellation.

11.6 Cancellations

All Bonds (a) redeemed by the Issuer pursuant to Condition 11.2 (*Redemption for Taxation Reasons*), Condition 11.3 (*Early Redemption at the Option of the Issuer*) or Condition 11.4 (*Redemption at the Option of the Bondholders*) or (b) purchased by the Issuer, the Guarantor, any Charging Subsidiary or any other member of the PHP Group pursuant 11.5 (*Purchases*) and surrendered for cancellation, shall be cancelled and may not be issued or resold.

11.7 Notices Final

Upon the expiry of any notice as is referred to in Condition 11.2 (*Redemption for Taxation Reasons*), Condition 11.3 (*Early Redemption at the Option of the Issuer*) the Issuer shall be bound to redeem the Bonds to which the notice refers in accordance with the terms of such Condition.

12. TAXATION

12.1 Payment without Withholding

All payments in respect of the Bonds or Coupons by or on behalf of the Issuer or the Guarantor shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the Bondholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Bonds or, as the case may be, Coupons in the absence of the withholding or deduction, except that no additional amounts shall be payable in relation to any payment in respect of any Bond or Coupon

- (a) presented for payment by or on behalf of, a holder who is liable to the Taxes in respect of the Bond or Coupon by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of the Bond or Coupon, or
- (b) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive, or
- (c) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond or Coupon to another Paying Agent in a Member State of the European Union, or
- (d) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been a Presentation Date (as defined in Condition 10 (*Payments and Exchanges of Talons*))

12.2 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under this Condition or under any undertakings given in addition to, or in substitution for, this Condition pursuant to the Trust Deed

13. PRESCRIPTION

The Bonds and Coupons will become void unless presented for payment within a period of ten years (in the case of principal and premium) and five years (in the case of interest) after the Relevant Date therefor. There shall not be included in any Coupon sheet issued upon exchange of a Talon any Coupon which would be void upon issue under this Condition 13 or Condition 10 (*Payments and Exchanges of Talons*)

14. EVENTS OF DEFAULT AND ENFORCEMENT

14.1 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent in Outstanding Principal Amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution or the Bondholder Representative (if any) shall (subject in each case to being secured

and/or indemnified and/or pre-funded to its satisfaction), (but, in the case of the happening of any of the events described in subparagraphs (b), (d), (e) and (k) below or, insofar as they relate to any Charging Subsidiary, any of the events described in subparagraphs (g), (h), (i) and (j) below, only if the Trustee shall have certified in writing to the Issuer and the Guarantor that such event is, in its opinion, materially prejudicial to the interests of the Bondholders), give notice in writing to the Issuer and the Guarantor that the Bonds are, and the Bonds shall thereupon immediately become, due and repayable at their Outstanding Principal Amount, together with accrued interest as provided in the Trust Deed, if any of the following events (each an **Event of Default**) shall occur

- (a) if default is made in the payment of any principal, premium or interest due in respect of the Bonds or any of them and the default continues for a period of seven days in the case of principal or premium or fourteen days in the case of interest, or
- (b) if the Issuer, the Guarantor or any Charging Subsidiary fails to perform or observe any of its other obligations under, or in respect of, the Conditions or the Trust Deed (other than in respect of Condition 7.3 (*Asset Cover Covenant*) or Condition 7.4 (*Income Cover Covenant*)) or if any representation given by the Issuer, the Guarantor or any Charging Subsidiary to the Trustee in the Trust Deed is found to be untrue or incorrect as at the time it was given and (except in any case where, in the opinion of the Trustee, the failure or inaccuracy is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure or inaccuracy continues for the period of 30 days next following the service by the Trustee on the Issuer, the Guarantor or the relevant Charging Subsidiary, as the case may be, of notice requiring the same to be remedied, or
- (c) if the Issuer fails to perform or observe its obligations under Condition 7.3 (*Asset Cover Covenant*) or under Condition 7.4 (*Income Cover Covenant*) and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by the Trustee on the Issuer of notice requiring the same to be remedied, or
- (d) if (i) any Indebtedness for Borrowed Money of the Issuer or any Charging Subsidiary is declared due and repayable prematurely by reason of an event of default (however described), (ii) the Issuer or any Charging Subsidiary fails to make payment in respect of any Indebtedness for Borrowed Money when due within any applicable grace period, (iii) enforcement proceedings are commenced in respect of any security granted by the Issuer or any Charging Subsidiary, or (iv) default is made by the Issuer or any Charging Subsidiary in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person, provided that an event described in (i), (ii), (iii) or (iv) shall only constitute an Event of Default if the aggregate amount of the relevant indebtedness, guarantees and indemnities and/or amounts secured equals or exceeds £500,000 or its equivalent in any other currency or other currencies (as reasonably determined by the Trustee), or
- (e) if (i) any Indebtedness for Borrowed Money of the Guarantor or any of its subsidiaries is declared due and repayable prematurely by reason of an event of default (however described), (ii) the Guarantor or any of its subsidiaries fails to make payment in respect of any Indebtedness for Borrowed Money when due within any applicable grace period, (iii) enforcement proceedings are commenced in respect of any security granted by the Guarantor or any of its subsidiaries, or (iv) default is made by the Guarantor or any of its subsidiaries in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person, provided that an event described in (i), (ii), (iii) or (iv) shall only constitute an Event of Default if the aggregate amount of the relevant indebtedness, guarantees and indemnities and/or amounts secured equals or exceeds

an amount in pounds sterling or its equivalent in any other currency or currencies that is equal to 1.5 per cent of the consolidated gross property assets as shown in the latest audited consolidated financial statements of the Guarantor prepared in accordance with IFRS, or

- (f) if the value of the assets of the Guarantor is less than the amount of its liabilities, taking into account its contingent and prospective liabilities, as shown in the latest audited financial statements of the Guarantor, prepared in accordance with IFRS, or
- (g) if any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer, the Guarantor or any Charging Subsidiary, save for the purposes of a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Bondholders, or (ii) in the case of a Charging Subsidiary, whereby all of the undertaking and assets of the Charging Subsidiary are transferred to or otherwise vested in any other subsidiary of the Issuer, or
- (h) if the Issuer, the Guarantor or any Charging Subsidiary ceases or threatens to cease to carry on the whole or substantially the whole of its business, save for the purposes of a reorganisation on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Bondholders, or the Issuer, the Guarantor or any Charging Subsidiary stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent, or
- (i) if (i) proceedings are initiated against the Issuer, the Guarantor or any Charging Subsidiary under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer, the Guarantor or any Charging Subsidiary or, as the case may be, in relation to the whole or substantially the whole of the undertaking or assets of any of them or an encumbrancer takes possession of the whole or substantially the whole of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or substantially the whole of the undertaking or assets of any of them, and (ii) in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order) is not discharged within 30 days, or
- (j) if the Issuer, the Guarantor or any Charging Subsidiary initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation (save for the purposes of a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Bondholders, or (ii) in the case of a Charging Subsidiary, whereby all of the undertaking and assets of the Charging Subsidiary are transferred to or otherwise vested in the Issuer or any other Subsidiary) or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors), or
- (k) if it is or will become unlawful for the Issuer, the Guarantor or any Charging Subsidiary to perform or comply with any of its obligations under or in respect of the Bonds or the Trust Deed, or

- (l) if the Guarantee ceases to be, or is claimed by the Issuer or the Guarantor not to be, in full force and effect, or
- (m) if the Issuer ceases to be a subsidiary wholly-owned and controlled, directly or indirectly, by the Guarantor

14.2 Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) against or in relation to the Issuer, the Guarantor or any Charging Subsidiary as it may think fit to enforce the provisions of the Trust Deed, the Bonds, the Coupons and/or any of the other Transaction Documents or otherwise, and at any time after the Security becomes enforceable the Trustee may take the action specified in the Trust Deed to enforce the same, but it shall not be bound to take any such proceedings or other steps or any other action unless (i) it shall have been so directed by an Extraordinary Resolution or the Bondholder Representative (if any) or so requested in writing by the holders of at least 25 per cent in Outstanding Principal Amount of the Bonds then outstanding and (ii) it shall have been secured and/or indemnified and/or pre-funded to its satisfaction

The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power

No Bondholder or Couponholder or any Secured Party (other than the Trustee) shall be entitled to (i) take any steps or action against the Issuer, the Guarantor or any Charging Subsidiary to enforce the performance of any of the provisions of the Trust Deed, the Bonds, the Coupons or any of the other Transaction Documents or (ii) take any other action (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, the Guarantor or any Charging Subsidiary, in each case unless the Trustee, having become bound so to take any such steps, actions or proceedings, fails so to do within a reasonable period and the failure shall be continuing

15. REPLACEMENT OF BONDS, COUPONS AND TALONS

Should any Bond, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Principal Paying Agent (subject to all applicable laws and the requirements of the Financial Conduct Authority or the London Stock Exchange) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Bonds, Coupons or Talons must be surrendered before replacements will be issued

16. NOTICES

All notices regarding the Bonds will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If, in the opinion of the Trustee, publication as

provided above is not practicable, a notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe

Notices to be given by any Bondholder shall be in writing and given by lodging the same, together with the relative Bond or Bonds, with the Principal Paying Agent

Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Bondholders in accordance with this Condition 16 (*Notices*)

17. SUBSTITUTION

The Trust Deed contains provisions permitting the Trustee, subject as follows and subject to any required amendment of the Trust Deed, without the consent of the Bondholders or the Couponholders or any Secured Party, to agree with the Issuer and the Guarantor to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Bonds, the Coupons and the Trust Deed of another company or other entity subject to

- (a) except in the case of substitution of the Guarantor, the Bonds remaining unconditionally and irrevocably guaranteed by the Guarantor,
- (b) subject to as follows, the Trustee being satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution, and
- (c) certain other conditions set out in the Trust Deed being complied with

Any such substitution shall be notified to the Bondholders in accordance with Condition 16 (*Notices*) as soon as practicable thereafter

If a Bondholder Representative has been appointed, no substitution may take effect without the approval of the Bondholder Representative and, if so directed by the Bondholder Representative, the Trustee will agree to such substitution on the terms directed by the Bondholder Representative subject only to the Trustee being satisfied that its personal interests are not thereby prejudiced

18. MEETINGS OF BONDHOLDERS, MODIFICATION, WAIVER AND APPOINTMENT OF BONDHOLDER REPRESENTATIVE

18.1 Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of the Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Bondholders holding not less than ten per cent. in Outstanding Principal Amount of the Bonds for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing in aggregate more than 50 per cent. of the Outstanding Principal Amount of the Bonds for the time being outstanding, or at any adjourned meeting one or more persons being or representing Bondholders whatever the Outstanding Principal Amount of the Bonds so held or represented, except that at any meeting the business of which includes any matter defined in the Trust Deed as a Basic Terms Modification, including, *inter alia*, modifying the date of maturity of the Bonds or any date for payment of principal or interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Bonds or altering the currency of payment of the Bonds or the Coupons, the quorum shall be one or more persons holding or representing in aggregate not less than 75 per cent. in Outstanding Principal Amount of the Bonds for the time being outstanding, or at any such adjourned meeting one

or more persons holding or representing in aggregate not less than 25 per cent in Outstanding Principal Amount of the Bonds for the time being outstanding. The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than 75 per cent of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent in Outstanding Principal Amount of the Bonds for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than 75 per cent in Outstanding Principal Amount of the Bonds for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Bondholders. An Extraordinary Resolution passed by the Bondholders shall be binding on all the Bondholders, whether or not (in the case of Extraordinary Resolutions passed at any meeting) they are present at any meeting and whether or not they voted on the resolution, and on all Couponholders.

