

DATED 13 MARCH 2025

**(1) WHEATLEY GROUP CAPITAL PLC
AS ISSUER**

**(2) M&G TRUSTEE COMPANY LIMITED
AS BOND TRUSTEE**

**FIRST SUPPLEMENTAL BOND TRUST DEED
supplemental to the Bond Trust Deed
dated 28 November 2014**

**constituting £100,000,000 4.375 per cent. Secured
Bonds due 2044 (to be consolidated and form a single
series with the £300,000,000 4.375 per cent. Secured
Bonds due 2044)**



Pinsent Masons

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THIS FIRST SUPPLEMENTAL BOND TRUST DEED is made on 13 March 2025

BETWEEN:

- (1) **WHEATLEY GROUP CAPITAL PLC**, a public company incorporated with limited liability under the laws of Scotland with registered number SC477446, whose registered office is at Wheatley House, 25 Cochrane Street, Glasgow G1 1HL (the "**Issuer**"); and
- (2) **M&G TRUSTEE COMPANY LIMITED**, previously known as Prudential Trustee Company Limited, a company incorporated under the laws of England and Wales, whose registered office is at 10 Fenchurch Avenue, London EC3M 5AG with registered number 01863305 (the "**Bond 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 bond trustee for the Bondholders and Couponholders (each as defined in the Original Bond Trust Deed referred to below).

WHEREAS:

- (A) This First Supplemental Bond Trust Deed is supplemental to the bond trust deed dated 28 November 2014 (the "**Original Bond Trust Deed**") made between the Issuer and the Bond Trustee and constituting the £300,000,000 4.375 per cent. Secured Bonds due 2044 of the Issuer (the "**Existing Bonds**"), which were issued by the Issuer on 28 November 2014.
- (B) By virtue of Clause 2.4 (*Further Issues*) of the Original Bond Trust Deed, the Issuer shall be at liberty from time to time 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 Existing Bonds.
- (C) By a resolution of the Board of Directors of the Issuer passed on 14 February 2025 the Issuer has resolved to issue a further £100,000,000 4.375 per cent. Secured Bonds due 2044 to be constituted by this First Supplemental Bond Trust Deed and to be consolidated and form a single series with the Existing Bonds upon exchange of the New Temporary Global Bond for the New Permanent Global Bond (each as defined below).
- (D) The New Bonds (as defined below) if issued as definitive bonds in exchange for the New Permanent Global Bond will be in bearer form with New Coupons (as defined below) and, if applicable, New Talons (as defined below) attached.
- (E) Pursuant to Clause 19.2 (*Waiver, Authorisation, Determination and Modification*) of the Original Bond Trust Deed, the Bond Trustee may, without the consent or sanction of the Bondholders, the Couponholders or any other Secured Party, at any time and from time to time concur with the Issuer in making any modification to these presents (*inter alia*) if in the opinion of the Bond Trustee such modification is not materially prejudicial to the interests of the Bondholders or is of a formal, minor or technical nature.
- (F) The Issuer has requested the Bond Trustee to concur in making the modifications to the Original Bond Trust Deed:
 - (i) contained in Clause 2 (*Modifications to the Original Bond Trust Deed and the Existing Bonds*) below to make certain amendments relating to the Original Bond Trust Deed and the Existing Bonds; and
 - (ii) contained in Clause 3 (*Modifications in respect of the issue of the New Bonds*) below in order to provide for the issue of the New Bonds.
- (G) The Bond Trustee, being of the opinion that the modifications set out in Clause 2 (*Modifications to the Original Bond Trust Deed and the Existing Bonds*) are not materially prejudicial to the interests of the Bondholders, has agreed to concur with the Issuer in making such modifications and has agreed that notice of such modifications need not be given to the Bondholders.

- (H) The Bond Trustee, being of the opinion that the modifications set out in Clause 3 (*Modifications relating to the issue of New Bonds*) are of a formal, minor or technical nature, has agreed to concur with the Issuer in making such modifications and has agreed that notice of such modifications need not be given to the Bondholders.

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

1 DEFINITIONS AND INTERPRETATIONS

- 1.1 All expressions defined in the Original Bond Trust Deed shall unless there is anything in the subject or context inconsistent therewith have the same meanings in this First Supplemental Bond Trust Deed.

- 1.2 In this First Supplemental Bond Trust Deed, unless there is anything in the subject or context inconsistent therewith, the following expressions shall have the following meanings:

"New Bondholders" means the several persons who are for the time being holders of the New Bonds;

"New Bonds" means the bonds in bearer form comprising the £100,000,000 4.375 per cent. Secured Bonds due 2044 of the Issuer hereby constituted or the principal amount thereof for the time being outstanding or, as the context may require, a specific number thereof and includes any replacements for New Bonds issued pursuant to New Condition 13 (*Replacement of Bonds, Coupons and Talons*) and (except for the purposes of Clause 5 (*Form and Issue of New Bonds and New Coupons*)) the New Global Bonds;

"New Conditions" means the Conditions in the form set out in Part 2 of Schedule 3 (*Conditions of the New Bonds*) 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 New Condition or paragraph of a New Condition shall in relation to the New Bonds be construed accordingly;

"New Couponholders" means the several persons who are for the time being holders of the New Coupons;

"New Coupons" means the Coupons appertaining to the New Bonds in definitive form;

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

"New Permanent Global Bond" means the permanent global bond in respect of the New Bonds to be issued pursuant to Clause 5 (*Form and Issue of New Bonds and New Coupons*) in the form or substantially in the form set out in Part 2 of Schedule 2 (*Form of New Global Bonds*);

"New Retained Bonds" means the £100,000,000 in principal amount of the New Bonds purchased by the Issuer on 13 March 2025;

"New Talons" means the talons appertaining to, and exchangeable in accordance with the provisions therein contained for further New Coupons appertaining to, the New Bonds in definitive form and includes any replacements for New Talons issued pursuant to New Condition 13 (*Replacement of Bonds, Coupons and Talons*); and

"New Temporary Global Bond"

means the temporary global bond in respect of the New Bonds to be issued pursuant to Clause 5.1 (*Form and Issue of New Bonds and New Coupons*) in the form or substantially in the form set out in Part 1 of Schedule 2 (*Form of New Global Bonds*).

- 1.3 In this First Supplemental Bond Trust Deed references to Schedules, Clauses, subclauses, paragraphs and subparagraphs shall unless there is anything in the subject or context inconsistent therewith be construed as references to the Schedules to this First Supplemental Bond Trust Deed and to the Clauses, subclauses, paragraphs and subparagraphs of this First Supplemental Bond Trust Deed, respectively.

2. MODIFICATIONS TO THE ORIGINAL BOND TRUST DEED AND EXISTING BONDS

- 2.1 On and from the date hereof, the Original Bond Trust Deed is hereby modified as follows:

- 2.1.1 a new Clause 1.2(q) shall be inserted into the Original Bond Trust Deed as follows:

"Unless the context otherwise requires, any reference to EU legislation, regulatory requirement, or guidance should be read as a reference to that EU legislation, regulatory requirement or guidance as it forms part of UK domestic law pursuant to the European Union (Withdrawal) Act 2018 (as amended) or as otherwise adopted under, or given effect to in, UK legislation or the UK regulatory regime and any references to EU competent authorities should be read as references to the relevant UK competent authority. All references to legislation, regulatory requirements or guidance in this clause refer to the relevant legislation, regulatory requirements or guidance as amended from time to time.";

- 2.1.2 Clause 14.1(p) of the Original Bond Trust Deed shall be deleted and replaced with the following as a new Clause 14.1(p) of the Original Bond Trust Deed:

"not, without the prior consent in writing of the Bond Trustee, engage in any activity or do anything other than:

- (i) carry out the business of a company which has as its purpose raising finance and on-lending such finance for the benefit of the charitable members of the Wheatley Group and Wheatley Developments; and
- (ii) perform any act incidental to or necessary in connection with paragraph (i);" and

- 2.1.3 by the deletion of the Conditions of the Existing Bonds set out in Part 2 of Schedule 2 to the Original Bond Trust Deed and the substitution therefor of the Conditions of the Existing Bonds set out Schedule 1 (*Conditions of the Existing Bonds*) to this First Supplemental Bond Trust Deed.

3. MODIFICATIONS IN RESPECT OF THE ISSUE OF THE NEW BONDS

On and from the date hereof, the Original Bond Trust Deed is hereby modified in respect of the issuer of the New Bonds as follows:

- 3.1.1 all references to the "**Bonds**", the "**Retained Bonds**", the "**Conditions**", the "**Definitive Bonds**", the "**Bondholders**", the "**Temporary Global Bond**", the "**Permanent Global Bond**", the "**Global Bonds**", the "**Couponholders**", the "**Coupons**" and the "**Talons**" shall, unless the context otherwise requires, include references to the New Bonds, the New Retained Bonds, the New Conditions, the Definitive New Bonds (as defined below), the New Bondholders, the New Temporary Global Bond, the New Permanent Global Bond, the New Global Bonds, the New Couponholders, the New Coupons and the New Talons, respectively;

- 3.1.2 by the deletion of the form of Definitive Bond set out in Part 1 of Schedule 2 to the Original Bond Trust Deed and the substitution therefor of the form of Definitive New Bond set out in Part 1 of Schedule 3 (*Form of Definitive New Bond, New Coupon and New Talon*) hereto;

- 3.1.3 by the deletion of the form of Coupon set out in Part 1 of Schedule 2 to the Original Bond Trust Deed and the substitution therefor of the form of New Coupon set out in Part 1 of Schedule 3 (*Form of Definitive New Bond, New Coupon and New Talon*) hereto;
- 3.1.4 by the deletion of the form of Talon set out in Part 1 of Schedule 2 to the Original Bond Trust Deed and the substitution therefor of the form of New Talon set out in Part 1 of Schedule 3 (*Form of Definitive New Bond, New Coupon and New Talon*) hereto;
- 3.1.5 the form of the Authorised Signatories' Certificate set out in Schedule 4 to the Original Bond Trust Deed shall be modified so that the reference to "£300,000,000" shall be deemed deleted and replaced with "£400,000,000"; and
- 3.1.6 the form of the Retained Bond Issuer Certificate set out in Schedule 5 to the Original Bond Trust Deed shall be modified so that the reference to "£300,000,000" shall be deemed deleted and replaced with "£400,000,000".

4. COVENANT TO REPAY AND TO PAY INTEREST ON THE NEW BONDS

- 4.1 The aggregate principal amount of the New Bonds is limited to £100,000,000 and such New Bonds shall for the purposes of the Original Bond Trust Deed constitute further bonds and shall, upon exchange of the New Temporary Global Bond for the New Permanent Global Bond, be consolidated and form a single series with the Existing Bonds.
- 4.2 The Issuer covenants with the Bond Trustee that it will, in accordance with these presents, on the due date for the final maturity of the New Bonds provided for in the New 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 Bond Trustee in pounds Sterling in London in immediately available funds the principal amount of the New 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 Bond Trustee as aforesaid interest (which shall accrue from day to day) on the principal amount of the New Bonds at the rate of 4.375 per cent. per annum payable semi-annually in arrear in equal instalments on 28 May and 28 November in each year, the first such payment to be made on 28 May 2025, PROVIDED THAT:
 - 4.2.1 every payment of principal or interest in respect of the New 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 New Conditions to the New Bondholders or New Couponholders (as the case may be);
 - 4.2.2 in any case where payment of principal is not made to the Bond Trustee or the Principal Paying Agent on or before the due date, interest shall continue to accrue on the principal amount of the New 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 Bond Trustee determines to be the date on and after which payment is to be made to the New Bondholders in respect thereof as stated in a notice given to the New Bondholders in accordance with New Condition 15 (*Notices*) (such date to be not later than 30 days after the day on which the whole of such principal amount, together with an amount equal to the interest which has accrued and is to accrue pursuant to this proviso up to and including that date, has been received by the Bond Trustee or the Principal Paying Agent); and
 - 4.2.3 in any case where payment of the whole or any part of the principal amount of any New Bond is improperly withheld or refused upon due presentation thereof (other than in circumstances contemplated by the proviso in Clause 4.2.2 above) interest shall accrue on that 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 New Bond, payment of the full amount (including interest as aforesaid) in pounds Sterling payable in respect of such New Bond is made or (if earlier) the seventh day after notice is given to the relevant New Bondholder (in accordance with New Condition 15 (*Notices*)) that the full amount (including interest as aforesaid) in pounds Sterling payable in respect of such New Bond is available for payment, provided that, upon further presentation thereof being duly made, such payment is made.

