IMPORTANT NOTICE

THIS DOCUMENT IS AVAILABLE ONLY TO INVESTORS WHO ARE NOT U.S. PERSONS OUTSIDE OF THE UNITED STATES AS DEFINED IN REGULATION S ("**REGULATION S**") UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") AND, IF INVESTORS ARE RESIDENT IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA OR THE UNITED KINGDOM, QUALIFIED INVESTORS AND NOT A RETAIL INVESTOR (AS DEFINED BELOW).

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the prospectus following this notice (the "**Base Prospectus**"), and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Base Prospectus. In accessing the Base Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from RAC as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE CLASS A NOTES DESCRIBED IN THE BASE PROSPECTUS (THE "**CLASS A NOTES**") IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE CLASS A NOTES MAY BE OFFERED AND SOLD TO PERSONS WHO ARE NOT U.S. PERSONS OUTSIDE OF THE UNITED STATES AS DEFINED IN AND IN ACCORDANCE WITH REGULATION S AND, IF INVESTORS ARE RESIDENT IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA, QUALIFIED INVESTORS.

THE CLASS A NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE CLASS A NOTES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT (1) CLASS A NOTES MAY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES TO PERSONS WHO ARE NOT, AND ARE NOT ACTING FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S; OR (2) CLASS A NOTES MAY BE OFFERED AND SOLD PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

WITHIN THE UNITED KINGDOM, THE BASE PROSPECTUS MAY NOT BE PASSED ON EXCEPT TO PERSONS WHO (I) ARE INVESTMENT PROFESSIONALS AS SUCH TERM IS DEFINED IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**FINANCIAL PROMOTION ORDER**"), (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE FINANCIAL PROMOTION ORDER, OR (III) ARE PERSONS TO WHOM AN INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED) MAY OTHERWISE BE LAWFULLY COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THE BASE PROSPECTUS MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THE BASE PROSPECTUS RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. ANY PERSON WHO IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS PROSPECTUS OR ANY OF ITS CONTENTS.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Class A Notes and any Drawdown Prospectus may include a legend entitled "**MiFID II Product Governance**" which will outline the target market assessment in respect of the Class A Notes and which channels for distribution of the Class A Notes are appropriate. Any person subsequently offering, selling or recommending the Class A Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Class A Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A

determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID II Product Governance Rules**"), any Dealer subscribing for any Class A Notes is a manufacturer in respect of such Class A Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Class A Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**" or "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Class A Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Class A Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET - The Final Terms in respect of any Class A Notes and any Drawdown Prospectus may include a legend entitled "**UK MiFIR Product Governance**" which will outline the target market assessment in respect of the Class A Notes and which channels for distribution of the Class A Notes are appropriate. Any person subsequently offering, selling or recommending the Class A Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Class A Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Class A Notes is a manufacturer in respect of such Class A Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PROHIBITION OF SALES TO UK RETAIL INVESTORS - The Class A Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Class A Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Class A Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

THE BASE PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your representation: In order to be eligible to view the Base Prospectus or make an investment decision with respect to Class A Notes, you must be a non-U.S. person (as defined in Regulation S under the Securities Act), and be outside the United States investing in the securities in an offshore transaction in reliance on Regulation S; **provided that** investors resident in a Member State of the European Economic Area must be qualified investors (within the meaning of Article 2(e) of the Prospectus Regulation (as defined below) and not retail investors (as described below) and investors resident in the United Kingdom must be qualified investors (within the meaning of Article 2 of the UK Prospectus Regulation (as defined below) and not retail investors (as described below), and must be a qualified investor of the kind

described in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or who otherwise falls within an exemption set forth in such Order so that section 21(1) of the Financial Services and Markets Act 2000 (as amended and including the Financial Services Act 2012) does not apply to the Issuer. You have been sent the attached Base Prospectus upon your request and on the basis that you have confirmed to the Arranger and the Dealers set forth in the attached Base Prospectus (collectively, the "**Dealers**") being the sender or senders of the attached, that either: (A)(i) you and any customers you represent are not U.S. persons; and (ii) the e-mail address to which the Base Prospectus has been delivered is not located in the United States, its territories and possessions, any state of the United States or the District of Columbia; "possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and that you consent to delivery by electronic transmission; or (B) if you are resident in a Member State of the European Economic Area or in the United Kingdom, you are not a retail investor (as described below).