18.2 Modification, Waiver, Authorisation and Determination

The Trustee may (unless instructed to the contrary by the Bondholder Representative (if any)) agree, without the consent of the Bondholders, Couponholders or any Secured Party, to any modification (except as stated in the Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Bonds, the Trust Deed or any other Transaction Document, or determine, without any such consent as aforesaid, that any Potential Event of Default or Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders so to do or may (unless instructed to the contrary by the Bondholder Representative (if any)) agree, without any such consent as aforesaid, to any modification which, in the opinion of the Trustee, is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Trustee, proven. Any such modification, waiver, authorisation, determination or substitution shall be binding on the Bondholders, the Couponholders and the Secured Parties and (unless the Trustee agrees otherwise) shall be notified by the Issuer to the Bondholders as soon as practicable thereafter in accordance with Condition 16 (*Notices*).

18.3 Trustee to have regard to interests of Bondholders as a class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Bondholders as a class but shall not have regard to any interests arising from circumstances particular to individual Bondholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Bondholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Bondholder or Couponholder be entitled to claim, from the Issuer, the Guarantor, any Charging Subsidiary, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders or Couponholders except to the extent already provided for in Condition 12 (*Taxation*) and/or any undertaking given in addition to, or in substitution for, Condition 12 (*Taxation*) pursuant to the Trust Deed.

18.4 Appointment of Bondholder Representative

The Bondholders may, by Extraordinary Resolution, appoint a single entity to act as a representative of all Bondholders (a **Bondholder Representative**). Such appointment shall remain in effect at all times unless and until the Bondholder Representative provides notice to the Bondholders, the Issuer

and the Trustee of its resignation or the Bondholder Representative is removed pursuant to a subsequent Extraordinary Resolution.

The Bondholder Representative shall have the right (which it may exercise in its sole discretion) to give approvals, consents, directions and waivers only where specifically provided for in these Conditions or the Trust Deed. In any case where any approval, consent, direction or waiver may be exercised under these Conditions or the Trust Deed by both the Bondholder Representative and the Trustee, the direction of, or exercise by the Bondholder Representative of such approval, consent or waiver, shall prevail.

The Trustee shall not be required to act pursuant to any direction of the Bondholder Representative unless it shall have been secured and/or indemnified and/or pre-funded to its satisfaction.

19. INDEMNIFICATION AND PROTECTION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER AND THE GUARANTOR

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer, the Guarantor, the Bondholders and the Couponholders, including (i) provisions relieving it from taking action unless secured and/or indemnified and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances. The Trustee is exempted from any liability in respect of any loss, diminution in value or theft of all or any part of the Security Assets, from any obligation to insure all or any part of the Security Assets (including, in either such case, any documents evidencing, constituting or representing the same or transferring any rights, benefits and/or obligations thereunder), or to procure the same to be insured.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into or be interested in any contract or financial or other transaction or other arrangement with the Issuer, the Guarantor, any Charging Subsidiary and/or any other Transaction Party or any person or body corporate associated with the Issuer, the Guarantor, any Charging Subsidiary and/or any Transaction Party and (b) to accept or hold the trusteeship of any other trust deed constituting or securing any other securities issued or guaranteed by, or relating to, the Issuer, the Guarantor, any Charging Subsidiary and/or any other Transaction Party or any such person or body corporate so associated or any other office of profit under the Issuer and/or any Transaction Party or any such person or body corporate so associated.

The Trustee shall not be bound to take any step or action in connection with the Trust Deed or the Bonds or obligations arising pursuant thereto or pursuant to the other Transaction Documents, where it is not satisfied that it is indemnified and/or secured and/or pre-funded against all its liabilities and costs incurred in connection with such step or action and may demand, prior to taking any such step or action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so as to indemnify and/or secure and/or pre-fund it.

The Trustee shall have no responsibility for the validity, sufficiency or enforceability of the Security. The Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Transaction Documents.

20. FURTHER ISSUES

Subject to obtaining the prior written approval of the Bondholder Representative (if any), the Issuer shall be at liberty from time to time without the consent of the Bondholders or Couponholders to create and issue further bonds having terms and conditions (and backed by the same assets) the same as the Bonds or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single series with the outstanding

Bonds Any further bonds so created and issued shall be constituted by a trust deed supplemental to the Trust Deed

21. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

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

22. GOVERNING LAW

The Trust Deed (including the Guarantee), the Agency Agreement, the Account Agreement, the Bonds and the Coupons, and any non-contractual obligations or matters arising from or in connection with them, shall be governed by, and construed in accordance with, English law

23. SUBMISSION TO JURISDICTION

The Issuer, the Guarantor and the Charging Subsidiaries have, in the Trust Deed, each irrevocably agreed for the benefit of the Trustee, the Bondholders and the Couponholders that the courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, the Bonds or the Coupons (including a dispute relating to non-contractual obligation arising out of or in connection with the Trust Deed, the Bonds or the Coupons) and accordingly have submitted to the exclusive jurisdiction of the English courts

The Issuer, the Guarantor and the Charging Subsidiaries have, in the Trust Deed, each waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum The Trustee, the Bondholders and the Couponholders may take any suit, action or proceeding arising out of or in connection with the Trust Deed, the Bonds or the Coupons respectively (including any suit, action or proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Bonds or the Coupons) (together referred to as **Proceedings**) against the Issuer, the Guarantor or any Charging Subsidiary in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions, provided that the Trustee, the Bondholders and the Couponholders shall only be entitled to take Proceedings in courts other than the courts of England to the extent necessary or desirable (in the opinion of such party) in connection with any relevant companies or assets which are located outside England

PRINCIPAL PAYING AGENT

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and/or such other or further Principal Paying Agent and other Paying Agents and/or specified offices as may from time to time be appointed by the Issuer and the Guarantor with the approval of the Trustee and notice of which has been given to the Bondholders

SCHEDULE 4

PROVISIONS FOR MEETINGS OF BONDHOLDERS

DEFINITIONS

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

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

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

Clearing System means Euroclear and/or Clearstream, Luxembourg and includes in respect of any Bond any clearing system on behalf of which such Bond is held or which is the bearer or holder of a Bond, in either case whether alone or jointly with any other Clearing System(s) For the avoidance of doubt, the provisions of Clause 1 2(o) shall apply to this definition,

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

- (a) a holder of a Bond in definitive form,
- (b) a bearer of any Voting Certificate, and
- (c) a proxy specified in any Block Voting Instruction,

Extraordinary Resolution means

- (a) a resolution passed at a meeting duly convened and held in accordance with these presents by a majority consisting of not less than 75 per cent of the Eligible Persons voting thereat upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than 75 per cent of the votes cast on such poll,
- (b) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent in Outstanding Principal Amount of the Bonds for the time being outstanding which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the holders, or
- (c) consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Trustee) by or on behalf of the holders not less than 75 per cent in Outstanding Principal Amount of the Bonds for the time being outstanding,

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

- (a) that on the date thereof Bonds (whether in definitive form or represented by a Global Bond and held in an account with any Clearing System) (in each case not being Bonds in respect of which a Block Voting Instruction has been issued and is outstanding in respect of the meeting specified in such Voting Certificate) were deposited with such Paying Agent or (to the satisfaction of such Paying Agent) are held to its order or under its control or are blocked in an account with a Clearing System and that no such Bonds will cease to be so deposited or held or blocked until the first to occur of
 - (1) the conclusion of the meeting specified in such Voting Certificate, and
 - (2) the surrender of the Voting Certificate to the Paying Agent who issued the same, and
- (b) that the bearer thereof is entitled to attend and vote at such meeting in respect of the Bonds represented by such Voting Certificate,

24 Hours means a period of 24 hours including all or part of a day upon which banks are open for business in the place where the relevant meeting is to be held, (for so long as the Bonds are represented by a Global Bond) in each of the places where a Clearing System is located and in each of the places where the Paying Agents have their specified offices (in each case, disregarding for this purpose the day upon which such meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business in all of the places as aforesaid, and

48 Hours means a period of 48 hours including all or part of two days upon which banks are open for business in the place where the relevant meeting is to be held, (for so long as the Bonds are

represented by a Global Bond) in each of the places where a Clearing System is located and in each of the places where the Paying Agents have their specified offices (in each case, disregarding for this purpose the day upon which such meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of two days upon which banks are open for business in all of the places as aforesaid

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

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

EVIDENCE OF ENTITLEMENT TO ATTEND AND VOTE

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

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

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

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

- 3 (A) *Definitive Bonds not held in a Clearing System*

If Bonds have been issued in definitive form and are not held in an account with any Clearing System, the Trustee may from time to time prescribe further regulations (in accordance with paragraph 22) to enable the holders of such Bonds to attend and/or vote at a meeting in respect of such Bonds

- (B) *Global Bonds and Definitive Bonds held in a Clearing System - Voting Certificate*

A holder of a Bond (not being a Bond in respect of which instructions have been given to the Principal Paying Agent in accordance with paragraph 3(C)) represented by a Global Bond or which is in definitive form and, in either case, is held in an account with any Clearing System may procure the delivery of a Voting Certificate in respect of such Bond by giving notice to the Clearing System through which such holder's interest in the Bond is held specifying by name a person (an **Identified Person**) (which need not be the holder himself) to collect the Voting Certificate and attend and vote at the meeting. The relevant Voting Certificate will be made available at or shortly prior to the commencement of the meeting by the Principal Paying Agent against presentation by such Identified Person of the form of

identification previously notified by such holder to the Clearing System. The Clearing System may prescribe forms of identification (including, without limitation, a passport or driving licence) which it deems appropriate for these purposes. Subject to receipt by the Principal Paying Agent from the Clearing System, no later than 24 Hours prior to the time for which such meeting is convened, of notification of the Outstanding Principal Amount of the Bonds to be represented by any such Voting Certificate and the form of identification against presentation of which such Voting Certificate should be released, the Principal Paying Agent shall, without any obligation to make further enquiry, make available Voting Certificates against presentation of the form of identification corresponding to that notified.

(C) *Global Bonds and Definitive Bonds held in a Clearing System - Block Voting Instruction*

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

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

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

CONVENING OF MEETINGS, QUORUM AND ADJOURNED MEETINGS

4 The Issuer, the Guarantor or the Trustee may at any time, and the Issuer shall upon a requisition in writing in the English language signed by the holders of not less than ten per cent in Outstanding Principal Amount of the Bonds for the time being outstanding, convene a meeting and if the Issuer makes default for a period of seven days in convening such a meeting the same may be convened by the Trustee or the requisitionists. Whenever the Issuer or the Guarantor is about to convene any such

meeting the Issuer or the Guarantor shall forthwith give notice in writing to the Trustee of the day, time and place thereof and of the nature of the business to be transacted thereat. Every such meeting shall be held at such time and place as the Trustee may appoint or approve in writing.