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

5. FORM AND ISSUE OF NEW BONDS AND NEW COUPONS

- 5.1 The New Bonds shall be represented initially by the New 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 New Bonds in definitive form ("**Definitive New Bonds**") (as notified to such common safekeeper by The Bank of New York Mellon, London Branch as the Principal Paying Agent of the issue of the New Bonds) and the successors in title to such persons as appearing in the records of Euroclear and Clearstream, Luxembourg for the time being.
- 5.2 The New Temporary Global Bond shall be printed or typed in the form or substantially in the form set out in Part 1 of Schedule 2 (*Form of New Global Bonds*) and may be a facsimile. The New Temporary Global Bond shall be in the aggregate principal amount of £100,000,000 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 New Temporary Global Bond so executed and authenticated shall be a binding and valid obligation of the Issuer and title thereto shall pass by delivery.
- 5.3 The Issuer shall issue the New Permanent Global Bond in exchange for the New Temporary Global Bond in accordance with the provisions of the New Temporary Global Bond. The New Permanent Global Bond shall be printed or typed in the form or substantially in the form set out in Part 2 of Schedule 2 (*Form of New Global Bonds*) and may be a facsimile. The New Permanent Global Bond shall be in the aggregate principal amount of up to £100,000,000 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 New Permanent Global Bond so executed and authenticated shall be a binding and valid obligation of the Issuer and title thereto shall pass by delivery.
- 5.4 The Issuer shall issue the Definitive New Bonds (together with the unmatured New Coupons attached) in exchange for the New Permanent Global Bond in accordance with the provisions of the New Permanent Global Bond.
- 5.5 The Definitive New Bonds and the New Coupons shall be in the respective forms or substantially in the respective forms set out in Part 1 of Schedule 3 (*Form of Definitive New Bond, New Coupon and New Talon*) and the Definitive New Bonds shall be issued in the denomination of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000 and shall be endorsed with the New Conditions. Title to the Definitive New Bonds and the New Coupons shall pass by delivery.
- 5.6 The Definitive New Bonds shall be signed manually or in facsimile by two of the directors of the Issuer on behalf of the Issuer and shall be authenticated by or on behalf of the Principal Paying Agent. The New Coupons shall not be signed or authenticated.
- 5.7 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 5.2, 5.3 and 5.6 above notwithstanding that at the time of issue of the New Temporary Global Bond, the New Permanent Global Bond or any of the Definitive New 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 New

Bonds so signed and authenticated, and the New Coupons, upon execution and authentication of the relevant Definitive New Bonds, shall be binding and valid obligations of the Issuer.

6. SECURITY

- 6.1 The Issuer with full title guarantee for the payment or discharge of the Secured Obligations hereby assigns absolutely by way of security in favour of the Bond Trustee for itself and the Bondholders and as a trustee for the other Security Parties, all of the Issuer's rights, title and interest arising under the Deed of Guarantee and Indemnity, on terms that the Bond 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 in, Clause 10 of the Original Bond Trust Deed.
- 6.2 On the date of this First Supplemental Bond Trust Deed, the Issuer hereby confirms that:
- 6.2.1 any security interest created by it under Clause 4 (*Security*) of the Original Bond Trust Deed extends to its obligations under the Original Bond Trust Deed as supplemented by this First Supplemental Bond Trust Deed, subject to any limitations set out in the Original Bond Trust Deed;
 - 6.2.2 the obligations of the Issuer arising from the Original Bond Trust Deed as supplemented by this First Supplemental Bond Trust Deed are included in the Secured Obligations (as defined in the Original Bond Trust Deed), subject to any limitations set out in the Original Bond Trust Deed; and
 - 6.2.3 the security interest created by it under Clause 4 (*Security*) of the Original Bond Trust Deed continues in full force and effect on the terms of the Original Bond Trust Deed as supplemented by this First Supplemental Bond Trust Deed.

7. APPLICATION OF ORIGINAL BOND TRUST DEED

The New Bonds shall constitute further bonds for the purposes of the Original Bond Trust Deed and accordingly the provisions of Clauses 1, 2.3, 2.4, and 3.8 to 30 (inclusive) and Schedule 3 (*Provisions for Meetings of Bondholders*), 4 (*Form of Authorised Signatories Certificate*) and 5 (*Form of Retained Bond Issuer Certificate*) of the Original Bond Trust Deed shall apply thereto as if the same were set out herein.

8. VALIDITY

Notwithstanding the modifications referred to in Clause 2 (*Modifications to the Original Bond Trust Deed and the Existing Bonds*) and Clause 3 (*Modifications in respect of the issue of the New Bonds*), the Global Bonds in issue prior to the date hereof will continue to be valid on and after the date hereof and will not be called in for replacement or endorsement.

9. GENERAL

- 9.1 This First Supplemental Bond Trust Deed 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 First Supplemental Bond Trust Deed may enter into the same by executing and delivering a counterpart.
- 9.2 The Original Bond Trust Deed shall henceforth be read and construed in conjunction with this First Supplemental Bond Trust Deed as one document.
- 9.3 A memorandum of this First Supplemental Bond Trust Deed shall be endorsed by the Bond Trustee on the Original Bond Trust Deed and by the Issuer on its duplicate thereof.

IN WITNESS whereof this First Supplemental Bond Trust Deed has been executed as a deed by the Issuer and the Bond Trustee and delivered on the date first stated on page 1.

SCHEDULE 1

CONDITIONS OF THE EXISTING BONDS

The £300,000,000 4.375 per cent. Secured Bonds due 2044 (the **Bonds**, which expression shall in these Conditions, unless the context otherwise requires, include any further bonds issued pursuant to Condition 19 (*Further Issues*) and forming a single series with the Bonds) of Wheatley Group Capital plc (the **Issuer**) are constituted by a Bond Trust Deed (as amended and/or supplemented and/or restated from time to time, the **Bond Trust Deed**) dated 28th November, 2014 made between the Issuer and M&G Trustee Company Limited (previously known as Prudential Trustee Company Limited) (the **Bond Trustee**, which expression shall include any successor as Bond Trustee) 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 28th November, 2014 (as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) and made between the Issuer, the Bond Trustee, The Bank of New York Mellon, London Branch as principal paying agent (the **Principal Paying Agent**, which expression shall include any successor agent) and 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).

Copies of the Bond Trust Deed, the Agency Agreement, the Loan Agreement, the Group Borrower Security Agreement, the Security Agreements, the Security Trust Deed and the Deed of Guarantee and Indemnity are available for inspection during normal business hours at the registered office for the time being of the Bond Trustee being at the Modification Date at 10 Fenchurch Avenue, London EC3M 5AG and at the specified office of each of the Paying Agents. The Bondholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Bond Trust Deed and the Agency Agreement. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Bond Trust Deed, which includes the form of the Bonds.

1. DEFINITIONS

Words and expressions defined in the Bond 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 28th November, 2014 and made between the Issuer, the Bond Trustee and the Account Bank, as amended and/or supplemented and/or restated from time to time;

Account Bank means The Bank of New York Mellon, London Branch as account bank pursuant to the Account Agreement or any successor account bank appointed thereunder;

Accounting Profit has the meaning given to it in the Loan Agreement;

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

Asset Cover Test has the meaning given to it in the Loan Agreement;

Auditors has the meaning given to it in the Loan Agreement;

Bondholder Put Option has the meaning given to it in Condition 9.5 (*Bondholder Put Option*);

Bondholder Specific Withholding means any withholding or deduction of Taxes which is required in respect of 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 Payment Day (as defined in Condition 8.5 (*Payment Day*));

Borrower Consolidated Accounts means, in respect of each Financial Year, the audited annual accounts of each Borrower for that Financial Year as consolidated by the Wheatley Group Auditors; and

Borrowers means, at any time, the members of the Wheatley Group to which the Group Borrower shall have on-lent the proceeds of the Loan Agreement in accordance with the terms thereof (who, as at the Modification Date, are the Existing Borrowers);

Cancelled Retained Proceeds has the meaning given to it in the Loan Agreement;

Charged Cash means, at any time, the aggregate of all amounts (whether representing proceeds of disposal or other moneys) standing to the credit of the Ongoing Cash Security Account and, to the extent invested in Permitted Investments in accordance with the Custody Agreement, such Permitted Investments and any income received by the Issuer in respect of such Permitted Investments, provided however that, for the purpose of determining the Group Borrower's compliance with the Asset Cover Test, the value to be attributed to such Permitted Investments shall be the purchase price thereof;

Charitable Group Member means a charitable member of the Wheatley Group;

Commitment has the meaning given to it in the Loan Agreement;

Compliance Certificate has the meaning given to it in the Loan Agreement;

Custodian means The Bank of New York Mellon, London Branch as custodian pursuant to the Custody Agreement or any successor custodian appointed thereunder;

Custody Account means the account of the Issuer set up with the Custodian in respect of the Permitted Investments in accordance with the Custody Agreement;

Custody Agreement means the Custody Agreement dated 28th November, 2014 and made between the Issuer, the Bond Trustee and the Custodian, as amended and/or supplemented and/or restated from time to time;

Deed of Guarantee and Indemnity means the Deed of Guarantee and Indemnity dated 1 April 2022 and made between, *inter alios*, the Group Borrower, Wheatley Developments, the Issuer and the Security Trustee as further amended and/or supplemented and/or restated from time to time;

Existing Borrowers means Loretto Housing Association Limited, Wheatley Developments, Wheatley Homes East Limited, Wheatley Homes Glasgow Limited and Wheatley Homes South Limited;

Existing Chargor means Loretto Housing Association Limited, Wheatley Homes East Limited and Wheatley Homes Glasgow Limited;

Existing Chargor Security Agreements means the Security Agreements entered into between, *inter alios*, the Group Borrower and each Existing Chargor pursuant to which each Existing Chargor, *inter alia*, provides security for the benefit of the Issuer in respect of the obligations of the Group Borrower to the Issuer under the Loan Agreement;

Financial Year means each 12 month period ending on 31st March;

Group Borrower means Wheatley Funding No. 1 Limited, as borrower under the Loan Agreement;

Group Borrower Default has the meaning given to it in the Loan Agreement;

Group Borrower Security Agreement means the Group Borrower Security Agreement entered into between the Group Borrower and the Security Trustee pursuant to which the Group Borrower provides security in respect of its obligations under the Loan Agreement;

Group Parent means Wheatley Housing Group Limited (and any entity with which Wheatley Housing Group Limited may merge or be consolidated with at any time);

Initial Cash Security Account means the account of the Issuer set up with the Account Bank in respect of the Retained Proceeds in accordance with the Account Agreement;

Interest Cover Test has the meaning given to it in the Loan Agreement;

Issue Date means 28th November, 2014;

Issuer Charged Property has the meaning given to it in Condition 4;

Issuer Security has the meaning given to it in Condition 4;

Loan means the loan made by the Issuer to the Group Borrower pursuant to the terms of the Loan Agreement;

Loan Agreement means the Loan Agreement dated 28th November, 2014 between the Issuer, the Group Borrower and the Security Trustee as amended and/or supplemental and/or restated from time to time;

Loan Payment Day means a day on which principal or interest in respect of the Loan is due and payable by the Group Borrower to the Issuer in accordance with the terms of the Loan Agreement;

Modification Date means, the date of modification of these Conditions, being 13 March 2025;

Ongoing Cash Security Account means the account of the Issuer set up with the Account Bank in respect of the Charged Cash in accordance with the Account Agreement;

Permitted Investments has the meaning given to it in the Loan Agreement;

Permitted Investment Profit has the meaning given to it in the Loan Agreement;

Permitted Reorganisation has the meaning given to it in the Loan Agreement;

Potential Event of Default means any act, event or circumstance which with the expiry of a grace period, the giving of notice, determination of materiality or other determination would constitute an Event of Default;

Put Option Date has the meaning given to it in Condition 9.5 (*Bondholder Put Option*);

Registered Social Landlord means a social landlord registered with the Scottish Housing Regulator as such pursuant to Section 20 of the Housing (Scotland) Act 2010 (or any replacement or successor legislation thereto);

Relevant Date means, in respect of any payment, 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 Bond 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 15 (*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 becomes subject in respect of payments made by it of principal and interest on the Bonds or Coupons;

Retained Bond Custodian means The Bank of New York Mellon, London Branch as custodian pursuant to the Retained Bond Custody Agreement or any successor custodian appointed thereunder;

Retained Bond Custody Agreement means the custody agreement relating to the Retained Bonds dated 28th November, 2014 and made between the Issuer, the Bond Trustee and the Retained Bond Custodian, as amended and/or supplemented and/or restated from time to time;

Retained Bond Premium Amount means, in respect of any sale by the Issuer of Retained Bonds, the amount of any net profits or gains arising from such sale which are within the charge to corporation tax (if any);

Retained Bonds means £50,000,000 in principal amount of the Bonds purchased by the Issuer on the Issue Date;

Retained Proceeds means, at any time, (a) an amount of the net issue proceeds of the Bonds (other than the Retained Bonds) which have not been advanced to the Group Borrower pursuant to the Loan Agreement at such time (if any) plus (b) an amount of the net sale proceeds of the Retained Bonds (less any Retained Bond Premium Amount) which are not advanced to the Group Borrower pursuant to the Loan Agreement immediately following receipt thereof by the Issuer and have not subsequently been advanced to the Group Borrower (if any);

RSL Borrowers means the Borrowers other than Wheatley Developments;

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

Security Agreements means the Existing Chargor Security Agreements and any security agreement entered into between, *inter alios*, the Group Borrower and an RSL Borrower substantially in the form set out in the Security Trust Deed pursuant to which such RSL Borrower, *inter alia*, provides security for the benefit of the Issuer in respect of the obligations of the Group Borrower to the Issuer under the Loan Agreement;

Security Trust Deed means the Amended and Restated Security Trust Deed dated 28th November, 2014 between, *inter alios*, the Group Borrower, the Issuer and the Security Trustee, as amended and/or supplemented and/or restated from time to time;

Security Trustee means M&G Trustee Company Limited (previously known as Prudential Trustee Company Limited) as security trustee under the Security Trust Deed for, *inter alios*, the Issuer;

Taxes has the meaning given to it in Condition 10.1 (*Payments without withholding*);

Transaction Account means the account of the Issuer set up with the Account Bank in respect of the Bonds in accordance with the Account Agreement;

Transaction Documents means the Loan Agreement, the Bond Trust Deed, the Security Trust Deed, the Deed of Guarantee and Indemnity, the Agency Agreement, the Account Agreement, the Custody Agreement and the Retained Bond Custody Agreement;

Transaction Parties means any person who is party to a Transaction Document;

UK Government Gilt means Sterling denominated gilts or stock issued by or on behalf of Her Majesty's Treasury;

Undrawn Commitment has the meaning given to it in the Loan Agreement;

Wheatley Developments means Wheatley Developments Scotland Limited (previously known as DGHP 3 Limited);

Wheatley Group means the Group Parent, the Group Borrower, the Existing Borrowers and any other present or future, direct or indirect subsidiaries of the Group Parent; and

Wheatley Group Auditors means the Auditors of the Borrowers or, if there is more than one such Auditor, any Auditor of a Borrower as selected by the Group Borrower and approved by the Security Trustee.

2. **FORM, DENOMINATION AND TITLE**

The Bonds are in bearer form, serially numbered, in the denomination of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000, with Coupons and Talons attached on issue. No Bonds will be issued with a denomination above £199,000.

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

3. **STATUS**

The Bonds and Coupons are direct obligations of the Issuer, secured in the manner set out in Condition 4 (*Security*), and rank *pari passu* without preference or priority amongst themselves.

4. **SECURITY**

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

- (a) by an assignment by way of security of the Issuer's rights, title and interest arising under the Loan Agreement, the Security Trust Deed, the Deed of Guarantee and Indemnity, the Security Agreements, the Group Borrower Security Agreement, the Agency Agreement, the Account Agreement and the Custody Agreement;
- (b) by a charge by way of first fixed charge over all moneys and/or securities from time to time standing to the credit of the Transaction Account, the Ongoing Cash Security Account, the Initial Cash Security Account and the Custody Account and all debts represented thereby; and
- (c) by a charge by way of first fixed charge over the Paying Agents' obligation to repay the Issuer any sums held from time to time by the Paying Agents for the payment of principal or interest in respect of the Bonds and not otherwise claimed.

The property charged and assigned pursuant to the Bond Trust Deed listed in (a) to (c) above, together with any other property or assets held by and/or assigned to the Bond Trustee and/or any

deed or document supplemental thereto, is referred to herein as the **Issuer Charged Property** and the security created thereby, the **Issuer Security**.

5. **ORDER OF PAYMENTS**

5.1 **Pre-enforcement**

Prior to the enforcement of the Issuer Security, the Issuer shall apply the monies standing to the credit of the Transaction Account on each Interest Payment Date and such other dates on which a payment is due in respect of the Bonds in the following order of priority (the **Pre-enforcement Priority of Payment**):

- (a) first, in payment of any taxes due and owing by the Issuer to any taxing authority (insofar as they relate to the Bonds);
- (b) second, in payment of any unpaid fees, costs, charges, expenses, indemnity payments and liabilities incurred by the Bond Trustee (including remuneration payable to it and any Appointee) in carrying out its functions under the Bond Trust Deed;
- (c) third, in payment of any unpaid fees, expenses, indemnity payments and liabilities of the Issuer owing to the Paying Agents under the Agency Agreement, the Account Bank under the Account Agreement, the Custodian under the Custody Agreement and the Retained Bond Custodian under the Retained Bond Custody Agreement on a pro rata and pari passu basis;
- (d) fourth, in payment of any other unpaid fees, expenses and liabilities of the Issuer (in so far as they relate to the Bonds) on a pro rata and pari passu basis;
- (e) fifth, in payment, on a pro rata and pari passu basis, to the Bondholders of any interest due and payable in respect of the Bonds;
- (f) sixth, in payment, on a pro rata and pari passu basis, to the Bondholders of any principal due and payable in respect of the Bonds;
- (g) seventh, in payment to the Group Borrower of any amount due and payable under the terms of the Loan Agreement; and
- (h) eighth, in payment of any Permitted Investment Profit, Accounting Profit or Retained Bond Premium Amount, as the case may be, to any Charitable Group Member.

5.2 **Post-enforcement**

Following the enforcement of the Issuer Security, all monies standing to the credit of the Transaction Account, the Ongoing Cash Security Account and the Initial Cash Security Account and the net proceeds of enforcement of the Issuer Security shall be applied in the following order of priority (the **Post-enforcement Priority of Payment**):

- (a) first, in payment or satisfaction of the fees, costs, charges, expenses, indemnity payments and liabilities incurred by the Bond Trustee, any Appointee or any receiver in preparing and executing the trusts under the Bond Trust Deed (including the costs of realising any Issuer Security and the Bond Trustee's and such receiver's remuneration);
- (b) second, in payment of all amounts owing to the Paying Agents under the Agency Agreement, the Account Bank under the Account Agreement, the Custodian under the Custody Agreement and the Retained Bond Custodian under the Retained Bond Custody 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 due and payable in respect of the Bonds;
- (e) fifth, in payment of any other unpaid fees and expenses of the Issuer (in each case insofar as they relate to the Bonds) on a pro rata and pari passu basis;
- (f) sixth, in payment to the Group Borrower of any amount due and payable under the terms of the Loan Agreement; and
- (g) seventh, in payment of any Permitted Investment Profit, Accounting Profit or Retained Bond Premium Amount, as the case may be, to any Charitable Group Member.

6. COVENANTS

6.1 General Covenants

In addition to the covenants of the Issuer set out in the Bond Trust Deed, for so long as any of the Bonds remain outstanding, the Issuer covenants that it will not, without the consent of the Bond 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 to or for the benefit of the charitable members of the Wheatley Group and Wheatley Developments (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 also covenants, for so long as any of the Bonds remain outstanding, not to create or permit to subsist, over any of the security constituted by or created pursuant to the Bond Trust Deed, any mortgage or charge or any other security interest ranking in priority to, or *pari passu* with, the security created by or pursuant to the Bond Trust Deed.

6.2 Information Covenants

For so long as any of the Bonds remain outstanding, the Issuer shall:

- (a) send to the Bond Trustee and, upon request by any Bondholder to the Issuer, make available to such Bondholder at the Issuer's registered office during normal business hours, a copy of the Compliance Certificate promptly upon receipt of the same from the Group Borrower pursuant to the terms of the Loan Agreement;
- (b) send to the Bond Trustee and, upon request by any Bondholder to the Issuer, make available to such Bondholder at the Issuer's registered office during normal business hours, a copy of the individual (or consolidated, if available) annual reports of the Group Borrower and each of the Borrowers promptly upon publication of the same by the Group Borrower and each of the Borrowers respectively and the Borrower Consolidated Accounts promptly upon publication of the same; and
- (c) at the request of Bondholders holding not less than 33 per cent. in principal amount of the Bonds for the time being outstanding, convene a meeting of the Bondholders to discuss the financial position of the Issuer and the Wheatley Group, provided, however, that the Issuer shall not be required to convene any such meeting pursuant to this Condition 6.2(c) more than once in any calendar year. Upon the request of Bondholders to convene any such meeting, as aforesaid, the Issuer shall notify all Bondholders of the date (which such date shall be no more than 21 days following such request), time and place of the meeting in accordance with Condition 15 (*Notices*). The Issuer shall act in good faith in addressing any questions regarding the financial position of itself or any other member of the Wheatley Group raised at any such meeting, provided, however, that the Issuer shall not be obliged to disclose any information which it, in its absolute discretion, considers to be of a confidential nature. For the avoidance of doubt, the provisions of this Condition 6.2(c) are

in addition to the meetings provisions set out in Condition 17 (*Meetings of Bondholders, Modification and Waiver*).

6.3 Loan Agreement, Security Agreements, Group Borrower Security Agreement, Security Trust Deed and Deed of Guarantee and Indemnity Consents Covenant

For so long as any of the Bonds remain outstanding, the Issuer covenants that it shall not consent to any waiver, amendment or modification of, or take any action or direct the Security Trustee to take any action pursuant to, the Loan Agreement, the Security Agreements, the Group Borrower Security Agreement, the Security Trust Deed or the Deed of Guarantee and Indemnity except with the prior consent of the Bond Trustee. The Bond Trustee may seek the consent of the Bondholders in accordance with the Bond Trust Deed prior to giving any such consent.

7. INTEREST

7.1 Interest Rate and Interest Payment Dates

The Bonds bear interest from (and including) 28th November, 2014 at the rate of 4.375 per cent. per annum, payable semi-annually in arrear in equal instalments on 28th May and 28th November in each year (each, an **Interest Payment Date**).

7.2 Interest Accrual

Each Bond will cease to bear interest from (and including) its 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 payment, in which event interest shall continue to accrue as provided in the Bond Trust Deed.

7.3 Calculation of Broken Interest

When interest is required to be calculated in respect of a period of less than a full half year, it shall be calculated on the basis of (a) the actual number of days in the period from (and including) the date from which interest begins to accrue (the **Accrual Date**) to (but excluding) the date on which it falls due divided by (b) the actual number of days from and including the Accrual Date to (but excluding) the next following Interest Payment Date multiplied by 2, and multiplying the resulting fraction by the rate of interest specified in Condition 7.1 above and the relevant principal amount of the Bonds.

8. PAYMENTS

8.1 Payments in respect of Bonds

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 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.

8.2 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.

8.3 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), failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount

due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of the relevant Bond (whether or not the Coupon would otherwise have become void pursuant to Condition 11 (*Prescription*)) or, if later, five years after the date on which the Coupon would have become due, but not thereafter.

8.4 **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.

8.5 **Payment Day**

If the date for payment of any amount in respect of any Bond or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, **Payment Day** means any day which (subject to Condition 11 (*Prescription*)):

- (a) is, or falls after, the relevant due date;
- (b) is, or falls at least one Business Day after, the corresponding Loan Payment Day;
- (c) 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
- (d) in the case of payment by a credit or transfer to a Sterling account in London as referred to above, 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.

8.6 **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 reserves the right, subject to the prior written approval of the Bond 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 UK Listing 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 15 (*Notices*).

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and, in certain circumstances specified therein, of the Bond 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.

8.7 Interpretation of principal and interest

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

- (a) any additional amounts which may be payable with respect to principal under Condition 10 (*Taxation*); and
- (b) any specific redemption price referred to in Condition 9 (*Redemption and Purchase*) which may be payable by the Issuer under or in respect of the Bonds.

Any reference in these Conditions to interest in respect of the Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10 (*Taxation*).

9. REDEMPTION AND PURCHASE

9.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as specified in these Conditions, the Bonds will be redeemed by the Issuer at their principal amount on 28th November, 2044.

9.2 Early Redemption

If, in accordance with the Loan Agreement, the Group Borrower elects to prepay the Loan in whole or in part prior to the repayment date specified in the Loan Agreement, then the Issuer shall redeem the Bonds in whole or, in respect of a prepayment in part, in an aggregate principal amount equal to the principal amount of the Loan to be repaid on the date which is two Business Days after that on which payment is made by the Group Borrower under the Loan Agreement (the **Loan Prepayment Date**).

Redemption of the Bonds pursuant to this Condition 9.2 shall be made at the higher of the following:

- (a) par; and
- (b) the amount (as calculated by a financial adviser nominated by the Issuer and approved by the Bond Trustee (the **Nominated Financial Adviser**) and reported in writing to the Issuer and the Bond Trustee) which is equal to the principal amount of the Bonds to be redeemed multiplied by the price (expressed as a percentage and calculated by the Nominated Financial Adviser) (rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the Bonds (if the Bonds were to remain outstanding until their original maturity) on the Determination Date would be equal to the sum of (i) the Gross Redemption Yield at 3:00 pm (London time) on the Determination Date of the Benchmark Gilt and (ii) 0.20 per cent.,

together with any interest accrued up to (but excluding) the Loan Prepayment Date. For the purposes of this Condition:

Benchmark Gilt means the 4½% Treasury Gilt 2042 or such other conventional (i.e. not index-linked) UK Government Gilt as the Issuer (with the advice of the Nominated Financial Adviser) may determine (failing such determination, as determined by the Bond Trustee with such advice) to be the most appropriate benchmark conventional UK Government Gilt;

Determination Date means three Business Days prior to the Loan Prepayment Date; and

Gross Redemption Yield means a yield calculated by the Nominated Financial Adviser on the basis set out by the United Kingdom Debt Management Office in the paper "*Formulae for Calculating Gilt*

Prices from Yields" page 5, Section One: Price/Yield Formulae (Conventional Gilts; Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date) (published on 8th June, 1998 and updated on 15th January, 2002 and 16th March, 2005) (as amended or supplemented from time to time).

9.3 Early Redemption for Tax Reasons

If as a result of any actual or proposed change in tax law, the Issuer determines (in its reasonable commercial judgement), and certifies to the Bond Trustee, that it would, on the next following Interest Payment Date, be required to make a withholding or deduction in respect of payments to be made on such Interest Payment Date (other than in respect of a Bondholder Specific Withholding) and the Issuer does not opt to pay additional amounts pursuant to Condition 10.2 (*No obligation to pay additional amounts*) or, having so opted, notifies the Bond Trustee and the Bondholders, in accordance with Condition 15 (*Notices*), of its intention to cease paying such additional amounts, the Issuer shall redeem the Bonds in whole, but not in part, at their principal amount, plus accrued interest to (but excluding) the date of redemption, as soon as reasonably practicable prior to the next following Interest Payment Date or, if it is not reasonably practicable for the Issuer to redeem the Bonds prior to the next following Interest Payment Date, within three Business Days thereafter. For the avoidance of doubt, any amounts in respect of accrued interest which fall due on any such redemption of the Bonds (and, where the redemption follows the next following Interest Payment Date, such Interest Payment Date) shall be paid subject to the required withholding or deduction and the Issuer shall not be obliged to pay any additional amounts in respect thereof.