- 5 At least 21 Clear Days' notice specifying the place, day and hour of meeting shall be given to the holders prior to any meeting in the manner provided by Condition 16 (*Notices*). Such notice, which shall be in the English language, shall state generally the nature of the business to be transacted at the meeting thereby convened and, where an Extraordinary Resolution will be proposed at the meeting, shall either specify in such notice the terms of such resolution or state fully the effect on the holders of such resolution, if passed. Such notice shall include statements as to the manner in which holders may arrange for Voting Certificates or Block Voting Instructions to be issued and, if applicable, appoint proxies. A copy of the notice shall be sent by post to the Trustee (unless the meeting is convened by the Trustee), to the Issuer (unless the meeting is convened by the Issuer) and to the Guarantor (unless the meeting is convened by the Guarantor).
- 6 A person (who may but need not be a holder) nominated in writing by the Trustee shall be entitled to take the chair at the relevant meeting, but if no such nomination is made or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting the holders present shall choose one of their number to be Chairman, failing which the Issuer may appoint a Chairman. The Chairman of an adjourned meeting need not be the same person as was Chairman of the meeting from which the adjournment took place.
- 7 At any such meeting one or more Eligible Persons present and holding or representing in the aggregate more than 50 per cent in Outstanding Principal Amount of the Bonds for the time being outstanding shall (subject as provided below) form a quorum for the transaction of business (including the passing of an Extraordinary Resolution) PROVIDED THAT at any meeting the business of which includes any Basic Terms Modification (which shall, subject only to subclause 33.2 and subclause 36, only be capable of being effected after having been approved by Extraordinary Resolution) the quorum shall be one or more Eligible Persons present and holding or representing in the aggregate not less than 75 per cent of the Outstanding Principal Amount of the Bonds for the time being outstanding. No business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of the relevant business.
- 8 If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any such meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the meeting shall if convened upon the requisition of holders be dissolved. In any other case it shall stand adjourned for such period, being not less than 13 Clear Days nor more than 42 Clear Days, and to such place as may be appointed by the Chairman either at or subsequent to such meeting and approved by the Trustee. If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any adjourned meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the Chairman may either (with the approval of the Trustee) dissolve such meeting or adjourn the same for such period, being not less than 13 Clear Days (but without any maximum number of Clear Days), and to such place as may be appointed by the Chairman either at or subsequent to such adjourned meeting and approved by the Trustee, and the provisions of this sentence shall apply to all further adjourned such meetings. A meeting may be adjourned any number of times, however, no adjourned meeting shall be held more than 60 Clear Days after the date of the original meeting. Any adjourned meeting that is adjourned until a date that is more than 60 Clear Days after the date of such original meeting shall be automatically deemed dissolved.

- 9 At any adjourned meeting one or more Eligible Persons present (whatever the Outstanding Principal Amount of the Bonds so held or represented by them) shall (subject as provided below) form a quorum and shall have power to pass any resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the requisite quorum been present PROVIDED THAT at any adjourned meeting the quorum for the transaction of business comprising any Basic Terms Modification shall be one or more Eligible Persons present and holding or representing in the aggregate not less than 25 per cent of the Outstanding Principal Amount of the Bonds for the time being outstanding
- 10 Notice of any adjourned meeting shall be given in the same manner as notice of an original meeting but as if 10 were substituted for 21 in paragraph 5 and such notice shall state the required quorum

CONDUCT OF BUSINESS AT MEETINGS

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

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

For the avoidance of doubt, in respect of any Bonds which are not fully paid up as to their nominal amounts prior to the Final Instalment Payment Date, the Bondholder shall be deemed to have full voting rights for the relevant proportion of Bonds that it holds

For the avoidance of doubt, notwithstanding the generality of the definition of "outstanding", the Issuer shall not have the right to be counted in the quorum or vote at any meeting of the Bondholders or in respect of an Extraordinary Resolution in writing or an Extraordinary Resolution by way of electronic consents given through the relevant Clearing System(s) or in respect of any direction or request by the holders of the Bonds, in respect of any Bonds held by or on behalf of or for the benefit of the Issuer

- 18 The proxies named in any Block Voting Instruction need not be holders Nothing herein shall prevent any of the proxies named in any Block Voting Instruction from being a director, officer or representative of or otherwise connected with the Issuer or the Guarantor
- 19 The Bondholders shall in addition to the powers hereinbefore given have the following powers exercisable (without prejudice to any powers conferred on other persons by these presents) only by Extraordinary Resolution (subject, in the case of an Extraordinary Resolution to be proposed at a meeting, to the provisions relating to quorum contained in paragraphs 7 and 9) namely
 - (a) Power to sanction any compromise or arrangement proposed to be made between the Issuer, the Guarantor, any Charging Subsidiary, the Trustee, any Appointee and the holders and Couponholders or any of them
 - (b) Power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Trustee, any Appointee, the holders, the Couponholders, the Issuer, the Guarantor or any Charging Subsidiary against any other or others of them or against any of their property whether such rights arise under these presents or otherwise
 - (c) Power to assent to any modification of the provisions of these presents which is proposed by the Issuer, the Guarantor, the Trustee or any holder
 - (d) Power to give any authority or sanction which under the provisions of these presents is required to be given by Extraordinary Resolution
 - (e) Power to appoint any persons (whether holders or not) as a committee or committees to represent the interests of the holders and to confer upon such committee or committees any powers or discretions which the holders could themselves exercise by Extraordinary Resolution
 - (f) Power to approve of a person to be appointed a trustee and power to remove any trustee or trustees for the time being of these presents
 - (g) Power to discharge or exonerate the Trustee and/or any Appointee from all liability in respect of any act or omission for which the Trustee and/or such Appointee may have become responsible under these presents
 - (h) Power to authorise the Trustee and/or any Appointee to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution

- (i) Power to sanction any scheme or proposal for the exchange or sale of the Bonds for or the conversion of the Bonds into or the cancellation of the Bonds in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash
 - (j) Power to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under these presents
- 20 Any Extraordinary Resolution (i) passed at a meeting of the holders duly convened and held in accordance with these presents, (ii) passed as an Extraordinary Resolution in writing and in accordance with these presents or (iii) passed by way of electronic consents given by holders through the relevant Clearing System(s) in accordance with these presents, shall be binding upon all the holders (whether or not present or whether or not represented at any meeting and whether or not voting on such Extraordinary Resolution) and upon all Couponholders and each of them shall be bound to give effect thereto accordingly and the passing of any such Extraordinary Resolution shall be conclusive evidence that the circumstances justify the passing thereof. Notice of the result of the voting on any Extraordinary Resolution duly considered by the holders shall be published in accordance with Condition 16 (*Notices*) by the Issuer within 14 days of such result being known, PROVIDED THAT the non-publication of such notice shall not invalidate such result
- 21 Minutes of all resolutions and proceedings at every meeting shall be made and entered in books to be from time to time provided for that purpose by the Issuer and any such minutes as aforesaid, if purporting to be signed by the Chairman of the meeting at which such resolutions were passed or proceedings transacted, shall be conclusive evidence of the matters therein contained and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings transacted thereat to have been duly passed or transacted
- 22 Subject to all other provisions of these presents the Trustee may (after consultation with the Issuer and the Guarantor where the Trustee considers such consultation to be practicable but without the consent of the Issuer, the Guarantor, the holders or the Couponholders) prescribe such further or alternative regulations regarding the requisitioning and/or the holding of meetings and attendance and voting thereat as the Trustee may in its sole discretion reasonably think fit (including, without limitation, the substitution for periods of 24 Hours and 48 Hours referred to in this Schedule of shorter periods). Such regulations may, without prejudice to the generality of the foregoing, reflect the practices and facilities of any relevant Clearing System. Notice of any such further or alternative regulations may, at the sole discretion of the Trustee, be given to holders in accordance with Condition 16 (*Notices*) at the time of service of any notice convening a meeting or at such other time as the Trustee may decide

SCHEDULE 5

FORM OF DIRECTORS' CERTIFICATE

[ON THE HEADED PAPER OF THE ISSUER]

To U S Bank Trustees Limited
Fifth Floor
125 Old Broad Street
London EC2N 1AR

Attention MBS Relationship Management

[Date]

Dear Sirs

£70,000,000 Floating Rate Guaranteed Secured Bonds due 2025

This certificate is delivered to you in accordance with Clause 25 3(k) of the Trust Deed dated 4th November, 2013 (the **Trust Deed**) and made between PHP Bond Finance plc (the **Issuer**), Primary Health Properties PLC (the **Guarantor**), the Original Charging Subsidiaries (as defined therein) and U S Bank Trustees Limited (the **Trustee**). All words and expressions defined in the Trust Deed shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein

We hereby certify that, to the best of our knowledge, information and belief (having made all prudent enquiries)

- (a) as at []¹, no Event of Default or Potential Event of Default existed [other than []]² and no Event of Default, Potential Event of Default or Change of Control Put Event had existed or happened at any time since []³ [the certification date (as defined in the Trust Deed) of the last certificate delivered under Clause 25 3(k)]⁴ [other than []]⁵, and
- (b) from and including []³ [the certification date of the last certificate delivered under Clause 25 3(k)]⁴ to and including []¹, the Issuer, the Guarantor and the Charging Subsidiaries have complied in all respects with their obligations under these presents (as defined in the Trust Deed) [other than []]⁶

[We hereby confirm that the list of directors most recently delivered to the Trustee on [●] remains up-to-date as at the date of this certificate] [The following persons have been authorised by the [Issuer/Guarantor] to execute certificates and other documentation delivered in connection with the Trust Deed and their specimen signatures are below

Name	Office	Specimen Signature

¹ Specify a date not more than seven days before the date of delivery of the certificate

² If any Event of Default or Potential Event of Default or Change of Control Put Event did exist, give details, otherwise delete

³ Insert date of Trust Deed in respect of the first certificate delivered under Clause 25 3(k) otherwise delete

⁴ Include unless the certificate is the first certificate delivered under Clause 25 3(k), in which case delete

⁵ If any Event of Default or Potential Event of Default or Change of Control Put Event did exist, give details, otherwise delete

⁶ If the Issuer, the Guarantor or a Charging Subsidiary has failed to comply with any obligation(s), give details, otherwise delete

]For and on behalf of

PHP Bond Finance plc

Director

Director

SCHEDULE 6

FORM OF COMPLIANCE CERTIFICATE

[ON THE HEADED PAPER OF THE ISSUER]

To **U.S. BANK TRUSTEES LIMITED** as Trustee

[and [●] as Bondholder Representative]

From **PHP BOND FINANCE PLC**

Date [●]

PHP BOND FINANCE PLC

£70,000,000 Floating Rate Guaranteed Secured Bonds due 2025

constituted and secured by a Trust Deed dated 4th November, 2013 (the Trust Deed)