9.4 Mandatory Early Redemption

If the Loan becomes repayable:

- (a) as a result of a Group Borrower Default; or
- (b) upon the mandatory prepayment of the Loan following one or more of the RSL Borrowers ceasing to be a Registered Social Landlord (other than following, or as part of, a Permitted Reorganisation or if such RSL Borrower ceases to be a Borrower (and repays any drawn amounts under its respective Intra-group Facility Agreement) or regains its status as a Registered Social Landlord within 180 days),

then the Issuer shall redeem the Bonds in full at their principal amount, plus accrued interest to (but excluding) the date on which the Loan is repaid (the **Loan Repayment Date**), on the date which is two Business Days after the Loan Repayment Date.

9.5 Bondholder Put Option

Within 30 days of the Issuer becoming aware of any failure of the Group Borrower to comply with the Interest Cover Test, the Issuer shall convene a meeting of Bondholders to consider, by Extraordinary Resolution and in accordance with Condition 17 (*Meetings of Bondholders, Modification and Waiver*), whether or not to approve the ability of Bondholders to exercise the put option described in this Condition 9.5 (the **Bondholder Put Option**).

If the Bondholders approve such Extraordinary Resolution, then any Bondholder may, within 30 days of such approval, give an irrevocable notice to the Issuer of such Bondholder's decision to require the Issuer to procure that a member of the Wheatley Group purchases all of the Bonds owned by such Bondholder on the day falling 45 days after the date on which the Extraordinary Resolution was so approved (the **Put Option Date**).

On the Put Option Date, the Issuer shall procure that a member of the Wheatley Group purchases, in whole (but not in part), all of the Bonds in respect of which the relevant Bondholders have exercised the Bondholder Put Option, at their principal amount plus an amount equal to accrued interest to (but excluding) the Put Option Date.

9.6 **Notice of Early Redemption**

Notice of any early redemption in accordance with Condition 9.2 (*Early Redemption*), Condition 9.3 (*Early Redemption for Tax Reasons*) or Condition 9.4 (*Mandatory Early Redemption*) above shall be given by the Issuer to the Bond Trustee, the Paying Agents and the Bondholders, in accordance with Condition 15 (*Notices*), as promptly as practicable.

In the case of a partial redemption of Bonds, Bonds to be redeemed will be selected in such place as the Bond Trustee may approve and in such manner and at such time as the Bond Trustee may deem appropriate and fair. Notice of any such selection will be given by the Issuer to the Bondholders as promptly as practicable. Each notice will specify the date fixed for redemption, the early redemption amount and the aggregate principal amount of the Bonds to be redeemed, the serial numbers of the Bonds called for redemption, the serial numbers of Bonds previously called for redemption and not presented for payment and the aggregate principal amount of the Bonds which will be outstanding after the partial redemption.

9.7 **Calculations**

Each calculation, by or on behalf of the Issuer, for the purposes of this Condition 9 shall, in the absence of manifest error, be final and binding on all persons. If the Issuer does not at any time for any reason calculate amounts referred to in this Condition 9, such amounts may be calculated by the Bond Trustee, or an agent appointed by the Bond Trustee for this purpose, (without any liability accruing to the Bond Trustee as a result) based on information supplied to it by the Issuer and each such calculation shall be deemed to have been made by the Issuer.

9.8 **Purchase of Bonds by the Group Borrower or other members of the Wheatley Group**

The Group Borrower and any other member of the Wheatley Group may at any time purchase Bonds in the open market or otherwise at any price. Following any such purchase, the Group Borrower or such other member of the Wheatley Group, as the case may be, may (but is not obliged to) surrender the Bonds to the Issuer for cancellation. An amount equal to the principal amount of the Bonds being surrendered shall be deemed to be prepaid under the Loan Agreement (but, for the avoidance of doubt, without triggering a redemption under Condition 9.2 (*Early Redemption*)) or, to the extent that no Loan is then outstanding, an amount of the Undrawn Commitment equal to the principal amount of the Bonds surrendered shall be deemed to be cancelled for the purposes of the Loan Agreement and an amount of Retained Proceeds equal to the Cancelled Retained Proceeds shall be paid by the Issuer to the Group Borrower or such other member of the Wheatley Group, as the case may be.

9.9 **Purchase of Bonds by the Issuer**

The Issuer may not at any time purchase Bonds (other than the Retained Bonds and any further bonds issued pursuant to Condition 19 (*Further Issues*) on the issue date thereof).

9.10 **Cancellation of purchased or redeemed Bonds**

All Bonds redeemed by the Issuer pursuant to Conditions 9.2 (*Early Redemption*), Condition 9.3 (*Early Redemption for Tax Reasons*) or Condition 9.4 (*Mandatory Early Redemption*) or surrendered for cancellation pursuant to Condition 9.8 (*Purchase of Bonds by the Group Borrower or other members of the Wheatley Group*) shall be cancelled and may not be issued or resold.

The Issuer (a) may cancel any Retained Bonds held by it or on its behalf following a request by the Group Borrower, pursuant to the Loan Agreement, to cancel a corresponding amount of the Undrawn Commitment; (b) shall cancel all Retained Bonds held by or on behalf of the Issuer forthwith upon notice that the Bonds are to be redeemed (and, in any event, prior to such redemption) in accordance with Condition 9.3 (*Early Redemption for Tax Reasons*) or Condition 12 (*Events of Default and Enforcement*); and (c) shall, forthwith upon notice that the Bonds are to be redeemed in full or in part in accordance with Condition 9.4 (*Mandatory Early Redemption*), cancel Retained Bonds held by or on behalf of the Issuer in an aggregate principal amount equal to the principal amount of the Undrawn Commitment (if any).

10. TAXATION

10.1 Payments without withholding

All payments of principal and interest in respect of the Bonds and Coupons by or on behalf of the Issuer 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 such withholding or deduction is required by law in which case the relevant payment will be made subject to such withholding or deduction.

10.2 No obligation to pay additional amounts

Subject as follows, neither the Issuer, the Bond Trustee nor any Paying Agent shall be obliged to pay any additional amounts to the Bondholders or Couponholders as a result of any withholding or deduction made in accordance with Condition 10.1 (*Payments without withholding*).

Notwithstanding the foregoing, in the event that the Issuer would, on the next Interest Payment Date, be required to make a withholding or deduction in respect of tax (other than in respect of a Bondholder Specific Withholding), the Issuer may (in its absolute discretion), provided that it has given notice to the Bond Trustee and the Bondholders, in accordance with Condition 15 (*Notices*), of its intention to do so prior to such Interest Payment Date, pay to Bondholders such additional amounts as may be necessary in order that the net amounts received by the Bondholders after such withholding or deduction will equal the amounts of principal and interest which would have been received in respect of the Bonds in the absence of such withholding or deduction. If at any time the Issuer intends to cease paying such additional amounts it may do so by giving notice to the Bondholders and the Bond Trustee of its intention to do so with effect from the next Interest Payment Date.

11. PRESCRIPTION

The Bonds and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 8 (*Payments*) or any Talon which would be void pursuant to Condition 8 (*Payments*).

12. EVENTS OF DEFAULT AND ENFORCEMENT

12.1 Events of Default

The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least one-fourth in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being secured and/or indemnified and/or prefunded to its satisfaction), (but in the case of the happening of any of the events described in paragraphs (b), (c) and (i) below, only if the Bond Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Bondholders), give notice in writing to the Issuer that the Bonds are, and the Bonds shall thereupon immediately become, due and repayable at their principal amount together with accrued interest as provided in the Bond 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 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 and 14 days in the case of interest; or
- (b) if the Issuer fails to perform or observe any of its other obligations under the Conditions or the Bond Trust Deed or if any representation given by the Issuer to the Bond Trustee in the Bond Trust Deed is found to be untrue, incorrect or misleading as at the time it was given and (except in any case where, in the opinion of the Bond 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 Bond Trustee on the Issuer of notice requiring the same to be remedied; or

- (c) (A) any other present or future indebtedness of the Issuer for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (C) the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in paragraph (A), (B) or (C) above have occurred equals or exceeds £10,000,000 or its equivalent in other currencies (as reasonably determined by the Bond Trustee); or
- (d) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer save for the purposes of reorganisation on terms previously approved in writing by the Bond Trustee or by an Extraordinary Resolution; or
- (e) if the Issuer ceases or threatens to cease to carry on the whole or, in the opinion of the Bond Trustee, substantially all of its business, save for the purposes of reorganisation on terms previously approved in writing by the Bond Trustee or by an Extraordinary Resolution; or
- (f) if the Issuer 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
- (g) if (A) proceedings are initiated against the Issuer 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, liquidator, administrator or other similar official, or an administrative or other receiver, manager, liquidator, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to all or substantially all of the Issuer's undertaking or assets, or an encumbrancer takes possession of all or substantially all of the Issuer's undertaking or assets, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against all or substantially all of the Issuer's undertaking or assets and (B) in any case (other than the appointment of an administrator) is not discharged within 14 days; or
- (h) if the Issuer initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation 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
- (i) if it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds, the Bond Trust Deed or the Loan Agreement.

12.2 Enforcement

The Bond 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 as it may think fit to enforce the provisions of the Bond Trust Deed, the Bonds, the Coupons and/or any of the other Transaction Documents, but it shall not be bound to take any such proceedings or other steps or action unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-fourth in principal amount of the Bonds then outstanding and (ii) it shall have been secured and/or indemnified and/or prefunded to its satisfaction.

The Bond 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 Bond 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, Couponholder or any Secured Party (other than the Bond Trustee) shall be entitled (i) to take any steps or action against the Issuer to enforce the performance of any of the provisions of the Bond Trust Deed, the Bonds, the Coupons or any of the other Transaction Documents or (ii) to take any other action (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, in each case unless the Bond 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.

13. 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 UK Listing 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.

14. EXCHANGE OF TALONS

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

15. 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 Bond 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 shall be deemed for all purposes to have notice of the contents of any notice given to the holders of the Bonds in accordance with this Condition 15 (*Notices*).

16. SUBSTITUTION

The Bond Trust Deed contains provisions permitting the Bond Trustee to, subject to any required amendment of the Bond Trust Deed, without the consent of the Bondholders or the Couponholders or any Secured Party (other than, in respect of the novation or assignment of the Loan Agreement, the Group Borrower), agree with the Issuer 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 Bond Trust Deed of another company, registered society or other entity subject to:

- (a) the Bond Trustee being satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution; and
- (b) certain other conditions set out in the Bond Trust Deed being complied with.

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

17. MEETINGS OF BONDHOLDERS, MODIFICATION AND WAIVER

17.1 Meetings of Bondholders

The Bond 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 Bond Trust Deed (as more particularly described in the Bond Trust Deed). Such a meeting may be convened by the Issuer or the Bond Trustee and shall be convened by the Issuer if required in writing by Bondholders holding not less than ten per cent. in principal amount of the Bonds for the time being remaining outstanding (other than in respect of a meeting requested by Bondholders to discuss the financial position of the Issuer and the Wheatley Group, which shall be requested in accordance with, and shall be subject to, Condition 6.2(c) (*Information Covenants*)). 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. in 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 principal amount of the Bonds so held or represented, except that at any meeting the business of which includes any matter defined in the Bond Trust Deed as a Basic Terms Modification, including, *inter alia*, modifying the date of maturity of the Bonds or any date for payment of 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 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 principal amount of the Bonds for the time being outstanding. The Bond Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Bond 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 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 Bond Trustee) by or on behalf of the holders of not less than 75 per cent. in 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.

17.2 Modification, Waiver, Authorisation and Determination

The Bond Trustee may agree, without the consent of the Bondholders, Couponholders or any Secured Party, to any modification (except as stated in the Bond Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Bonds, the Bond Trust Deed, any Security Agreement, the Group Borrower Security Agreement 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 Bond Trustee, materially prejudicial to the interests of the Bondholders so to do or may agree, without any such consent as aforesaid, to any modification which, in the opinion of the Bond 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 Bond Trustee, proven. Any such modification, waiver, authorisation or determination shall be binding on the Bondholders, the Couponholders and the Secured Parties and (unless the Bond Trustee otherwise agrees) shall be notified to the Bondholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

17.3 Bond 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 Bond Trustee shall have regard to the general interests of the Bondholders as a class (excluding the Issuer, for so long as it holds any Bonds) (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 Bond Trustee shall not be entitled to require, nor shall any Bondholder or Couponholder be entitled to claim, from the Issuer, the Bond Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders or Couponholders.

18. INDEMNIFICATION AND PROTECTION OF THE BOND TRUSTEE AND BOND TRUSTEE CONTRACTING WITH THE ISSUER

The Bond Trust Deed contains provisions for the indemnification of the Bond Trustee and for its relief from responsibility and liability towards the Issuer, the Bondholders and the Couponholders, including (i) provisions relieving it from taking action unless secured and/or indemnified and/or prefunded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances. The Bond Trustee is exempted from any liability in respect of any loss, diminution in value or theft of all or any part of the Issuer Charged Property, from any obligation to insure all or any part of the Issuer Charged Property (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 Bond Trust Deed also contains provisions pursuant to which the Bond 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 and/or any other Transaction Party or any person or body corporate associated with the Issuer 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 by, or relating to, the Issuer and/or any 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 Bond Trustee shall not be bound to take any step or action in connection with the Bond 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 prefunded 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.

The Bond Trustee shall have no responsibility for the validity, sufficiency or enforceability of the Issuer Security. The Bond Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Transaction Documents, neither shall the Bond Trustee be responsible for monitoring the compliance by the Group Borrower or any of the other parties to the Security Agreements, the Group Borrower Security Agreement and the Security Trust Deed of their obligations under the Security Agreements, the Group Borrower Security Agreement, the Security Trust Deed or any other document.

19. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Bondholders or the Couponholders to create and issue further bonds having 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 deed supplemental to the Bond Trust Deed.

20. **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.

21. **GOVERNING LAW**

The Bonds, the Coupons, the Bond Trust Deed and the Agency Agreement, 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.

22. **SUBMISSION TO JURISDICTION**

The Issuer has, in the Bond Trust Deed, irrevocably agreed for the benefit of the Bond 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 Bond Trust Deed, the Bonds or the Coupons (including any non-contractual obligations arising out of or in connection with the Bond Trust Deed, the Bonds or the Coupons) and accordingly has submitted to the exclusive jurisdiction of the English courts.

The Issuer has, in the Bond Trust Deed, waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Bond Trustee, the Bondholders and the Couponholders may take any suit, action or proceedings arising out of or in connection with the Bond 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 Bond Trust Deed, the Bonds or the Coupons) (together referred to as **Proceedings**) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

SCHEDULE 2

FORM OF GLOBAL BONDS

PART 1

FORM OF NEW TEMPORARY GLOBAL BOND

WHEATLEY GROUP CAPITAL PLC

*(incorporated with limited liability under the laws of
Scotland with registered number SC477446)*

TEMPORARY GLOBAL BOND

representing

£100,000,000 4.375 PER CENT. SECURED BONDS DUE 2044
ISIN: XS3009633077

This Bond is a temporary Global Bond without interest coupons in respect of a duly authorised issue of Bonds of Wheatley Group Capital plc (the "**Issuer**"), designated as specified in the title hereof (the "**New Bonds**"), (limited to the aggregate principal amount of one hundred million pounds Sterling (£100,000,000) and constituted by a first supplemental bond trust deed dated 13 March 2025 (the "**First Supplemental Bond Trust Deed**") supplemental to a bond trust deed dated 28 November 2014 (the "**Original Bond Trust Deed**" and, together with the First Supplemental Bond Trust Deed, the "**Bond Trust Deed**") between the Issuer and M&G Trustee Company Limited, previously known as Prudential Trustee Company Limited, as trustee (the trustee for the time being thereof being herein called the "**Bond 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 (*Conditions of the New Bonds*) to the First Supplemental Bond Trust Deed. Upon exchange of this temporary Global Bond for the Permanent Global Bond, the New Bonds shall be consolidated and form a single series with the £300,000,000 4.375 per cent. Secured Bonds due 2044 issued by the issuer on 28 November 2014 and constituted by the Original Bond Trust Deed (the "**Existing Bonds**" and, together with the New Bonds, the "**Bonds**").

1. PRINCIPAL AMOUNT

The principal amount of New Bonds represented by this temporary Global Bond shall be the aggregate principal amount from time to time entered in the records of both Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**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 New Bonds) shall be conclusive evidence of the principal amount of New 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 principal amount of New 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 New 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 principal amount of the New Bonds recorded in the records of the relevant Clearing Systems and represented by this temporary Global Bond shall be reduced by the aggregate principal amount of the New 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 principal amount of this temporary Global Bond (being at the date hereof one hundred million pounds Sterling (£100,000,000) on 28 November 2044 (or on such earlier date as the said principal amount may become repayable in accordance with the Conditions or the Bond Trust Deed) and to pay interest six-monthly in arrear in equal instalments on 28 May and 28 November in each year on the principal amount from time to time of this temporary Global Bond at the rate of 4.375 per cent. per annum 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 Bond Trust Deed.

3. **EXCHANGE FOR PERMANENT GLOBAL BONDS 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 £100,000,000 aggregate principal 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 Bond 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 principal amount equal to the principal 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 principal amount of the New 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 Bond 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 principal amount of the New 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 any member of the Wheatley Group 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 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 principal amount of the New Bonds represented by this temporary Global Bond shall be reduced by the aggregate principal amount of this temporary Global Bond so exchanged or cancelled.

4. **PAYMENTS**

Until the entire principal amount of this temporary Global Bond has been extinguished, this temporary Global Bond shall 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 Bond 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 more of the Permanent Global Bond, this temporary Global Bond and/or the Global Bonds in respect of the Existing Bonds and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular 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 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 principal amount of such Bonds for all purposes (including for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Bondholders) other than with respect to the payment of principal and interest on such Bonds, the right to which shall be vested, as against the Issuer and the Bond Trustee, solely in the bearer of the relevant Global Bond in accordance with and subject to its terms and the terms of the Bond 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. NOTICES

For so long as all of the Bonds are represented by one or more of the Permanent Global Bond, this temporary Global Bond and/or the Global Bonds in respect of the Existing Bonds and such Global Bond is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Bondholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relative Accountholders rather than by publication as required by Condition 15 (*Notices*) provided that, so long as the Bonds are admitted to the official list maintained by the Financial Conduct Authority in its capacity as the UK Listing Authority (the "**UKLA**") and admitted to trading on the London Stock Exchange plc's regulated market for listed securities, all requirements of the UKLA have been complied with. Any such notice shall be deemed to have been given to the Bondholders on the second 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 any one or both of the Permanent Global Bond and this temporary Global Bond, 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.

7. PARTIAL EARLY REDEMPTION

For so long as all of the Bonds are represented by one or more of the Permanent Global Bond, this temporary Global Bond and/or the Global Bond(s) in respect of the Existing Bonds and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, no selection of Bonds will be required under Condition 9.6 (*Notice of Early Redemption*) in the event that the Bonds are to be redeemed in part pursuant to Condition 9.2 (*Early Redemption*). In such event, the standard

procedures of Euroclear and/or Clearstream, Luxembourg shall operate to determine which interests in the Global Bond(s) are to be subject to such redemption.

8. **BONDHOLDER PUT OPTION**

For so long as all of the Bonds are represented by one or more of the Permanent Global Bond, this temporary Global Bond and/or the Global Bonds in respect of the Existing 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 9.5 (*Bondholder Put Option*) 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 depositary for them to the Principal Paying Agent by electronic means) of the principal 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 in respect of principal 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) and five years (in the case of interest) from the Relevant Date.

10. **AUTHENTICATION**

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.

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.

Wheatley Group Capital plc

By:
(Duly authorised)

Issued in London, England on 13 March 2025

Certificate of authentication

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

.....

Duly authorised
for and on behalf of
The Bank of New York Mellon
as Principal Paying Agent

Effectuated without recourse,
warranty or liability by
Euroclear Bank SA/NV
as Common Safekeeper

By:

PART 2

FORM OF NEW 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.

WHEATLEY GROUP CAPITAL PLC

*(incorporated with limited liability under the laws of
Scotland with registered number SC477446)*

PERMANENT GLOBAL BOND

representing up to

£100,000,000 4.375 PER CENT. SECURED BONDS DUE 2044

ISIN: XS1140662575

(consolidated and forming a single series with the
£300,000,000 4.375 per cent. Secured Bonds due 2044 issued on 28 November 2014)

This Bond is a permanent Global Bond without interest coupons in respect of a duly authorised issue of Bonds of Wheatley Group Capital plc (the "**Issuer**"), designated as specified in the title hereof (the "**New Bonds**"), limited to the aggregate principal amount of one hundred million pounds Sterling (£100,000,000) and constituted by a first supplemental bond trust deed dated 13 March 2025 (the "**First Supplemental Bond Trust Deed**") supplemental to a bond trust deed dated 28 November 2014 (the "**Original Bond Trust Deed**") and, together with the First Supplemental Bond Trust Deed, the "**Bond Trust Deed**") each made between the Issuer and M&G Trustee Company Limited, previously known as Prudential Trustee Company Limited, as trustee (the trustee for the time being thereof being herein called the "**Bond 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 (*Conditions of the New Bonds*) to First Supplemental Bond Trust Deed. The New Bonds are consolidated and form a single series with the £300,000,000 4.375 per cent. Secured Bonds due 2044 issued by the Issuer on 28 November 2014 and constituted by the Original Bond Trust Deed (the "**Existing Bonds**") and, together with the New Bonds, the "**Bonds**").

1. PRINCIPAL AMOUNT

The principal amount of New Bonds represented by this permanent Global Bond shall be the aggregate principal amount from time to time entered in the records of both Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**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 New Bonds) shall be conclusive evidence of the principal amount of New 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 principal amount of New 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 New 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 principal amount of the New Bonds recorded in the records of the relevant Clearing Systems and represented by this permanent Global Bond shall be reduced by the aggregate principal amount of the New 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 principal amount of this permanent Global Bond on 28 November 2044 (or in whole or, where applicable, in part on such earlier date as the said principal amount or part respectively may become repayable in accordance with the Conditions or the Bond Trust Deed) and to pay interest six-monthly in arrear in equal instalments on 28 May and 28 November in each year on the principal amount from time to time of this permanent Global Bond at the rate of 4.375 per cent. per annum 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 Bond 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) upon the happening of any of the events defined in the Bond Trust Deed as **"Events of Default"**, (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 announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Bond Trustee is available, or (c) if the Issuer has or would become subject to adverse tax consequences which would 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 Bond 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 Bond 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 £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000 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 in respect of the New Bonds (the **"Temporary Global Bond"**) for a part of this permanent Global Bond, or (b) the purchase by or on behalf of any member of the Wheatley Group 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 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 principal amount of the New Bonds represented by this permanent Global Bond shall be increased or, as the case may be, reduced by the aggregate 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 principal amount of this permanent Global Bond has been extinguished, this permanent Global Bond shall (subject as hereinafter and in the Bond 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 Bond Trust Deed. Payments of principal 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 more of the Temporary Global Bond, this permanent Global Bond and/or the Global Bonds in respect of the Existing Bonds and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular 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 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 principal amount of such Bonds for all purposes (including for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Bondholders) other than with respect to the payment of principal and interest on such Bonds, the right to which shall be vested, as against the Issuer and the Bond Trustee, solely in the bearer of the relevant Global Bond in accordance with and subject to its terms and the terms of the Bond 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. **NOTICES**

For so long as all of the Bonds are represented by one or more of the Temporary Global Bond, this permanent Global Bond and/or the Global Bonds in respect of the Existing Bonds and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Bondholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relative Accountholders rather than by publication as required by Condition 15 (*Notices*) provided that, so long as the Bonds are admitted to the official list maintained by the Financial Conduct Authority in its capacity as the UK Listing Authority (the "**UKLA**") and admitted to trading on the London Stock Exchange plc's regulated market for listed securities, all requirements of the UKLA have been complied with. Any such notice shall be deemed to have been given to the Bondholders on the second 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 any such Global Bond, 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.

7. **PARTIAL EARLY REDEMPTION**

For so long as all of the Bonds are represented by one or more of the Temporary Global Bond, this permanent Global Bond and/or the Global Bonds in respect of the Existing Bonds and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, no selection of Bonds will be required under Condition 9.6 (*Notice of Early Redemption*) in the event that the Bonds are to be redeemed in part pursuant to Condition 9.2 (*Early Redemption*). In such event, the standard procedures of Euroclear and/or Clearstream, Luxembourg shall operate to determine which interests in the Global Bond(s) are to be subject to such redemption.

8. **BONDHOLDER PUT OPTION**

For so long as all of the Bonds are represented by one or more of the Temporary Global Bond and this permanent Global Bond and/or the Global Bonds in respect of the Existing Bonds 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 9.5 (*Bondholder Put Option*) 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 depositary for them to the Principal Paying Agent by electronic means) of the principal 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 in respect of principal 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) and five years (in the case of interest) from the Relevant Date.

10. **AUTHENTICATION**

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.

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.

Wheatley Group Capital plc

By:.....
(Duly authorised)
Issued in London, England on 13 March 2025

Certificate of authentication

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

.....

Duly authorised
for and on behalf of
The Bank of New York Mellon
as Principal Paying Agent

Effectuated without recourse,
warranty or liability by
Euroclear Bank SA/NV
as Common Safekeeper

By:.....

SCHEDULE 3

FORM OF NEW DEFINITIVE BOND, NEW COUPON AND NEW TALON AND THE CONDITIONS OF THE NEW BONDS

PART 1

FORM OF DEFINITIVE NEW BOND, NEW COUPON AND NEW TALON

FORM OF NEW 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.

[•]	XS1140662575	[Serial No.]
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WHEATLEY GROUP CAPITAL PLC

(incorporated with limited liability under the laws of
Scotland with registered number SC477446)

£400,000,000 4.375 PER CENT. SECURED BONDS DUE 2044

The issue of the Bonds was authorised by resolutions of the board of directors of Wheatley Group Capital plc (the "**Issuer**") passed on 12 November 2014 and 14 February 2025.

This Bond forms one of a series of Bonds constituted by a bond trust deed (the "**Original Bond Trust Deed**") dated 28 November 2014 as supplemented by a supplemental bond trust deed dated 13 March 2025 (the "**First Supplemental Bond Trust**") and, together with the Original Bond Trust Deed, the "**Bond Trust Deed**") each between the Issuer and M&G Trustee Company Limited, previously known as Prudential Trustee Company Limited, as trustee for the holders of the Bonds and issued as Bonds in bearer form in the denominations of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000 each with Coupons and one talon attached in an aggregate principal amount of £400,000,000.

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 28 November 2044 (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 the rate of 4.375 per cent. per annum payable six-monthly in arrear in equal instalments on 28 May and 28 November in each year 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 Bond 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.

Wheatley Group Capital plc

By:
[Director]

By:
[Director]

Dated as of [●].

Issued in London, England.