- 1 We refer to the Trust Deed This is a Compliance Certificate
- 2 We confirm that, as at [[●] (the **Mortgaged Properties Adjustment Date**)] [[●] (the **Periodic Testing Date**)]
- (a) (i) the Value⁷ of the Mortgaged Properties in the Valuation dated [●] [was/is] [●], and
- (ii) the Value⁸ of the Charged Cash [was/is] [●],
- (the sum of which being the **Aggregate Asset Value**), and
- (b) [1 5]⁹[1 35]¹⁰ times the Outstanding Principal Amount of the Bonds outstanding [was/is] [●],
- therefore, the Aggregate Asset Value [is/was] [not] less than [1 5]¹¹[1 35]¹² times the Outstanding Principal Amount of the Bonds outstanding Accordingly the Issuer [is/is not] in compliance with the [Mortgaged Properties Adjustment Asset Cover Test][Periodic Asset Cover Test]
- 3 We also confirm that, as at the [Mortgaged Properties Adjustment Date][Periodic Testing Date]
- (a) (i) [the Auditors have confirmed]¹³ that the Net Annual Income¹⁴ of the Mortgaged Properties [was/is] [●] [as set out in [*specify details of where such information is contained within the management accounts of the relevant Charging Subsidiary*]]¹⁵, and
- (ii) the Net Annual Income¹⁶ of the Charged Cash [was/is] [●],
- (the sum of which being the **Aggregate Net Annual Income**), and

⁷ See the definition of "Value" in Condition 1 The Value of properties used for the purpose of determining the Value thereof is the value shown in the then latest Valuation

⁸ See the definition of "Value" in Condition 1

⁹ For use in relation to the Mortgaged Properties Adjustment Asset Cover Test

¹⁰ For use in relation to the Periodic Asset Cover Test

¹¹ For use in relation to the Mortgaged Properties Adjustment Asset Cover Test

¹² For use in relation to the Periodic Asset Cover Test

¹³ Relevant in respect of each Periodic Testing Date occurring on 31st December in each year

¹⁴ See the definition of "Net Annual Income" in Condition 1

¹⁵ Relevant in respect of each Periodic Testing Date occurring on 30th June in each year

¹⁶ See the definition of "Net Annual Income" in Condition 1

(b) (i) the Annual Aggregate Bond Interest Amount¹⁷ of the Bonds outstanding [was/is estimated to be] [●], and

(ii) [1 5]¹⁸[1 5]¹⁹ times the Annual Aggregate Bond Interest Amount of the Bonds outstanding [was/is estimated to be] [●],

therefore, the Aggregate Net Annual Income [is/was] [not] less than [1 5]²⁰[1 5]²¹ times the Annual Aggregate Bond Interest Amount of the Bonds outstanding Accordingly the Issuer [is/is not] in compliance with the [Mortgaged Properties Adjustment Income Cover Test][Periodic Income Cover Test]

Terms used in this statement should have the same meanings as in the Trust Deed, unless the context otherwise requires

PHP BOND FINANCE PLC

Director

Director

¹⁷ See the definition of "Annual Aggregate Bond Interest Amount" in Condition I
¹⁸ For use in relation to the Mortgaged Properties Adjustment Income Cover Test
¹⁹ For use in relation to the Periodic Income Cover Test
²⁰ For use in relation to the Mortgaged Properties Adjustment Income Cover Test
²¹ For use in relation to the Periodic Income Cover Test

SCHEDULE 7

FORM OF NEW PROPERTY APPROVAL CERTIFICATE

[ON THE HEADED PAPER OF THE ISSUER]

To **U.S. BANK TRUSTEES LIMITED** as Trustee

[and [●] as Bondholder Representative]

From **PHP BOND FINANCE PLC**

Date [●]

PHP BOND FINANCE PLC

£70,000,000 Floating Rate Guaranteed Secured Bonds due 2025
constituted and secured by a Trust Deed dated 4th November, 2013 (the Trust Deed)

- 1 We refer to the Trust Deed This is a New Property Approval Certificate
- 2 We refer to the properties in Annex 1 hereof (being the **New Additional Properties**)
- 3 We confirm that
 - (a) the New Additional Properties satisfy the Eligible Property Criteria,
 - (b) immediately following the addition of the New Additional Properties, the combined Value of the Mortgaged Properties situated in Wales will be £[●] and, accordingly, will not exceed 10 per cent of the aggregate Value of all Mortgaged Properties,
 - (c) we have provided, or procured the provision of, a Full Valuation in relation to the New Additional Properties to the Trustee [and the Bondholder Representative] dated no earlier than three months prior to the date on which such New Additional Properties are to be charged, and
 - (d) we have provided, or procured the provision of, to the Trustee [and the Bondholder Representative] the Additional Property Conditions Precedent in respect of the New Additional Properties

Terms used in this statement have the same meanings as in the Trust Deed, unless the context otherwise requires

PHP BOND FINANCE PLC

Director

Director

SCHEDULE 8

FORM OF SUBSTITUTE PROPERTY CERTIFICATE

[ON THE HEADED PAPER OF THE ISSUER]

To **U.S. BANK TRUSTEES LIMITED** as Trustee

[and [●] as Bondholder Representative]

From **PHP BOND FINANCE PLC**

Date [●]

PHP BOND FINANCE PLC

£70,000,000 Floating Rate Guaranteed Secured Bonds due 2025

constituted and secured by a Trust Deed dated 4th November, 2013 (the Trust Deed)

- 1 We refer to the Trust Deed This is a Substitute Property Certificate
- 2 We refer to the Mortgaged Properties in Annex 1 hereof (being the **Substitute Properties**).
- 3 We refer to the properties in Annex 2 hereof (being the **New Substitute Properties**)
- 4 We refer to the Full Valuation in respect of the New Substitute Properties dated [●]²² and we confirm that immediately following the release of the Substitute Properties from the Security and the substitution of the New Substitute Properties as Mortgaged Properties, the Issuer will be in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test

[Calculations to be set out showing compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test]²³
- 5 We confirm that
 - (a) the New Substitute Properties satisfy the Eligible Property Criteria,
 - (b) immediately following the substitution of the New Substitute Properties, the combined Value of the Mortgaged Properties situated in Wales will be £[●] and, accordingly, will not exceed 10 per cent of the aggregate Value of all Mortgaged Properties,
 - (c) we have provided, or procured the provision of, a Full Valuation to the Trustee [and the Bondholder Representative] in relation to the New Substitute Properties prepared by the Valuer dated no earlier than three months prior to the date on which the New Substitute Properties are to be charged, and
 - (d) we have provided, or procured the provision of, to the Trustee [and the Bondholder Representative] the Additional Property Conditions Precedent in respect of the New Substitute Properties

²² Full Valuation to be dated not more than three months prior to the date of the substitution

²³ Calculations to set out the Value and Net Annual Income of the Substitute Properties and the portfolio pre-substitution and the value of the New Substitute Properties and the Value and the Net Annual Income of the portfolio as it will be post-substitution

Terms used in this statement have the same meanings as in the Trust Deed, unless the context otherwise requires

PHP BOND FINANCE PLC

Director

Director

SCHEDULE 9

FORM OF PROPERTY RELEASE CERTIFICATE

[ON THE HEADED PAPER OF THE ISSUER]

To **U.S. BANK TRUSTEES LIMITED** as Trustee

[and [●] as Bondholder Representative]

From **PHP BOND FINANCE PLC**

Date [●]

PHP BOND FINANCE PLC

£70,000,000 Floating Rate Guaranteed Secured Bonds due 2025
constituted and secured by a Trust Deed dated 4th November, 2013 (the Trust Deed)

1 We refer to the Trust Deed This is a Property Release Certificate

2 We refer to the Mortgaged Properties in Annex 1 hereof (being the **Released Properties**)

3 We confirm that

- (a) immediately following the release of the Released Properties from the Security, the Issuer will be in compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test, and

[Calculations to be set out showing compliance with the Mortgaged Properties Adjustment Asset Cover Test and the Mortgaged Properties Adjustment Income Cover Test]²⁴

- (b) immediately following the release of the Released Properties, the combined Value of the Mortgaged Properties situated in Wales will be £[●] and, accordingly, will not exceed 10 per cent of the aggregate Value of all Mortgaged Properties

Terms used in this statement have the same meanings as in the Trust Deed, unless the context otherwise requires

PHP BOND FINANCE PLC

Director

Director

²⁴ Calculations to set out the Value and Net Annual Income of the Released Properties and the portfolio pre-release and the Value and Net Annual Income of the portfolio as it will be post-release

[We hereby acknowledge and give consent to the above withdrawal of the Release Properties from the Mortgaged Properties for the purpose of Condition 8.3 (*Release of Mortgaged Properties*) and Clause 16.3 (*Release of Mortgaged Properties*) of the Trust Deed]

[NAME OF BONDHOLDER REPRESENTATIVE]

Authorised signatory]

SCHEDULE 10

ADDITIONAL PROPERTY CONDITIONS PRECEDENT

- 1 A Full Valuation of the properties to be charged pursuant to the relevant Supplemental Trust Deed (the **Relevant Properties**), addressed to the Trustee and the Bondholder Representative (if any), confirming the Value of the Relevant Properties
- 2 A copy of any consent required in connection with the charging of the Relevant Properties in favour of the Trustee for the benefit of itself and the Bondholders and the Secured Parties
- 3 A Certificate of Title relating to the title and deeds to the Relevant Properties, duly prepared and signed by the solicitors acting for the relevant Charging Subsidiary
- 4 A Letter of Undertaking relating to the title, priority searches, Land Registry registrations and the deeds to the Relevant Properties, duly signed by the solicitors acting for the relevant Charging Subsidiary
- 5 Land Registry searches or, if appropriate, clear Land Charges searches showing no adverse entries affording priority to the Trustee for a period of not less than ten Business Days following the date upon which the relevant Supplemental Trust Deed is entered into, against each Relevant Property or part thereof to be charged, the title to which is, in each case, registered or which is unregistered and in respect of which an application for first registration is to be lodged at the Land Registry
- 6 Copies of all agreed form Land Registry forms in relation to the charging of each Relevant Property for the benefit of itself and the Bondholders and the Secured Parties
- 7 Copies of policies, certificates or cover notes relating to each contract or policy of insurance (including, but not limited to, general buildings insurance policies and indemnity policies in relation to particular title or environmental issues, as may be required by the Trustee) taken out by or on behalf of the relevant Charging Subsidiary or in which the relevant Charging Subsidiary has an interest and which relates to the Relevant Properties and evidence satisfactory to the Trustee that a note of the Trustee's interest has been endorsed upon each such contract or policy of insurance in accordance with the Trust Deed (or there is a provision for automatic noting)
- 8 If required, a copy of each Occupational Lease in place at the Relevant Properties
- 9 Evidence of an effective discharge of all mortgages, charges, standard securities and liens (other than pursuant to these presents) affecting the relevant Charging Subsidiary's interests in the Relevant Properties or, in connection with any existing floating charge, a certificate of non-crystallisation from, and, where appropriate, the necessary consent of, the relevant chargee in respect thereof
- 10 Such other authorisations, documents, opinions or assurances (including, without limitation, structural surveys and environmental reports) which the Trustee reasonably considers to be necessary

SCHEDULE 11
FORM OF SUPPLEMENTAL TRUST DEED

SUPPLEMENTAL TRUST DEED

Dated [●]

PHP BOND FINANCE PLC

[ADDITIONAL CHARGING SUBSIDIARY]

and

U S. BANK TRUSTEES LIMITED

supplemental to a Trust Deed dated 4th November, 2013

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THIS SUPPLEMENTAL TRUST DEED is dated [●]