Certificate of authentication

This Bond is duly authenticated
without recourse, warranty or liability.

.....
Duly authorised
for and on behalf of
The Bank of New York Mellon
as Principal Paying Agent

On the back:

PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch
160 Queen Victoria Street
London EC4V 4LA

FORM OF NEW 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.

WHEATLEY GROUP CAPITAL PLC

£400,000,000 4.375 PER CENT. SECURED BONDS DUE 2044

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

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

Coupon for
£[●]
due on
[●]

[No.]	[●]	XS1140662575	[Serial No.]
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On the back:

PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch
160 Queen Victoria Street
London EC4V 4LA

FORM OF NEW 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.

WHEATLEY GROUP CAPITAL PLC

£400,000,000 4.375 PER CENT. SECURED BONDS DUE 2044

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

On and after [●] 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.

[No.]	[●]	XS1140662575	[Serial No.]
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On the back:

PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch
160 Queen Victoria Street
London EC4V 4LA

PART 2

CONDITIONS OF THE NEW BONDS

The £100,000,000 4.375 per cent. Secured Bonds due 2044 (the "**New Bonds**" and, together with the Existing Bonds (as defined below), the "**Bonds**" which expression shall in these Conditions, unless the context otherwise requires, include any further bonds issued pursuant to Condition 19 (*Further Issues*) and forming a single series with the Bonds) of Wheatley Group Capital plc (the "**Issuer**") are constituted by a First Supplemental Bond Trust Deed dated 13 March 2025 (as amended and/or supplemented and/or restated from time to time, the "**Supplemental Bond Trust Deed**") made between the Issuer and M&G Trustee Company Limited (previously known as Prudential Trustee Company Limited) (the "**Bond Trustee**", which expression shall include any successor as Bond Trustee) 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 Supplemental Bond Trust Deed is supplemental to the Bond Trust Deed dated 28 November 2014 (as amended and/or supplemented and/or restated from time to time, the "**Original Bond Trust Deed**" and, together with the Supplemental Bond Trust Deed, the "**Bond Trust Deed**") made between the same parties and constituting the £300,000,000 4.375 per cent. Secured Bonds due 2044 (the "**Existing Bonds**") issued by the Issuer on 28 November 2014. The New Bonds are consolidated and form a single series, and rank *pari passu*, with the Existing Bonds.

The Bonds have the benefit of an Agency Agreement dated 28 November 2014, as supplemented by a First Supplemental Agency Agreement dated 13 March 2025 and as further amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") and made between the Issuer, the Bond Trustee, The Bank of New York Mellon, London Branch as principal paying agent (the "**Principal Paying Agent**", which expression shall include any successor agent) and 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).

Copies of the Bond Trust Deed, the Agency Agreement, the Loan Agreement, the Group Borrower Security Agreement, the Security Agreements, the Security Trust Deed and the Deed of Guarantee and Indemnity are available for inspection during normal business hours at the registered office for the time being of the Bond Trustee being at the New Bond Issue Date at 10 Fenchurch Avenue, London EC3M 5AG and at the specified office of each of the Paying Agents. The Bondholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Bond Trust Deed and the Agency Agreement. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Bond Trust Deed, which includes the form of the Bonds.

1. DEFINITIONS

Words and expressions defined in the Bond 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 28 November 2014 and made between the Issuer, the Bond Trustee and the Account Bank, as supplemented on 13 March 2025 and as further amended and/or supplemented and/or restated from time to time;

"**Account Bank**" means The Bank of New York Mellon, London Branch as account bank pursuant to the Account Agreement or any successor account bank appointed thereunder;

"**Accounting Profit**" has the meaning given to it in the Loan Agreement;

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

"**Asset Cover Test**" has the meaning given to it in the Loan Agreement;

"Auditors" has the meaning given to it in the Loan Agreement;

"Bondholder Put Option" has the meaning given to it in Condition 9.5 (*Bondholder Put Option*);

"Bondholder Specific Withholding" means any withholding or deduction of Taxes which is required in respect of 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 Payment Day (as defined in Condition 8.5 (*Payment Day*));

"Borrower Consolidated Accounts" means, in respect of each Financial Year, the audited annual accounts of each Borrower for that Financial Year as consolidated by the Wheatley Group Auditors; and

"Borrowers" means, at any time, the members of the Wheatley Group to which the Group Borrower shall have on-lent the proceeds of the Loan Agreement in accordance with the terms thereof (who, as at the New Bond Issue Date, are the Existing Borrowers);

"Cancelled Retained Proceeds" has the meaning given to it in the Loan Agreement;

"Charged Cash" means, at any time, the aggregate of all amounts (whether representing proceeds of disposal or other moneys) standing to the credit of the Ongoing Cash Security Account and, to the extent invested in Permitted Investments in accordance with the Custody Agreement, such Permitted Investments and any income received by the Issuer in respect of such Permitted Investments, provided however that, for the purpose of determining the Group Borrower's compliance with the Asset Cover Test, the value to be attributed to such Permitted Investments shall be the purchase price thereof;

"Charitable Group Member" means a charitable member of the Wheatley Group;

"Commitment" has the meaning given to it in the Loan Agreement;

"Compliance Certificate" has the meaning given to it in the Loan Agreement;

"Custodian" means The Bank of New York Mellon, London Branch as custodian pursuant to the Custody Agreement or any successor custodian appointed thereunder;

"Custody Account" means the account of the Issuer set up with the Custodian in respect of the Permitted Investments in accordance with the Custody Agreement;

"Custody Agreement" means the Custody Agreement dated 28 November 2014 and made between the Issuer, the Bond Trustee and the Custodian, as supplemented on 13 March 2025 and as further amended and/or supplemented and/or restated from time to time;

"Deed of Guarantee and Indemnity" means the Deed of Guarantee and Indemnity dated 1 April 2022 and made between, *inter alios*, the Group Borrower, Wheatley Developments, the Issuer and the Security Trustee as further amended and/or supplemented and/or restated from time to time;

"Existing Borrowers" means Loretto Housing Association Limited, Wheatley Developments, Wheatley Homes East Limited, Wheatley Homes Glasgow Limited and Wheatley Homes South Limited;

"Existing Chargor" means Loretto Housing Association Limited, Wheatley Homes East Limited and Wheatley Homes Glasgow Limited;

"Existing Chargor Security Agreements" means the Security Agreements entered into between, *inter alios*, the Group Borrower and each Existing Chargor pursuant to which each Existing Chargor, *inter alia*, provides security for the benefit of the Issuer in respect of the obligations of the Group Borrower to the Issuer under the Loan Agreement;

"Financial Year" means each 12 month period ending on 31 March;

"Group Borrower" means Wheatley Funding No.1 Limited, as borrower under the Loan Agreement;

"Group Borrower Default" has the meaning given to it in the Loan Agreement;

"Group Borrower Security Agreement" means the Group Borrower Security Agreement entered into between the Group Borrower and the Security Trustee pursuant to which the Group Borrower provides security in respect of its obligations under the Loan Agreement;

"Group Parent" means Wheatley Housing Group Limited (and any entity with which Wheatley Housing Group Limited may merge or be consolidated with at any time);

"Initial Cash Security Account" means the account of the Issuer set up with the Account Bank in respect of the Retained Proceeds in accordance with the Account Agreement;

"Interest Cover Test" has the meaning given to it in the Loan Agreement;

"Issuer Charged Property" has the meaning given to it in Condition 4;

"Issuer Security" has the meaning given to it in Condition 4;

"Loan" means the loan made by the Issuer to the Group Borrower pursuant to the terms of the Loan Agreement;

"Loan Agreement" means the Loan Agreement dated 28 November 2014 between the Issuer, the Group Borrower and the Security Trustee as supplemented on 13 March 2025 and as further amended and/or supplemental and/or restated from time to time;

"Loan Payment Day" means a day on which principal or interest in respect of the Loan is due and payable by the Group Borrower to the Issuer in accordance with the terms of the Loan Agreement;

"New Bond Issue Date" means 13 March 2025;

"New Retained Bonds" means the £100,000,000 in principal amount of the New Bonds purchased by the Issuer on the New Bond Issue Date;

"Ongoing Cash Security Account" means the account of the Issuer set up with the Account Bank in respect of the Charged Cash in accordance with the Account Agreement;

"Original Issue Date" means the issue date of the Existing Bonds, being 28 November 2014;

"Original Retained Bonds" means the £50,000,000 in principal amount of the Existing Bonds purchased by the Issuer on the Original Issue Date;

"Permitted Investments" has the meaning given to it in the Loan Agreement;

"Permitted Investment Profit" has the meaning given to it in the Loan Agreement;

"Permitted Reorganisation" has the meaning given to it in the Loan Agreement;

"Potential Event of Default" means any act, event or circumstance which with the expiry of a grace period, the giving of notice, determination of materiality or other determination would constitute an Event of Default;

"Put Option Date" has the meaning given to it in Condition 9.5 (*Bondholder Put Option*);

"Registered Social Landlord" means a social landlord registered with the Scottish Housing Regulator as such pursuant to Section 20 of the Housing (Scotland) Act 2010 (or any replacement or successor legislation thereto);

"Relevant Date" means, in respect of any payment, 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 Bond 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 15 (*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 becomes subject in respect of payments made by it of principal and interest on the Bonds or Coupons;

"Retained Bond Custodian" means The Bank of New York Mellon, London Branch as custodian pursuant to the Retained Bond Custody Agreement or any successor custodian appointed thereunder;

"Retained Bond Custody Agreement" means the custody agreement relating to the Retained Bonds dated 28 November 2014 and made between the Issuer, the Bond Trustee and the Retained Bond Custodian, as supplemented on 13 March 2025 and as further amended and/or supplemented and/or restated from time to time;

"Retained Bond Premium Amount" means, in respect of any sale by the Issuer of Retained Bonds, the amount of any net profits or gains arising from such sale which are within the charge to corporation tax (if any);

"Retained Bonds" means the Original Retained Bonds and the New Retained Bonds;

"Retained Proceeds" means, at any time, (a) an amount of the net issue proceeds of the Bonds (other than the Retained Bonds) which have not been advanced to the Group Borrower pursuant to the Loan Agreement at such time (if any) plus (b) an amount of the net sale proceeds of the Retained Bonds (less any Retained Bond Premium Amount) which are not advanced to the Group Borrower pursuant to the Loan Agreement immediately following receipt thereof by the Issuer and have not subsequently been advanced to the Group Borrower (if any);

"RSL Borrowers" means the Borrowers other than Wheatley Developments;

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

"Security Agreements" means the Existing Chargor Security Agreements and any security agreement entered into between, *inter alios*, the Group Borrower and an RSL Borrower substantially in the form set out in the Security Trust Deed pursuant to which such RSL Borrower, *inter alia*, provides security for the benefit of the Issuer in respect of the obligations of the Group Borrower to the Issuer under the Loan Agreement;

"Security Trust Deed" means the Amended and Restated Security Trust Deed dated 28 November 2014 between, *inter alios*, the Group Borrower, the Issuer and the Security Trustee, as amended and/or supplemented and/or restated from time to time;

"Security Trustee" means M&G Trustee Company Limited (previously known as Prudential Trustee Company Limited) as security trustee under the Security Trust Deed for, *inter alios*, the Issuer;

"Taxes" has the meaning given to it in Condition 10.1 (*Payments without withholding*);

"Transaction Account" means the account of the Issuer set up with the Account Bank in respect of the Bonds in accordance with the Account Agreement;

"Transaction Documents" means the Loan Agreement, the Bond Trust Deed, the Security Trust Deed, the Deed of Guarantee and Indemnity, the Agency Agreement, the Account Agreement, the Custody Agreement and the Retained Bond Custody Agreement;

"Transaction Parties" means any person who is party to a Transaction Document;

"UK Government Gilt" means Sterling denominated gilts or stock issued by or on behalf of Her Majesty's Treasury;

"Undrawn Commitment" has the meaning given to it in the Loan Agreement;

"Wheatley Developments" means Wheatley Developments Scotland Limited (previously known as DGHP 3 Limited);

"Wheatley Group" means the Group Parent, the Group Borrower, the Existing Borrowers and any other present or future, direct or indirect subsidiaries of the Group Parent; and

"Wheatley Group Auditors" means the Auditors of the Borrowers or, if there is more than one such Auditor, any Auditor of a Borrower as selected by the Group Borrower and approved by the Security Trustee.

2. **FORM, DENOMINATION AND TITLE**

The Bonds are in bearer form, serially numbered, in the denomination of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000, with Coupons and Talons attached on issue. No Bonds will be issued with a denomination above £199,000.

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

3. **STATUS**

The Bonds and Coupons are direct obligations of the Issuer, secured in the manner set out in Condition 4 (*Security*), and rank *pari passu* without preference or priority amongst themselves.

4. **SECURITY**

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

- (a) by an assignment by way of security of the Issuer's rights, title and interest arising under the Loan Agreement, the Security Trust Deed, the Deed of Guarantee and Indemnity, the Security Agreements, the Group Borrower Security Agreement, the Agency Agreement, the Account Agreement and the Custody Agreement;

- (b) by a charge by way of first fixed charge over all moneys and/or securities from time to time standing to the credit of the Transaction Account, the Ongoing Cash Security Account, the Initial Cash Security Account and the Custody Account and all debts represented thereby; and
- (c) by a charge by way of first fixed charge over the Paying Agents' obligation to repay the Issuer any sums held from time to time by the Paying Agents for the payment of principal or interest in respect of the Bonds and not otherwise claimed.

The property charged and assigned pursuant to the Bond Trust Deed listed in (a) to (c) above, together with any other property or assets held by and/or assigned to the Bond Trustee and/or any deed or document supplemental thereto, is referred to herein as the "**Issuer Charged Property**" and the security created thereby, the "**Issuer Security**".

5. ORDER OF PAYMENTS

5.1 Pre-enforcement

Prior to the enforcement of the Issuer Security, the Issuer shall apply the monies standing to the credit of the Transaction Account on each Interest Payment Date and such other dates on which a payment is due in respect of the Bonds in the following order of priority (the "**Pre-enforcement Priority of Payment**"):

- (a) first, in payment of any taxes due and owing by the Issuer to any taxing authority (insofar as they relate to the Bonds);
- (b) second, in payment of any unpaid fees, costs, charges, expenses, indemnity payments and liabilities incurred by the Bond Trustee (including remuneration payable to it and any Appointee) in carrying out its functions under the Bond Trust Deed;
- (c) third, in payment of any unpaid fees, expenses, indemnity payments and liabilities of the Issuer owing to the Paying Agents under the Agency Agreement, the Account Bank under the Account Agreement, the Custodian under the Custody Agreement and the Retained Bond Custodian under the Retained Bond Custody Agreement on a *pro rata* and *pari passu* basis;
- (d) fourth, in payment of any other unpaid fees, expenses and liabilities of the Issuer (in so far as they relate to the Bonds) on a *pro rata* and *pari passu* basis;
- (e) fifth, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any interest due and payable in respect of the Bonds;
- (f) sixth, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any principal due and payable in respect of the Bonds;
- (g) seventh, in payment to the Group Borrower of any amount due and payable under the terms of the Loan Agreement; and
- (h) eighth, in payment of any Permitted Investment Profit, Accounting Profit or Retained Bond Premium Amount, as the case may be, to any Charitable Group Member.

5.2 Post-enforcement

Following the enforcement of the Issuer Security, all monies standing to the credit of the Transaction Account, the Ongoing Cash Security Account and the Initial Cash Security Account and the net proceeds of enforcement of the Issuer Security shall be applied in the following order of priority (the "**Post-enforcement Priority of Payment**"):

- (a) first, in payment or satisfaction of the fees, costs, charges, expenses, indemnity payments and liabilities incurred by the Bond Trustee, any Appointee or any receiver in preparing and

executing the trusts under the Bond Trust Deed (including the costs of realising any Issuer Security and the Bond Trustee's and such receiver's remuneration);

- (b) second, in payment of all amounts owing to the Paying Agents under the Agency Agreement, the Account Bank under the Account Agreement, the Custodian under the Custody Agreement and the Retained Bond Custodian under the Retained Bond Custody 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 due and payable in respect of the Bonds;
- (e) fifth, in payment of any other unpaid fees and expenses of the Issuer (in each case insofar as they relate to the Bonds) on a *pro rata* and *pari passu* basis;
- (f) sixth, in payment to the Group Borrower of any amount due and payable under the terms of the Loan Agreement; and
- (g) seventh, in payment of any Permitted Investment Profit, Accounting Profit or Retained Bond Premium Amount, as the case may be, to any Charitable Group Member.

6. COVENANTS

6.1 General Covenants

In addition to the covenants of the Issuer set out in the Bond Trust Deed, for so long as any of the Bonds remain outstanding, the Issuer covenants that it will not, without the consent of the Bond 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 to or for the benefit of the charitable members of the Wheatley Group and Wheatley Developments (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 also covenants, for so long as any of the Bonds remain outstanding, not to create or permit to subsist, over any of the security constituted by or created pursuant to the Bond Trust Deed, any mortgage or charge or any other security interest ranking in priority to, or *pari passu* with, the security created by or pursuant to the Bond Trust Deed.

6.2 Information Covenants

For so long as any of the Bonds remain outstanding, the Issuer shall:

- (a) send to the Bond Trustee and, upon request by any Bondholder to the Issuer, make available to such Bondholder at the Issuer's registered office during normal business hours, a copy of the Compliance Certificate promptly upon receipt of the same from the Group Borrower pursuant to the terms of the Loan Agreement;
- (b) send to the Bond Trustee and, upon request by any Bondholder to the Issuer, make available to such Bondholder at the Issuer's registered office during normal business hours, a copy of the individual (or consolidated, if available) annual reports of the Group Borrower and each of the Borrowers promptly upon publication of the same by the Group Borrower and each of the Borrowers respectively and the Borrower Consolidated Accounts promptly upon publication of the same; and

- (c) at the request of Bondholders holding not less than 33 per cent. in principal amount of the Bonds for the time being outstanding, convene a meeting of the Bondholders to discuss the financial position of the Issuer and the Wheatley Group, provided, however, that the Issuer shall not be required to convene any such meeting pursuant to this Condition 6.2(c) more than once in any calendar year. Upon the request of Bondholders to convene any such meeting, as aforesaid, the Issuer shall notify all Bondholders of the date (which such date shall be no more than 21 days following such request), time and place of the meeting in accordance with Condition 15 (*Notices*). The Issuer shall act in good faith in addressing any questions regarding the financial position of itself or any other member of the Wheatley Group raised at any such meeting, provided, however, that the Issuer shall not be obliged to disclose any information which it, in its absolute discretion, considers to be of a confidential nature. For the avoidance of doubt, the provisions of this Condition 6.2(c) are in addition to the meetings provisions set out in Condition 17 (*Meetings of Bondholders, Modification and Waiver*).

6.3 **Loan Agreement, Security Agreements, Group Borrower Security Agreement, Security Trust Deed and Deed of Guarantee and Indemnity Consents Covenant**

For so long as any of the Bonds remain outstanding, the Issuer covenants that it shall not consent to any waiver, amendment or modification of, or take any action or direct the Security Trustee to take any action pursuant to, the Loan Agreement, the Security Agreements, the Group Borrower Security Agreement, the Security Trust Deed or the Deed of Guarantee and Indemnity except with the prior consent of the Bond Trustee. The Bond Trustee may seek the consent of the Bondholders in accordance with the Bond Trust Deed prior to giving any such consent.

7. **INTEREST**

7.1 **Interest Rate and Interest Payment Dates**

The New Bonds bear interest from (and including) 28 November 2024 at the rate of 4.375 per cent. per annum, payable semi-annually in arrear in equal instalments on 28 May and 28 November in each year (each, an "**Interest Payment Date**"), commencing on 28 May 2025.

7.2 **Interest Accrual**

Each Bond will cease to bear interest from (and including) its 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 payment, in which event interest shall continue to accrue as provided in the Bond Trust Deed.

7.3 **Calculation of Broken Interest**

When interest is required to be calculated in respect of a period of less than a full half year, it shall be calculated on the basis of (a) the actual number of days in the period from (and including) the date from which interest begins to accrue (the "**Accrual Date**") to (but excluding) the date on which it falls due divided by (b) the actual number of days from and including the Accrual Date to (but excluding) the next following Interest Payment Date multiplied by 2, and multiplying the resulting fraction by the rate of interest specified in Condition 7.1 above and the relevant principal amount of the Bonds.

8. **PAYMENTS**

8.1 **Payments in respect of Bonds**

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 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.

8.2 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.

8.3 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), failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of the relevant Bond (whether or not the Coupon would otherwise have become void pursuant to Condition 11 (*Prescription*)) or, if later, five years after the date on which the Coupon would have become due, but not thereafter.

8.4 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.

8.5 Payment Day

If the date for payment of any amount in respect of any Bond or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "**Payment Day**" means any day which (subject to Condition 11 (*Prescription*)):

- (a) is, or falls after, the relevant due date;
- (b) is, or falls at least one Business Day after, the corresponding Loan Payment Day;
- (c) 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
- (d) in the case of payment by a credit or transfer to a Sterling account in London as referred to above, 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.

8.6 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 reserves the right, subject to the prior written approval of the Bond 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 UK Listing 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 15 (*Notices*).

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and, in certain circumstances specified therein, of the Bond 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.

8.7 Interpretation of principal and interest

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

- (a) any additional amounts which may be payable with respect to principal under Condition 10 (*Taxation*); and
- (b) any specific redemption price referred to in Condition 9 (*Redemption and Purchase*) which may be payable by the Issuer under or in respect of the Bonds.

Any reference in these Conditions to interest in respect of the Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10 (*Taxation*).

9. REDEMPTION AND PURCHASE

9.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as specified in these Conditions, the Bonds will be redeemed by the Issuer at their principal amount on 28 November 2044.

9.2 Early Redemption

If, in accordance with the Loan Agreement, the Group Borrower elects to prepay the Loan in whole or in part prior to the repayment date specified in the Loan Agreement, then the Issuer shall redeem the Bonds in whole or, in respect of a prepayment in part, in an aggregate principal amount equal to the principal amount of the Loan to be repaid on the date which is two Business Days after that on which payment is made by the Group Borrower under the Loan Agreement (the "**Loan Prepayment Date**").

Redemption of the Bonds pursuant to this Condition 9.2 shall be made at the higher of the following:

- (a) par; and
- (b) the amount (as calculated by a financial adviser nominated by the Issuer and approved by the Bond Trustee (the "**Nominated Financial Adviser**") and reported in writing to the Issuer and the Bond Trustee) which is equal to the principal amount of the Bonds to be redeemed multiplied by the price (expressed as a percentage and calculated by the Nominated Financial Adviser) (rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the Bonds (if the Bonds were to remain outstanding until their original maturity) on the Determination Date would be equal to the sum of (i) the Gross Redemption Yield at 3:00 pm (London time) on the Determination Date of the Benchmark Gilt and (ii) 0.20 per cent.,

together with any interest accrued up to (but excluding) the Loan Prepayment Date.

For the purposes of this Condition:

"Benchmark Gilt" means the 4½% Treasury Gilt 2042 or such other conventional (i.e. not index-linked) UK Government Gilt as the Issuer (with the advice of the Nominated Financial Adviser) may determine (failing such determination, as determined by the Bond Trustee with such advice) to be the most appropriate benchmark conventional UK Government Gilt;

"Determination Date" means three Business Days prior to the Loan Prepayment Date; and

"Gross Redemption Yield" means a yield calculated by the Nominated Financial Adviser on the basis set out by the United Kingdom Debt Management Office in the paper *"Formulae for Calculating Gilt Prices from Yields"* page 5, Section One: Price/Yield Formulae (Conventional Gilts; Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date) (published on 8 June 1998 and updated on 15 January 2002 and 16 March 2005) (as amended or supplemented from time to time).

9.3 Early Redemption for Tax Reasons

If as a result of any actual or proposed change in tax law, the Issuer determines (in its reasonable commercial judgement), and certifies to the Bond Trustee, that it would, on the next following Interest Payment Date, be required to make a withholding or deduction in respect of payments to be made on such Interest Payment Date (other than in respect of a Bondholder Specific Withholding) and the Issuer does not opt to pay additional amounts pursuant to Condition 10.2 (*No obligation to pay additional amounts*) or, having so opted, notifies the Bond Trustee and the Bondholders, in accordance with Condition 15 (*Notices*), of its intention to cease paying such additional amounts, the Issuer shall redeem the Bonds in whole, but not in part, at their principal amount, plus accrued interest to (but excluding) the date of redemption, as soon as reasonably practicable prior to the next following Interest Payment Date or, if it is not reasonably practicable for the Issuer to redeem the Bonds prior to the next following Interest Payment Date, within three Business Days thereafter. For the avoidance of doubt, any amounts in respect of accrued interest which fall due on any such redemption of the Bonds (and, where the redemption follows the next following Interest Payment Date, such Interest Payment Date) shall be paid subject to the required withholding or deduction and the Issuer shall not be obliged to pay any additional amounts in respect thereof.

9.4 Mandatory Early Redemption

If the Loan becomes repayable:

- (a) as a result of a Group Borrower Default; or
- (b) upon the mandatory prepayment of the Loan following one or more of the RSL Borrowers ceasing to be a Registered Social Landlord (other than following, or as part of, a Permitted Reorganisation or if such RSL Borrower ceases to be a Borrower (and repays any drawn amounts under its respective Intra-group Facility Agreement) or regains its status as a Registered Social Landlord within 180 days),

then the Issuer shall redeem the Bonds in full at their principal amount, plus accrued interest to (but excluding) the date on which the Loan is repaid (the **"Loan Repayment Date"**), on the date which is two Business Days after the Loan Repayment Date.

9.5 Bondholder Put Option

Within 30 days of the Issuer becoming aware of any failure of the Group Borrower to comply with the Interest Cover Test, the Issuer shall convene a meeting of Bondholders to consider,

by Extraordinary Resolution and in accordance with Condition 17 (*Meetings of Bondholders, Modification and Waiver*), whether or not to approve the ability of Bondholders to exercise the put option described in this Condition 9.5 (the **"Bondholder Put Option"**).

If the Bondholders approve such Extraordinary Resolution, then any Bondholder may, within 30 days of such approval, give an irrevocable notice to the Issuer of such Bondholder's decision to require the Issuer to procure that a member of the Wheatley Group purchases all of the Bonds owned by such Bondholder on the day falling 45 days after the date on which the Extraordinary Resolution was so approved (the "**Put Option Date**").

On the Put Option Date, the Issuer shall procure that a member of the Wheatley Group purchases, in whole (but not in part), all of the Bonds in respect of which the relevant Bondholders have exercised the Bondholder Put Option, at their principal amount plus an amount equal to accrued interest to (but excluding) the Put Option Date.