BETWEEN

- (1) **PHP BOND FINANCE PLC** a company incorporated under the laws of England and Wales with registered number 8684414, whose registered office is at Ground Floor, Ryder Court, 14 Ryder Street, London SE1Y 6QB (the **Issuer**),
- (2) **[NEW CHARGING SUBSIDIARY]** (the **Relevant Charging Subsidiary**), and
- (3) **U.S. BANK TRUSTEES LIMITED** whose registered office is at Fifth Floor, 125 Old Broad Street, London EC2N 1AR as trustee of the security constituted by these presents (as defined in the Trust Deed) for itself and the Secured Parties in accordance with the Trust Deed (the **Trustee** which expression shall include any person for the time being appointed as trustee or as an additional trustee of the security hereby created and any subsequent successors, transferees and assigns thereof)

BACKGROUND

- (A) The Issuer and the Trustee (among others) have entered into a Trust Deed dated 4th November, 2013 (the **Trust Deed**)
- (B) This Supplemental Trust Deed is supplemental to, and subject to the provisions of, the Trust Deed
- (C) [The Relevant Charging Subsidiary, being of the belief that it will be to its benefit and interest and in the furtherance of its objects so to do, has agreed to join in these presents as a Charging Subsidiary for the purpose of giving further Security for the Secured Obligations in the manner hereinafter appearing]²⁵
- (D) It is intended by the parties to this Supplemental Trust Deed that this document will take effect as a deed despite the fact that a party may only execute this document under hand

IT IS AGREED as follows

1. INTERPRETATION

1.1 In this Supplemental Trust Deed

Additional Mortgaged Property means the freehold and leasehold property specified in Schedule 1,

Additional Security Assets means the property which is charged and assigned pursuant to this Supplemental Trust Deed, and

Security Period means the period beginning on the date of this Supplemental Trust Deed and ending on the date on which the Trustee determines that all the Secured Obligations which have arisen or may arise have been unconditionally and irrevocably paid and discharged in full or the security hereby created has been unconditionally and irrevocably released and discharged

1.2 Capitalised terms defined in the Trust Deed have, unless expressly defined in this Supplemental Trust Deed, the same meaning in this Supplemental Trust Deed or any notice given under or in connection with this Supplemental Trust Deed

²⁵ To be included if Property is being charged by a subsidiary which is not an existing Charging Subsidiary

[Consider setting out required definitions in full for registration purposes if the security is required to be registered at Companies House]

2. APPLICATION OF PROVISIONS IN TRUST DEED

This Supplemental Trust Deed shall be read together with, and shall be subject to, the provisions of the Trust Deed

3. SECURITY

3.1 The Relevant Charging Subsidiary with full title guarantee for the payment or discharge of the Secured Obligations by way of collateral security hereby

- (a) charges by way of first legal mortgages in favour of the Trustee for itself and the Bondholders and as trustee for the other Secured Parties, the Additional Mortgaged Properties together with all buildings and Fixtures thereon, the proceeds of sale of all or any part thereof and (so far as the same are capable of being mortgaged) the benefit of any covenants for title given or entered into by any predecessor in title of the Relevant Charging Subsidiary and any moneys paid or payable in respect of such covenants,
- (b) charges by way of first fixed charges in favour of the Trustee for itself and the Bondholders and as trustee for the other Secured Parties
 - (i) all fixed plant and machinery now or in the future owned by it and its interest in any fixed plant or machinery in its possession, in each case which form part of the Additional Mortgaged Properties,
 - (ii) all benefits in respect of the Insurances and all claims and returns of premiums in respect thereof, other than those that are payable or refundable to the tenants of the Additional Mortgaged Properties in accordance with the terms of an Occupational Lease,
 - (iii) the benefit of all present and future licences, consents and authorisations (statutory or otherwise) held in connection with its business so far as it relates to the Security Assets charged by it or the use of any of the Security Assets specified in paragraph (a) and subparagraph (i) above and the right to recover and receive all compensation which may at any time become payable to it in respect thereof, and
 - (iv) if and in so far as the legal mortgages set forth in paragraph (a) above or the assignments referred to in paragraph (c) below shall for any reason be ineffective as legal mortgages or assignments, the assets referred to in those subclauses, [and]
- (c) assigns absolutely by way of security in favour of the Trustee for itself and the Bondholders and as trustee for the other Secured Parties, its rights, title and interest arising under
 - (i) the personal agreements and covenants by the tenants, lessees, licensees or other parties under the Letting Documents and by all guarantors in respect thereof and all security held by it in respect of the obligations of the tenants, lessees, licensees or other parties under the Letting Documents (including, without limiting the generality of the foregoing, all moneys due and owing to it or which may become due and owing to it at any time in the future in connection therewith), and
 - (ii) all agreements, now or from time to time entered into or to be entered into for the sale, letting or other disposal or realisation of, or in connection with the

management, ownership, refurbishment, development, repair, improvement or servicing of, the whole or any part of the Fixed Security Assets charged by it (including, without limiting the generality of the foregoing, all moneys due and owing to it or which may become due and owing to it at any time in the future in connection therewith)[]],

- (d) charges by way of first fixed charge in favour of the Trustee for itself and the Bondholders and as trustee for the other Secured Parties, all moneys from time to time standing to the credit of the Charged Account in its name and all debts represented thereby,
- (e) assigns absolutely by way of security in favour of the Trustee for itself and the Bondholders and as trustee for the other Secured Parties, its rights, title and interest arising under the Account Agreement to the extent they relate to the Bonds, and
- (f) charges by way of first floating charge in favour of the Trustee for itself and the Bondholders and as trustee for the other Secured Parties, all the undertakings, properties and assets, both present and future, wheresoever situated, (including any uncalled capital) of it Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to such floating charge,]²⁶

in each case on terms that the Trustee shall hold the proceeds of such security for itself and on trust for the Bondholders and the Secured Parties, subject to the provisions of, and the order of priority provided for in, Clause 21 of the Trust Deed,

PROVIDED ALWAYS that, unless and until the security described above has become enforceable in accordance with Clause 4 8 of the Trust Deed (but subject to the terms of the Transaction Documents), the Relevant Charging Subsidiary shall be entitled to exercise all its rights and claims under or in connection with the agreements and covenants referred to in paragraph[s] (c) [and (e)] above,

AND PROVIDED FURTHER THAT the Trustee shall not give, or require the Relevant Charging Subsidiary to give, any notice of any assignment contained in this Clause 3 1 to any person unless and until the security described above has become enforceable in accordance with Clause 4 8 of the Trust Deed

- 3 2 Subject to Clause 3 1, the Relevant Charging Subsidiary shall, as soon as reasonably practicable after a request by the Trustee, serve notice on any person referred to in Clause 3 1 upon whom the Relevant Charging Subsidiary can be required to serve notice pursuant thereto, in such form as the Trustee may require

4. [ADMISSION OF CHARGING SUBSIDIARY]

The Relevant Charging Subsidiary hereby accedes to and agrees to be bound as a Charging Subsidiary pursuant to the Trust Deed as if it were, for all purposes, an original party thereto]²⁷

5. [DEED OF GRANT]

This Clause 5 applies to those Additional Mortgaged Properties which form part of a Remaining Site at the date of this Supplemental Trust Deed and which are identified by reference to a plan in Schedule 1

- (a) In this Clause 5

²⁶ Insert for Additional Charging Subsidiaries

²⁷ To be included if property is being charged by a subsidiary which is not an existing Charging Subsidiary

Rights means any rights, easements and reservations which are reasonably necessary and appropriate for the use and enjoyment of the relevant Additional Mortgaged Property or the relevant Remaining Site (as appropriate), and

Remaining Site means the land comprised in the registered title of which the Additional Mortgaged Property forms part at the date of this Supplemental Trust Deed but excluding the Additional Mortgaged Property

- (b) The Relevant Charging Subsidiary and the Trustee agree that in the event (within 21 years of the date of this Supplemental Trust Deed) of
 - (i) the Trustee exercising its power of sale over the Additional Mortgaged Property arising from this Supplemental Trust Deed, then the Trustee must procure that the purchaser of the Additional Mortgaged Property enters into a deed of grant with the Relevant Charging Subsidiary to grant and reserve the Rights over the Additional Mortgaged Property and the Remaining Site (as applicable), or
 - (ii) the sale by the Relevant Charging Subsidiary of the Remaining Site, the Additional Charging Subsidiary will procure that the purchaser of the Remaining Site enters into a deed of grant with the Relevant Charging Subsidiary to grant and reserve the Rights over the Additional Mortgaged Property and the Remaining Site (as applicable),as soon as reasonably practicable
- (c) The Relevant Charging Subsidiary shall ensure that, where applicable, any legal mortgage granted over the Remaining Site after the date of this Supplemental Trust Deed (a **Subsequent Legal Charge**) contains provisions whereby, in the event (within 21 years of the date of this Supplemental Trust Deed) of a sale of the Remaining Site by the mortgagee of the Relevant Charging Subsidiary under a Subsequent Legal Charge, such mortgagee of the Relevant Charging Subsidiary is obliged to enter into (or procure that the purchaser of the Remaining Site enters into) a deed of grant with the Relevant Charging Subsidiary to grant and reserve the Rights over the Additional Mortgaged Property and the Remaining Site (as applicable) as soon as reasonably practicable
- (d) Any grant of the Rights by the Trustee or any mortgagee of the Relevant Charging Subsidiary under a Subsequent Legal Charge shall be with limited title guarantee only
- (e) In this Clause 5 references to the Additional Mortgaged Property and the Remaining Site include any part of them (as applicable)
- (f) Any dispute arising in connection with this Clause 5, and in particular the required Rights, shall be determined by an independent surveyor appointed by the Trustee and the Relevant Charging Subsidiary jointly or, if they cannot agree on a joint appointment, the surveyor shall be nominated, on the application of either the Trustee or the Relevant Charging Subsidiary, by the President for the time being of the Royal Institution of Chartered Surveyors or the person for the time being authorised to act on his behalf. The surveyor shall act as an expert, not an arbitrator
- (g) The Relevant Charging Subsidiary shall promptly upon completion of this Supplemental Trust Deed apply to the Land Registry for the following restriction to be entered on the title register to the Additional Mortgaged Property (and the Remaining Site if for any reason that is allocated a different title number following completion of this Supplemental Trust Deed)

"No disposition by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a certificate signed by a conveyancer that the provisions of Clause 5 of a supplemental trust deed dated [●] and referred to in the charges register have been complied with or that they do not apply to the disposition"]

6. LAND REGISTRY

In respect of the Additional Mortgaged Property the title to which is registered at the Land Registry and in respect of any other registered title(s) against which this Supplemental Trust Deed may be noted

- (a) the Relevant Charging Subsidiary, as legal owner thereof, hereby undertakes to apply to the Chief Land Registrar for a restriction in the following terms to be entered on the Proprietorship Register of the Register of Title relating thereto

"No disposition of the [part of the] registered estate [edged in red on the plan] by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of U S Bank Trustees Limited referred to in the charges register or their conveyancer ", and

- (b) the Relevant Charging Subsidiary hereby certifies that the security created hereby does not contravene any of the provisions of the Companies Act 2006 or the [Memorandum and] Articles of Association of it

7. ASSIGNMENT

The Trustee may assign and transfer all of its respective rights and obligations hereunder to a replacement Trustee in accordance with the Trust Deed. Upon such assignment and transfer taking effect, the replacement Trustee shall be and be deemed to be acting as trustee for the Secured Parties (as well as for itself) for the purposes of this Supplemental Trust Deed in place of the old Trustee

8. RELEASE

During the Security Period, the Trustee shall when required to do so under and in accordance with these presents release the relevant assets (or part thereof) constituting the Additional Security Assets from the security constituted by this Supplemental Trust Deed to the extent that the Relevant Charging Subsidiary is permitted to dispose of or have released to it any Security Assets by the terms of these presents and consequently all Secured Parties are required by the terms of these presents to release, or procure the release of, such security

Upon the expiry of the Security Period, the Trustee shall, at the request and reasonable cost of the Issuer, take whatever action is necessary to release and reassign to the Relevant Charging Subsidiary the Additional Security Assets from the security constituted by this Supplemental Trust Deed

9. COUNTERPARTS

This Supplemental Trust Deed may be executed in any number of counterparts, and by the Parties on separate counterparts, each of which shall constitute an original but all of which taken together shall be deemed to constitute one and the same instrument

10. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to these presents has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these presents, but this does not affect any right or remedy of a third party which exists or is available apart from that Act

11. SUBMISSION TO JURISDICTION

The Additional Charging Subsidiary irrevocably agrees for the benefit of the Trustee, the Bondholders and the Couponholders 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 submit to the exclusive jurisdiction of the English courts. The Additional Charging Subsidiary waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee, the Bondholders and the Couponholders may take any suit, action or proceeding arising out of or in connection with these presents (together referred to as **Proceedings**) against each Additional Charging Subsidiary in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions, provided that the Trustee, the Bondholders and the Couponholders shall only be entitled to take Proceedings in courts other than the courts of England to the extent necessary or desirable (in the opinion of such party) in connection with any relevant companies or assets which are located outside England

12. GOVERNING LAW

This Supplemental Trust Deed, and any non-contractual obligations or matters arising from or connected with it, shall be governed by, and construed in accordance with, English Law

IN WITNESS whereof this Supplemental Trust Deed has been duly executed as deed on the date stated at the beginning of this Supplemental Trust Deed

SCHEDULE 1

ADDITIONAL MORTGAGED PROPERTIES

REGISTERED LAND

The whole of the land registered at the Land Registry under the title numbers listed in the schedule attached which titles include (but are not limited to) the individual properties detailed in the schedule attached

[Insert list of properties including full address, postcode and title number (and a plan if relevant) to be inserted or attached]

UNREGISTERED LAND

The freehold or leasehold property (if any) in England and Wales (listed in the schedule attached) title to which is not registered at the Land Registry of which the Additional Charging Subsidiary is the Owner

[Insert list of properties including full address, postcode and title number]

SIGNATORIES TO THE SUPPLEMENTAL TRUST DEED

EXECUTED as a DEED by)
PHP BOND FINANCE PLC)
acting by)
in the presence of) Director

Witness's Signature

Name

Address

EXECUTED as a DEED by)
[●])
acting by)
in the presence of) Director

Witness's Signature

Name

Address

.....

EXECUTED as a DEED by)
U.S. BANK TRUSTEES LIMITED)
acting through its duly authorised signatories)
) Authorised Signatory

Authorised Signatory

SCHEDULE 12
FORM OF CERTIFICATE OF TITLE

CERTIFICATE OF TITLE

Dated [●]

U.S. BANK TRUSTEES LIMITED
as Trustee

[NAME OF CHARGING SUBSIDIARY]

CERTIFICATE OF TITLE

THE CITY OF LONDON LAW SOCIETY

LAND LAW COMMITTEE

SHORT FORM REPORT ON TITLE

THIRD EDITION (2007)

THE CITY OF LONDON LAW SOCIETY

LAND LAW COMMITTEE
SHORT FORM REPORT ON TITLE

THIRD EDITION(2007)

NOTE - USERS ARE URGED TO READ THE NOTES AT THE END OF THIS DRAFT BEFORE USING IT

To U S Bank Trustees Limited (the **Trustee**) acting as trustee for and on behalf of itself and the Bondholders and as trustee for the other Secured Parties (each as defined in a Trust Deed dated 4th November, 2013 between, inter *alios*, the Trustee and PHP Bond Finance plc (as the same may be amended, novated, supplemented, varied and/or restated from time to time (the **Trust Deed**)) for the benefit of itself and the Bondholders and the Secured Parties (as defined in the Trust Deed)

[and [●] as Bondholder Representative]

[Insert short address of the Property]

1. RELIANCE ON THIS REPORT

1.1 This Report is addressed to you and is intended solely for your benefit and that of the Bondholders and the Secured Parties in connection with the Transaction. It is not to be relied upon by any other person or used for any other purpose. The giving of this Report shall not create a retainer with the Bondholders and the Secured Parties.

1.2 Clause 1.1 does not prevent this Report being disclosed for information purposes only to any third party.

1.3 Any claim in respect of this Report may only be brought by or through the agency of any of the parties to whom it is addressed. Where such claim would properly lie also against any other party involved in the provision of information for or otherwise involved in the preparation or approval of this Report and such other party has lawfully and effectively limited, excluded or restricted its liability in respect of any such claim then our liability shall not in any circumstances be increased as a consequence of any such limitation, exclusion or restriction and our liability shall be calculated on the basis that no such limitation, exclusion or restriction by such other party is effective.

1.4 We confirm that the Property is situated in England or Wales, that it

(a) is operated or let principally as a primary health care property, a Community Health Service Property, a general practitioner surgery or a pharmacy, and

(b) is subject to [a] lease[s] [with a remaining term which expires on or after 31st December, 2028] [,but where such lease[s] include[s] a break clause exercisable by the tenant, the date of the exercise of such break clause is on or after 31st December, 2028] [as set out in Schedule 6 which [each] expire[s] on [●] with [a] tenant[s] that]

(i) are [each] a health service body as defined in Section 9 of the National Health Service Act 2006 as amended by the Health and Social Care Act 2012 (or any replacement therefor or successor authority thereto); or

(ii) are otherwise involved in the healthcare, pharmaceutical, dental or related sectors

2. OPINION

On the basis of and insofar as the same is discoverable from our investigations mentioned in this Report, we are of the opinion that

(a) Title

- (i) We have investigated the title of the Company to the Property in the knowledge that you are relying on this Report for the purpose of the Transaction
- (ii) We have
 - (A) examined and considered the documents of title and other documents and papers relating to the Property produced to or obtained by us, and
 - (B) considered the results of the searches and replies to the enquiries made by us as referred to in Schedule 3 which, unless we state "not made" in Schedule 3, are those which we consider appropriate or necessary in the circumstances of the Transaction and having regard to the nature of the Property

The information given in this Report arises solely from our examination and consideration and the results of such searches and enquiries and (to the extent that these do not disclose such information) from material provided to us by the Company [and the Seller]

(iii) Subject to the matters referred to in Schedules 1, 4 and 5

- (A) in our opinion [subject to due registration at the Land Registry of the transfer of the Property from the Seller to the Company,] the Company has a good and marketable title to the Property and is solely legally and beneficially entitled to the Property [and neither we nor the Company know of any reason why the Company should not be registered as proprietor of the Property with absolute title] [or the Chargee as registered proprietor of the Charge];
- (B) the details of the Property are fairly and adequately described in Schedule 2,[and]
- (C) the terms of the Lease are fairly and adequately summarised in Schedule 5, [and]
- (D) the consents of all third parties required before the Property can be [transferred to the Company and] [effectively charged to the Chargee by way of legal mortgage or fixed charge] have been obtained and are not subject to onerous or unusual conditions

(b) Matters affecting the Property

The statements set out in Schedule 4 fairly and adequately summarise matters to be disclosed for the purposes of this Report

(c) Letting Documents

The Letting Documents to which the Property is subject are referred to in Schedule 6

(d) **Occupation and possession**

The Company has told us that [it is][not] [on completion of the transfer of the Property to it from the Seller it will be] in actual possession of those parts of the Property as are not the subject of the Letting Documents, or [is] [will be] entitled to occupy it, in either case on an exclusive basis and that, except by virtue of the Letting Documents, no person, other than the Company, [has] [will have] any right (actual or contingent) to possession, occupation, or use of, or interest in, the Property

3. THE COMPANY

A copy of the final draft of this Report has been sent to the Company. The Company has confirmed to us in writing within the five working days before the date of this Report that it is not aware of any errors in this Report.

Schedule 1 to the Certificate of Title

DEFINITIONS, INTERPRETATION, QUALIFICATIONS AND APPLICABLE LAW

DEFINITIONS AND INTERPRETATION

1 1 In this Report the following expressions have the following meanings

1995 Act means the Landlord and Tenant (Covenants) Act 1995

[Banks/Finance Parties] has the meaning [ascribed] [to be ascribed] to that expression in the Loan Document,]

[Charge] means the legal charge over the Property [to be] entered into in favour of the Chargee,]

[Chargee] means [],]

Company means [],

Existing Use means the actual use to which the Property is presently put as referred to in Schedule 4, paragraph 7 ,

Group means the group of companies of which the Company is a member,

Lease means the lease by virtue of which the Company holds or will hold the Property or part thereof (as amended or supplemented),

Letting Documents means any lease, underlease, tenancy, licence or other agreement or arrangement giving rise to rights of occupation and enjoyment (in each case as amended or supplemented) to which the Property is subject,

[Loan Document] means the loan/facility agreement [dated] [to be made] between [] and [] providing for the loan referred to in it, which loan is [to be] secured by [inter alia] the Charge,]

Property means the leasehold interest of the Company in the property described in Schedule 2, the address of which is given at the head of this Report,

[Seller] means [],]

[Seller's Group] means the group of companies of which the Seller is a member,]

Transaction means [], and

1 2 Any reference to the Property includes each and every part of it and all buildings and structures on it

1 3 Any reference, express or implied, to a statute includes reference to

(a) that statute as amended, extended or applied by or under any other statute at the date of this Report,

(b) any statute which that statute re-enacts (with or without modification), and

- (c) any subordinate legislation made at the date of this Report under the statute, as amended, extended or applied as described in paragraph 1 3(a) or under any statute referred to in paragraph 1 3(b)

1 4 The headings in this Report do not affect its interpretation

1 5 In this Report reference to [the Seller and] the Company providing documents and information to us shall be deemed to include a representative of the [Seller's Group or] the Group [(as the case may be)] providing such documents and information to us

2. QUALIFICATIONS

2 1 We have not inspected the Property nor have we made any enquiries of the occupiers of the Property (other than [the Seller and] the Company) nor of any landlord or superior landlord

2 2 We give no opinion as to the capital or rental value of the Property

2 3 We have assumed that all original and copy documents relating to the Property have been validly executed and delivered by the parties to them and that all documents are within the capacity and powers of, and have been validly authorised by, each party There is nothing on the face of the documents which indicates otherwise

2 4 This Report does not consider any environmental assessments audits surveys or other reports on the environmental condition of the Property and the recipient of this Report should consider what investigations it wishes to make in relation to such matters

2 5 We have assumed, and [each of the Seller and] the Company has confirmed to us in writing, that

- (a) [each of the Seller and] the Company has provided us with all documents relating to the Property of which it has knowledge together with such other information in its possession as is material for the purpose of giving this Report, and

- (b) each copy document produced to us is a true copy of the original

2 6 Where information has been provided to us by [the Seller or] the Company, our investigations have given no reason to doubt the accuracy of that information but we do not accept responsibility for it

2 7 So far as we are aware, we have seen the documentation and have been provided with the information which we need to give this Report