9.6 Notice of Early Redemption

Notice of any early redemption in accordance with Condition 9.2 (*Early Redemption*), Condition 9.3 (*Early Redemption for Tax Reasons*) or Condition 9.4 (*Mandatory Early Redemption*) above shall be given by the Issuer to the Bond Trustee, the Paying Agents and the Bondholders, in accordance with Condition 15 (*Notices*), as promptly as practicable.

In the case of a partial redemption of Bonds, Bonds to be redeemed will be selected in such place as the Bond Trustee may approve and in such manner and at such time as the Bond Trustee may deem appropriate and fair. Notice of any such selection will be given by the Issuer to the Bondholders as promptly as practicable. Each notice will specify the date fixed for redemption, the early redemption amount and the aggregate principal amount of the Bonds to be redeemed, the serial numbers of the Bonds called for redemption, the serial numbers of Bonds previously called for redemption and not presented for payment and the aggregate principal amount of the Bonds which will be outstanding after the partial redemption.

9.7 Calculations

Each calculation, by or on behalf of the Issuer, for the purposes of this Condition 9 shall, in the absence of manifest error, be final and binding on all persons. If the Issuer does not at any time for any reason calculate amounts referred to in this Condition 9, such amounts may be calculated by the Bond Trustee, or an agent appointed by the Bond Trustee for this purpose, (without any liability accruing to the Bond Trustee as a result) based on information supplied to it by the Issuer and each such calculation shall be deemed to have been made by the Issuer.

9.8 Purchase of Bonds by the Group Borrower or other members of the Wheatley Group

The Group Borrower and any other member of the Wheatley Group may at any time purchase Bonds in the open market or otherwise at any price. Following any such purchase, the Group Borrower or such other member of the Wheatley Group, as the case may be, may (but is not obliged to) surrender the Bonds to the Issuer for cancellation. An amount equal to the principal amount of the Bonds being surrendered shall be deemed to be prepaid under the Loan Agreement (but, for the avoidance of doubt, without triggering a redemption under Condition 9.2 (*Early Redemption*)) or, to the extent that no Loan is then outstanding, an amount of the Undrawn Commitment equal to the principal amount of the Bonds surrendered shall be deemed to be cancelled for the purposes of the Loan Agreement and an amount of Retained Proceeds equal to the Cancelled Retained Proceeds shall be paid by the Issuer to the Group Borrower or such other member of the Wheatley Group, as the case may be.

9.9 Purchase of Bonds by the Issuer

The Issuer may not at any time purchase Bonds (other than the Retained Bonds and any further bonds issued pursuant to Condition 19 (*Further Issues*) on the issue date thereof).

9.10 Cancellation of purchased or redeemed Bonds

All Bonds redeemed by the Issuer pursuant to Conditions 9.2 (*Early Redemption*), Condition 9.3 (*Early Redemption for Tax Reasons*) or Condition 9.4 (*Mandatory Early Redemption*) or surrendered for cancellation pursuant to Condition 9.8 (*Purchase of Bonds by the Group Borrower or other members of the Wheatley Group*) shall be cancelled and may not be issued or resold.

The Issuer (a) may cancel any Retained Bonds held by it or on its behalf following a request by the Group Borrower, pursuant to the Loan Agreement, to cancel a corresponding amount of the Undrawn Commitment; (b) shall cancel all Retained Bonds held by or on behalf of the Issuer forthwith upon notice that the Bonds are to be redeemed (and, in any event, prior to such redemption) in accordance with Condition 9.3 (*Early Redemption for Tax Reasons*) or Condition 12 (*Events of Default and Enforcement*); and (c) shall, forthwith upon notice that the Bonds are to be redeemed in full or in part in accordance with Condition 9.4 (*Mandatory Early Redemption*), cancel Retained Bonds held by or on behalf of the Issuer in an aggregate principal amount equal to the principal amount of the Undrawn Commitment (if any).

10. TAXATION

10.1 Payments without withholding

All payments of principal and interest in respect of the Bonds and Coupons by or on behalf of the Issuer 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 such withholding or deduction is required by law in which case the relevant payment will be made subject to such withholding or deduction.

10.2 No obligation to pay additional amounts

Subject as follows, neither the Issuer, the Bond Trustee nor any Paying Agent shall be obliged to pay any additional amounts to the Bondholders or Couponholders as a result of any withholding or deduction made in accordance with Condition 10.1 (*Payments without withholding*).

Notwithstanding the foregoing, in the event that the Issuer would, on the next Interest Payment Date, be required to make a withholding or deduction in respect of tax (other than in respect of a Bondholder Specific Withholding), the Issuer may (in its absolute discretion), provided that it has given notice to the Bond Trustee and the Bondholders, in accordance with Condition 15 (*Notices*), of its intention to do so prior to such Interest Payment Date, pay to Bondholders such additional amounts as may be necessary in order that the net amounts received by the Bondholders after such withholding or deduction will equal the amounts of principal and interest which would have been received in respect of the Bonds in the absence of such withholding or deduction. If at any time the Issuer intends to cease paying such additional amounts it may do so by giving notice to the Bondholders and the Bond Trustee of its intention to do so with effect from the next Interest Payment Date.

11. PRESCRIPTION

The Bonds and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 8 (*Payments*) or any Talon which would be void pursuant to Condition 8 (*Payments*).

12. EVENTS OF DEFAULT AND ENFORCEMENT

12.1 Events of Default

The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least one-fourth in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being secured and/or indemnified and/or prefunded to its satisfaction), (but in the case of the happening of any of the events described in paragraphs (b), (c) and (i) below, only if the Bond Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Bondholders), give notice in writing to the Issuer that the Bonds are, and the Bonds shall thereupon immediately become, due and repayable at their principal amount together with accrued interest as provided in the Bond 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 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 and 14 days in the case of interest; or
- (b) if the Issuer fails to perform or observe any of its other obligations under the Conditions or the Bond Trust Deed or if any representation given by the Issuer to the Bond Trustee in the Bond Trust Deed is found to be untrue, incorrect or misleading as at the time it was given and (except in any case where, in the opinion of the Bond 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 Bond Trustee on the Issuer of notice requiring the same to be remedied; or
- (c) (A) any other present or future indebtedness of the Issuer for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (C) the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in paragraph (A), (B) or (C) above have occurred equals or exceeds £10,000,000 or its equivalent in other currencies (as reasonably determined by the Bond Trustee); or
- (d) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer save for the purposes of reorganisation on terms previously approved in writing by the Bond Trustee or by an Extraordinary Resolution; or
- (e) if the Issuer ceases or threatens to cease to carry on the whole or, in the opinion of the Bond Trustee, substantially all of its business, save for the purposes of reorganisation on terms previously approved in writing by the Bond Trustee or by an Extraordinary Resolution; or
- (f) if the Issuer 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
- (g) if (A) proceedings are initiated against the Issuer 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, liquidator, administrator or other similar official, or an administrative or other receiver, manager, liquidator, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to all or substantially all of the Issuer's undertaking or assets, or an encumbrancer takes possession of all or substantially all of the Issuer's undertaking or assets, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against all or substantially all of the Issuer's undertaking or assets and (B) in any case (other than the appointment of an administrator) is not discharged within 14 days; or
- (h) if the Issuer initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation 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
- (i) if it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds, the Bond Trust Deed or the Loan Agreement.

12.2 Enforcement

The Bond 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 as it may think fit to enforce the provisions of the Bond Trust Deed, the Bonds, the Coupons and/or any of the other Transaction Documents, but it shall not be bound to take any such proceedings or other steps or action unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-fourth in principal amount of the Bonds then outstanding and (ii) it shall have been secured and/or indemnified and/or prefunded to its satisfaction.

The Bond 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 Bond 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, Couponholder or any Secured Party (other than the Bond Trustee) shall be entitled (i) to take any steps or action against the Issuer to enforce the performance of any of the provisions of the Bond Trust Deed, the Bonds, the Coupons or any of the other Transaction Documents or (ii) to take any other action (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, in each case unless the Bond 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.

13. 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 UK Listing 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.

14. EXCHANGE OF TALONS

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

15. 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 Bond 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 shall be deemed for all purposes to have notice of the contents of any notice given to the holders of the Bonds in accordance with this Condition 15 (*Notices*).

16. **SUBSTITUTION**

The Bond Trust Deed contains provisions permitting the Bond Trustee to, subject to any required amendment of the Bond Trust Deed, without the consent of the Bondholders or the Couponholders or any Secured Party (other than, in respect of the novation or assignment of the Loan Agreement, the Group Borrower), agree with the Issuer 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 Bond Trust Deed of another company, registered society or other entity subject to:

- (a) the Bond Trustee being satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution; and
- (b) certain other conditions set out in the Bond Trust Deed being complied with.

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

17. **MEETINGS OF BONDHOLDERS, MODIFICATION AND WAIVER**

17.1 **Meetings of Bondholders**

The Bond 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 Bond Trust Deed (as more particularly described in the Bond Trust Deed). Such a meeting may be convened by the Issuer or the Bond Trustee and shall be convened by the Issuer if required in writing by Bondholders holding not less than ten per cent. in principal amount of the Bonds for the time being remaining outstanding (other than in respect of a meeting requested by Bondholders to discuss the financial position of the Issuer and the Wheatley Group, which shall be requested in accordance with, and shall be subject to, Condition 6.2(c) (*Information Covenants*)). 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. in 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 principal amount of the Bonds so held or represented, except that at any meeting the business of which includes any matter defined in the Bond Trust Deed as a Basic Terms Modification, including, *inter alia*, modifying the date of maturity of the Bonds or any date for payment of 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 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 principal amount of the Bonds for the time being outstanding. The Bond Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Bond 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 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 Bond Trustee) by or on behalf of the holders of not less than 75 per cent. in 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.

17.2 **Modification, Waiver, Authorisation and Determination**

The Bond Trustee may agree, without the consent of the Bondholders, Couponholders or any Secured Party, to any modification (except as stated in the Bond Trust Deed) of, or to the waiver or

authorisation of any breach or proposed breach of, any of the provisions of the Bonds, the Bond Trust Deed, any Security Agreement, the Group Borrower Security Agreement 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 Bond Trustee, materially prejudicial to the interests of the Bondholders so to do or may agree, without any such consent as aforesaid, to any modification which, in the opinion of the Bond 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 Bond Trustee, proven. Any such modification, waiver, authorisation or determination shall be binding on the Bondholders, the Couponholders and the Secured Parties and (unless the Bond Trustee otherwise agrees) shall be notified to the Bondholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

17.3 **Bond 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 Bond Trustee shall have regard to the general interests of the Bondholders as a class (excluding the Issuer, for so long as it holds any Bonds) (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 Bond Trustee shall not be entitled to require, nor shall any Bondholder or Couponholder be entitled to claim, from the Issuer, the Bond Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders or Couponholders.

18. **INDEMNIFICATION AND PROTECTION OF THE BOND TRUSTEE AND BOND TRUSTEE CONTRACTING WITH THE ISSUER**

The Bond Trust Deed contains provisions for the indemnification of the Bond Trustee and for its relief from responsibility and liability towards the Issuer, the Bondholders and the Couponholders, including (i) provisions relieving it from taking action unless secured and/or indemnified and/or prefunded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances. The Bond Trustee is exempted from any liability in respect of any loss, diminution in value or theft of all or any part of the Issuer Charged Property, from any obligation to insure all or any part of the Issuer Charged Property (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 Bond Trust Deed also contains provisions pursuant to which the Bond 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 and/or any other Transaction Party or any person or body corporate associated with the Issuer 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 by, or relating to, the Issuer and/or any 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 Bond Trustee shall not be bound to take any step or action in connection with the Bond 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 prefunded 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.

The Bond Trustee shall have no responsibility for the validity, sufficiency or enforceability of the Issuer Security. The Bond Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Transaction Documents, neither shall the Bond Trustee be responsible for monitoring the compliance by the Group Borrower or any of the

other parties to the Security Agreements, the Group Borrower Security Agreement and the Security Trust Deed of their obligations under the Security Agreements, the Group Borrower Security Agreement, the Security Trust Deed or any other document.

19. **FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Bondholders or the Couponholders to create and issue further bonds having 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 deed supplemental to the Bond Trust Deed.

20. **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.

21. **GOVERNING LAW**



The Bonds, the Coupons, the Bond Trust Deed and the Agency Agreement, 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.

22. **SUBMISSION TO JURISDICTION**

The Issuer has, in the Bond Trust Deed, irrevocably agreed for the benefit of the Bond 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 Bond Trust Deed, the Bonds or the Coupons (including any non-contractual obligations arising out of or in connection with the Bond Trust Deed, the Bonds or the Coupons) and accordingly has submitted to the exclusive jurisdiction of the English courts.

The Issuer has, in the Bond Trust Deed, waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Bond Trustee, the Bondholders and the Couponholders may take any suit, action or proceedings arising out of or in connection with the Bond 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 Bond Trust Deed, the Bonds or the Coupons) (together referred to as "**Proceedings**") against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

SIGNATORIES

EXECUTED as a **DEED** by)
WHEATLEY GROUP CAPITAL PLC)
acting by)
)
)
Director)
)
Director)

EXECUTED as a **DEED**)
by affixing **THE COMMON SEAL** of)
M&G TRUSTEE COMPANY LIMITED)
in the presence of:)

Sealing Officer

SIGNATORIES

EXECUTED as a **DEED** by
WHEATLEY GROUP CAPITAL PLC
acting by

Director

Director

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EXECUTED as a **DEED**
by affixing **THE COMMON SEAL** of
M&G TRUSTEE COMPANY LIMITED
in the presence of:

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)
)
)

Sealing Officer

Rachel Baker