2 8 Whilst we express no opinion on whether any transaction affecting [(the Seller's or)] the Company's title to the Property may have been at an undervalue or otherwise liable to be set aside under the provisions of the Insolvency Act 1986, [each of the Seller and] the Company has told us that it is not aware of any circumstances which could render any transaction liable to be set aside under the provisions of that Act

2 9 Save for any disclosures made in Schedule 5 we have not investigated whether there is an intention that the terms of any relevant document should be enforceable by third parties but none of the documents relating to the Property provides that a third party can enforce any of their terms in accordance with the Contracts (Rights of Third Parties) Act 1999

2 10 We have not investigated whether any consents which may be required under any mortgages or other documents which are no longer subsisting were obtained

2 11 Except to the extent disclosed in Schedule 5 we have not investigated what insurance may be in force in respect of the Property

2 12 Any matter disclosed by this Report in relation to any particular paragraph is to be treated as being disclosed in relation to any other relevant paragraph

3. APPLICABLE LAW

This Report is limited to English law as applied by the English Courts and is given on the basis that it will be governed by and construed in accordance with English law

4. FORM OF REPORT

This Report is in the form of the City of London Law Society Land Law Committee Short Form Report on Title (Third Edition 2007)

Schedule 2 to the Certificate of Title

THE PROPERTY

Brief description	[] shown edged red on the attached plan
Tenure	Leasehold
Registered or Unregistered	
If registered, registered title number	
Quality of title	[Absolute] [Good Leasehold] [Possessory]
If unregistered	
(a) Caution against first registration?	[None] [Details]
(b) Has registrable event occurred?	[None] [Details]

Schedule 3 to the Certificate of Title

SEARCHES AND ENQUIRIES

Note: In each paragraph below, please fill in details of search or state "not made" and give details of reason for not making search

Search	Date and other details
Local search certificate and replies to CON 29R Enquiries of local authority (2007) and any other relevant enquiries in CON 29O Optional enquiries of local authority (2007) including enquiry 22 (common land, town and village greens)	
Commercial drainage and water enquiries (Con 29 DW)	
Enquiries of The Coal Authority as to past, present and future mining operations in proximity to the Property	
Land Charges Act searches against every estate owner who was a party to any transaction, or concerned in any event, comprised in the relevant title (see Section 25 of the Law of Property Act 1969) where there is no clear search with the title deeds	
Land Charges Act searches against the [Seller and the] Company and date of expiry of priority	
Land Registry search (whether of whole or part), date of expiry of priority and name of party having benefit of priority period	
Where title to the Property is not registered, date of search at the Companies Registry of the file of all companies disclosed by the documents of title as estate owners of the Property since the root of title	
Search at the Companies Registry against [the Seller and] the Company	
Replies to enquiries of [the Seller and] the Company	
Dates and details of other searches or enquiries we considered to be appropriate	

Schedule 4 to the Certificate of Title

MATTERS AFFECTING THE PROPERTY

1. Documents of Title

Consist of original documents or properly examined abstracts? [Yes] [No - details]

Held to order of Company? [Yes] [No - details]

Lease either fully stamped and with P D stamp or accompanied by a Certificate from the Revenue evidencing submission of a land transaction return for the purpose of Stamp Duty Land Tax? [Yes] [No - details]

2. Security

Mortgages charges or liens affecting the Property or the title documents? [None] [Yes - details]

3. Disposals

Agreements for disposal or grant of any interest in the Property? [None] [Yes - details]

4. Adverse Interests

Adverse interests which would materially affect the Company's interest in or business at the Property or materially increase the Company's liabilities in respect of the Property? [None] [Yes - details]

Material contravention of such adverse interests? [None] [Yes - details]

Adverse interests protected by registration, notice or caution? [Yes - details] [Not required]

5. Details of Disputes/Litigation

Disputes/litigation with third party (other than Landlord)? [None] [Yes - details]

6. Details of notices:

Material notices affecting the Property or rights benefiting it? [None] [Yes - details]

7. Details of Existing Use (in context of relevant planning and other statutory consents):

Relevant planning permission [No] [Yes - details.]

Any unusual or onerous conditions in the Planning [No] [Yes - details]

Permission?

Any unsatisfied conditions in the Planning Permission (other than those requiring ongoing compliance)? [None] [Yes - details]

Any breaches of planning conditions revealed by our searches? [None] [Yes - details]

8. Statutory requirements

Material contravention of any statutory requirements affecting the Property? [None] [Yes - details]

9. Other matters

Other matters revealed by our investigations material for disclosure? [None] [Yes - details]

Schedule 5 to the Certificate of Title

DETAILS OF THE LEASE UNDER WHICH THE PROPERTY IS HELD

Date of Lease

Current Landlord

Tenant

Current Guarantor

New lease on disclaimer? [Yes - details] [No]

Parallel guarantee of AGA? [Yes - details] [No]

1995 Act - new tenancy? [Yes] [No]

Premises

Brief description of rights granted [Eg Those normally found in leases of premises of this nature including (in particular) rights of access and use of utilities]

[In the case of an unregistered lease rights protected by registration or notice] [Yes - details] [Not required]

Brief description of exceptions and reservations [Eg Those normally found in leases of premises of this nature]

Term

Commencement date

Length of term

Expiry date

Option to terminate/renew

Landlord's right? [None] [Yes - details]

Notice period [None] [Yes - details]

Tenant's right? [None] [Yes - details]

Notice period [Details]

Conditions precedent [Yes - details] [None]

Options to renew [None] [Yes - details]

Option protected by registration [Yes] [No]

Yearly Rent*Amount*

Quarterly in advance? [Yes] [No - details]

Value added tax payable? [Yes] [No]

Rent receipt for last instalment inspected? [Yes] [No]

Interest on late payment? [Yes - details] [No]

Other rents

Insurance rent [Yes] [None]

Service charge rent [None] [Yes - current annual amount]

VAT chargeable [Yes] [No]

Other [None] [Yes - details]

Rent reviews:*Review dates*

Upward only? [Yes] [No - details]

Open market rent [Yes] [No - details]

Unusual assumptions and disregards [No] [Yes - details]

Outstanding rent reviews? [Yes - details] [None]

Disregard of tenant improvements_(other than those carried out pursuant to an obligation to the Landlord)? [Yes] [No - details]

Time of the essence? [Yes - details] [No]

Interest after review date? [Yes - details] [No]

Outgoings:

Payable by whom? [Landlord] [Tenant]

Insurance by Landlord*Insured risks*

Full rebuilding cost? [No - details] [Yes]

Obligation to reinstate? [Yes - details] [No]

<i>Loss of rent?</i>	[Yes - details] [No]
<i>Cesser of rent?</i>	[Yes - details.] [No]
<i>Waiver of subrogation?</i>	[Yes - details.] [No]
<i>Uninsured risk dealt with?</i>	[Yes - details] [No]
<i>Termination Rights?</i>	[Yes - details] [None]

Repair and decoration

<i>[Whole Full repair by Tenant?]</i>	[Yes] [No]
<i>[Part Interior repair only by Tenant with Landlord to repair structure and exterior on service charge?]</i>	[Yes] [No]
<i>Decoration of interior by Tenant and dates</i>	[Yes] [No]
<i>Decoration of exterior by whom and dates</i>	[Landlord/Tenant]

Alterations

<i>Structural by Tenant with consent?</i>	[Yes - details] [No]
<i>Internal non-structural by Tenant with consent?</i>	[Yes - details] [No]
<i>Tenant to reinstate?</i>	[Yes] [No - details]

User

Alienation

<i>Assignment of part?</i>	No
<i>Assignment of whole with consent?</i>	[Yes - details (including important qualifying conditions)] [No]
<i>Mandatory AGA?</i>	[Yes - details] [No]
<i>Underletting of whole/part with consent?</i>	[No/Yes - details (including any requirements as to underlease rent)
<i>Permitted number of units of occupation</i>	
<i>Charging of whole permitted with consent?</i>	[Yes - details] [No]
<i>Group sharing permitted?</i>	[Yes - details] [No]
Statutory compliance by tenant	[Yes] [No]

Services

<i>Provided by landlord?</i>	[Yes] [No]
------------------------------	------------

Principal services provided

Services charge payments on estimated basis quarterly? [Yes] [No - details]

Balancing charge at year end? [Yes - details] [No]

Basis of apportionment to tenant

Notification of extraordinary expenditure received? [Yes - details] [No]

Forfeiture

Rent arrears and breach of covenant? [Yes] [No]

Insolvency grounds? [Yes - brief details] [No]

Landlord and Tenant Act 1954

Contracted out [Yes] [No]

If not contracted out length of occupation for tenant's business

Contracts (Rights of Third Parties) Act 1999

Provision in Lease negating presumption of rights of enforcement by third parties? [Yes - details] [No]

Licences [None] [Yes - details]

Deeds of variation [None] [Yes - details]

Rent deposit [None] [Yes - details]

Disputes/litigation between landlord and tenant [None] [Yes - details]

Other material matters [None] [Yes - details]

Set out any material information not covered under the above headings

Schedule 6 to the Certificate of Title

DETAILS OF LETTING DOCUMENTS AFFECTING THE PROPERTY

Note: Please include a heading for each part of the Property held under a separate lease

Date of Letting Document

Original Parties to Letting Document

Current Parties to Letting Document

Brief description of let premises

Term

Commencement date

Length of term

Expiry date

Contracted out? [Yes/No]

Current Yearly Rent

Amount

Review periods

Terms of Letting Document substantially on the same terms as the Lease [Yes] [No - details]

Other material provisions

SHORT FORM REPORT ON TITLE

NOTES TO USERS

This note is issued with the Report but is not part of it.

- 1 1 It is recommended that, before using this Report, consideration should be given as to whether or not the City of London Law Society Land Law Committee's long form Certificate (Sixth Edition) is more appropriate (**CLLS Certificate**)
- 1 2 Users are also referred to the Notes to the CLLS Certificate and in particular note 7 (which deals with Rule 6 (3) of the Solicitors Practice Rules) under General Points. The Third Edition of this Report has been recognised by the Solicitors Regulation Authority on 16th April, 2007
- 2 This form of Report is primarily intended to be used for properties having no, or no material, capital value and/or not having a strategic importance in relation to the business of the Company as a whole. Nevertheless, by agreement with the intended addressees, it can also be adapted where it is convenient to do so for use for freehold and leasehold properties which may have a capital value
- 3 In certain transactions it may be appropriate to use both the CLLS Certificate and this Report but for different properties
- 4 This Report has been prepared on the basis that a separate report is given for each property
- 5 The Report has been drafted on the basis that all appropriate searches (as listed in Schedule 3) will in each case be carried out. In certain circumstances (for example, when dealing with a large portfolio of properties), and with a view to saving costs, it may be appropriate not to carry out local searches. In such a case the client's consent must be obtained, as well as the approval of those to whom the Report is to be addressed. If no local search is carried out, an explanation should be given in Schedule 3
- 6 The intention behind the drafting of this Report is so that it is easy to complete if none of the suggested short-form responses is appropriate or if any answer needs amplification an explanation of the position should be given adjacent to the relevant question, or, in exceptional cases, references made to an addendum
- 7 If users require guidance as to what the Committee considers are "usual assumptions and disregards" for the purpose of completing Schedule 5, they are referred to the rent review summary contained in paragraph 4 of Schedule 4 of the CLLS Certificate
- 8 It is suggested (but it is not obligatory) that the Company's solicitors should send the attached draft letter to the Company in order to obtain verification as to issues covered by the Report including those which may not be apparent from the documents supplied - for example, the actual user of the premises
- 9 Paragraph 1 of Schedule 4 refers to the Lease being either fully stamped or accompanied by a certificate as to the submission of a land transaction return for the purposes of stamp duty land tax (**SDLT**). It should be borne in mind that
 - (a) As from 1st December, 2003 SDLT became payable by the assignee of a lease in most cases where the original lease benefited from any of the exemptions listed in paragraph 11(2) of Schedule 17A of the Finance Act 2003. Even where there is no chargeable consideration the assignee may need to complete a land transaction return

- (b) An assignee may also be required by virtue of paragraph 12 of Schedule 17A to submit a SDLT return or a further SDLT return in the circumstances set out in the paragraph
- (c) It is therefore essential that, when acting for a prospective assignee of a lease, copies of all SDLT returns and details of all exemptions claimed and clawed back are obtained from the assignor

**DRAFT LETTER TO BE WRITTEN BY THE COMPANY TO
ITS SOLICITORS IN CONNECTION WITH SHORT FORM
REPORT ON TITLE**

Dear Sirs

_____ (the **Property**)

In relation to the Property, which is currently owned by [_____] Limited (the **Company**), we are at your request, and in the knowledge that you will be relying upon the information contained in this letter, able to confirm the following

- 1 We have sent to you all title deeds and documents relating to the Property which are in our possession
- 2 The title deeds are not being held to the order of nor have they been deposited as security with, any third party
- 3 We are not aware of any other deeds or documents relating to the Property
- 4 We are not aware of any circumstances which could render any transaction affecting the Company's title to the Property liable to be set aside under the provisions of the Insolvency Act 1986 (as amended)
- 5 The Company has not entered into and is not proposing to enter into any arrangements for disposing of its legal or beneficial interest in or right of occupation over the Property or any part of it
- 6 Apart from any referred to in the title deeds, we are not aware of any adverse interest in or over the Property which may materially affect the Company's business at the Property or increase its liabilities in respect of the Property
- 7 There is no current litigation affecting the Property and there are no disputes or any circumstances likely to lead to a dispute relating to the Property between the Company and its Landlord or any other person
- 8 We are not aware of any circumstances which would entitle the Landlord to forfeit the Lease
- 9 We are not aware of any current notices adversely affecting the Property or its use
- 10 We are not aware of any breach of any statutory requirement affecting the Company's use of the Property
- 11 The actual use of the Property is ●
- 12 The current yearly rent payable is £●
- 13 The current yearly service charge is £●
- 14 VAT [is] [is not] payable on the rent
- 15 The Company occupies the whole of the Property

OR

The current occupiers of the Property are as follows

Premises

Occupier

- 16 We are not aware of any other information relating to the Property which we believe to be material and of which you should be aware when reporting on the Property

Yours faithfully

SCHEDULE 13**INITIAL MORTGAGED PROPERTIES****PHP HEALTHCARE INVESTMENTS LIMITED****Registered Land**

The whole of the land registered at the Land Registry under the title numbers listed directly below

Property Description	Freehold / Leasehold	Title Numbers
Pharmacy Unit, Quay Building, Fron Road, Connah's Quay, Deeside	Leasehold	CYM557914
New Doctors Surgery, 24 Gregor Shanks Way, Watton, Thetford IP25 6FA	Freehold	NK344064
Beech Hill Medical Centre, Dunstable Road, Luton	Freehold	BD250243
Maypole Health Centre, 10 Slade Pool Farm Road, Birmingham B14 5DJ	Freehold	WM610308
99 -101 Station Road, Llandaff North, Cardiff	Freehold	WA202660
The land and buildings lying to the west of Station Road, Llandaff North, Cardiff	Freehold	WA221468
Land on the North East side of Piggy Lane, Bicester	Freehold	ON203393
Caesars Lodge, Kings End, Bicester OX6 7DU	Freehold	ON140465
Larksfield Surgery, Arlesey Road, Stotfold, Bedfordshire	Freehold	BD207455
Land on the north west side of Dawson Road, Timperley	Freehold	GM808678
Land on the South side of Hucknall Road, Heathfield	Freehold	NT343977
Land lying to the south of Croft Street, Willenhall	Freehold	WM713671
Land lying to the north of Wolverhampton Street, Willenhall	Freehold	WM742575
The Delamere Centre, Delamere Avenue, Stretford, Manchester M32 0DF	Freehold	GM881016
Penarth Health Centre, Dyserth Road, Penarth	Freehold	WA794540
The land at Dyserth Road, Penarth	Freehold	CYM23763
New Medical Centre, Holly Road, Skegness	Freehold	LL237173
Birchgrove Surgery, Caerphilly Road, Birchgrove, Cardiff CF14 4QJ	Freehold	CYM203601
Churchfield Medical Centre, 322 Crawley Green Road, Luton LU2 9SB	Leasehold	BD243692

Didsbury New Medical Centre, Wilmslow Road, Didsbury, Manchester M20 2RN	Leasehold	MAN12337
615 Wakefield Road, Huddersfield	Leasehold	WYK539495
619 Wakefield Road, Huddersfield	Freehold	WYK539496
The land on the north side of Wakefield Road and lying to the North of Wakefield Road	Freehold	WYK539497
615 Wakefield Road, Huddersfield	Freehold	WYK648008
613 Wakefield Road, Huddersfield	Freehold	YWE50064
Chalford Medical Centre, 45 Tanglewood Way, Chalford, Stroud GL6 8DE	Freehold	GR168410
Severnbanks Surgery, Tutnalls Street, Lydney GL15 5PQ	Freehold	GR232887
The land lying to the north east of Delves Lane, Consett	Freehold	DU223110
Consett Medical Centre, Station Yard, Consett DH8 5YA	Freehold	DU223122
The land at Station Yard, Station Road, Consett	Freehold	DU322131
Land at Shakespeare Road, Popley Basingstoke	Leasehold	HP614960
Health Centre, Peter Street, Dover, Kent CT16 1EF	Freehold	K801633
134 Bath Road, Hounslow TW3 3ET	Freehold	AGL51707
The Spa Surgery, Snowberry Lane, Melksham, SN12 6UN	Freehold	WT190704
St Cuthbert's Church, Hayling Avenue, Portsmouth	Leasehold	PM15513
Margaret Thompson Medical Centre, 105 East Millwood Road, Speke, Liverpool L24 6TH	Freehold	MS369010
Swaffham Barn, Swaffham, Norfolk	Freehold	NK240873
354-358 Forest Road, Walthamstow, London	Freehold	EGL194447
358 Forest Road, Walthamstow, London	Freehold	NGL114038
356 Forest Road, Walthamstow, London	Freehold	NGL50712
The Knightwood Surgery, Pilgrims Close, Chandler's Ford, Eastleigh SO53 4SD	Freehold	HP575000

Unregistered Land

None

PHP (STOURBRIDGE) LIMITED

Registered Land

None

Unregistered Land

None

PHP ST. JOHNS LIMITED

Registered Land

None

Unregistered Land

None

PHP CLINICS LIMITED

Registered Land

The whole of the land registered at the Land Registry under the title numbers listed directly below

Property Description	Freehold / Leasehold	Title Numbers
Bearwood Medical Centre, land on the north side of King John Avenue, Bearwood, Bournemouth	Freehold	DT72048

Unregistered Land

None

PHP (PROJECT FINANCE) LIMITED

Registered Land

The whole of the land registered at the Land Registry under the title numbers listed directly below

Property Description	Freehold / Leasehold	Title Numbers
Bourne Hall, Chessington Road, Ewell, Epsom	Leasehold	SY724000
Vale Surgery, Bolding Way, Haywards Heath, West Sussex RH16 4SY	Leasehold	WSX271381

Unregistered Land

None

SIGNATORIES

EXECUTED as a DEED by
PHP BOND FINANCE PLC
acting by
in the presence of

Witness's Signature

Name

Address

Philippa Chatterton

[REDACTED UNDER
S.859 G OF THE
COMPANIES ACT
2006]

EXECUTED as a DEED by
PRIMARY HEALTH PROPERTIES PLC
acting by
in the presence of

Witness's Signature

Name

Address

Philippa Chatterton

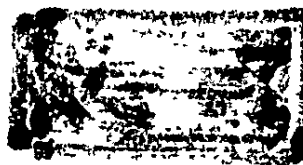
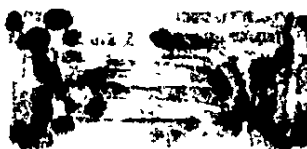
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PHP HEALTHCARE INVESTMENTS
LIMITED
acting by
in the presence of

Witness's Signature

Name

Address

Philippa Chatterton



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PHP (STOURBRIDGE) LIMITED
acting by
in the presence of

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[REDACTED]

Director

Witness's Signature

[REDACTED]

Name

Philippa Chatterton

Address

[REDACTED]

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PHP ST. JOHNS LIMITED
acting by
in the presence of

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[REDACTED]

[REDACTED
UNDER S. 859 G
OF THE COMPANIES
ACT 2006]

Witness's Signature

[REDACTED]

Name

Philippa Chatterton

Address

[REDACTED]

EXECUTED as a DEED by
PHP CLINICS LIMITED
acting by
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Director

Witness's Signature

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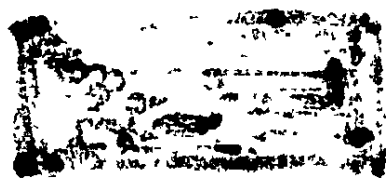
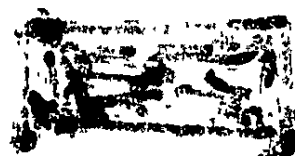
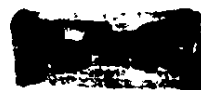
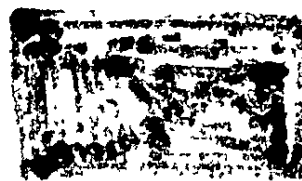
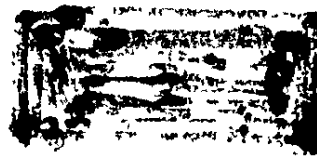
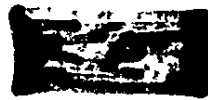
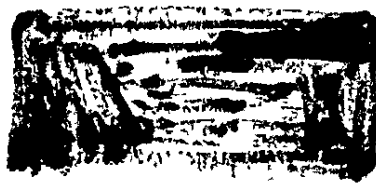
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Director



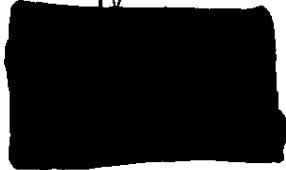
Witness's Signature



Name

Philippe Chatteron

Address



[REDACTED UNDER
S. 859 G OF THE
COMPANIES ACT 2006]

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U.S. BANK TRUSTEFS LIMITED
acting through its duly authorised signatories

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Authorised Signatory

Authorised Signatory

Witness's Signature

Name

Address

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ACT 2006]

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acting through its duly authorised signatories

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Authorised Signatory

Chris Yates
Authorised Signatory

Authorised Signatory

Laurence Griffiths
Authorised Signatory