The Base Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and, consequently, none of the Dealers, RAC Bond Co plc (the "**Issuer**"), or any of their respective subsidiaries, nor any director, officer, employer, employee or agent of theirs, or affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the prospectus distributed to you in electronic format and the hard copy version available to you on request from the Dealers.

You are reminded that the attached Base Prospectus has been delivered to you on the basis that you are a person into whose possession the Base Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the Base Prospectus to any other person. You may not transmit the Base Prospectus (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the consent of the Dealers. If you receive this document by e-mail, you should not reply by e-mail to this announcement. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. If you receive this document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering of Class A Notes be made by a licensed broker or dealer and a Dealer or any affiliate of a Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by a Dealer or such affiliate on behalf of the Issuer in such jurisdiction.

Restrictions: The Base Prospectus is being furnished in connection with an offering exempt from registration under the Securities Act. Nothing in this electronic transmission constitutes an offer of securities for sale in the United States or to any U.S. person. Recipients of the Base Prospectus who intend to subscribe for or purchase any of the Class A Notes are reminded that any subscription or purchase may only be made on the basis of the information contained in the Base Prospectus in combination with any relevant drawdown prospectus or final terms (if applicable). The Base Prospectus may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not apply to the Issuer (as defined below).

The Class A Notes to be issued will not be registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold within the United States (as such terms are defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Notwithstanding the foregoing, prior to the expiration of a 40-day distribution compliance period (as defined under Regulation S under the Securities Act) commencing on the issue date, the Class A Notes may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from the registration requirements of the Securities Act.

RAC BOND CO PLC

(a public limited company incorporated in England and Wales with registered no. 10084638)

£5,000,000,000

Multicurrency Programme for the Issuance of Class A Notes

RAC Bond Co plc (the "**Issuer**") has authorised the establishment of a multicurrency programme for the issuance of a single class of notes designated as the Class A Notes (the "**Programme**"). There is no provision under the Programme for the issuance of other classes of notes.

This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") as a base prospectus issued in compliance with the Prospectus Regulation for the purposes of giving information with regard to the issue of the Class A Notes issued under the multicurrency programme described in this Base Prospectus during the period of twelve months after the date hereof. The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Class A Notes that are the subject of this Base Prospectus and investors should make their own assessment as to the suitability of investing in the Class A Notes. Such approval relates only to Class A Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU and/or which are to be offered to the public in any Member State of the European Economic Area ("**EEA**"). Application will be made to the Irish Stock Exchange plc, trading as Euronext Dublin ("**Euronext Dublin**") for certain Class A Notes issued under the Programme within 12 months of the date of this Base Prospectus to be admitted to the official list (the "**Official List**") and trading on its regulated market (the "**Regulated Market**"). The Regulated Market is a regulated market for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**"). The Central Bank has not reviewed any of the management accounts of the Holdco Group (as defined below), and such accounts do not form part of this Base Prospectus.

The Base Prospectus has been published on the website of RAC (https://www.raccorporate.co.uk) and Euronext Dublin (https://www.euronext.com/en/markets/dublin).

The Class A Notes may be issued, on a continuing basis, to one or more of the Dealers specified under "*General Description of the Offering Programme— Key Characteristics of the Programme—Dealers*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each, a "**Dealer**" and together, the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Class A Notes being (or intended to be) subscribed by more than one Dealer or in respect of which subscriptions will be procured by more than one Dealer, be to all Dealers agreeing to subscribe for such Class A Notes or to procure subscriptions for such Class A Notes, as the case may be.

The Class A Notes issued under the Programme have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States and may be offered and sold outside the United States to certain non-U.S. persons in reliance upon Regulation S under the Securities Act ("Regulation S"). Each purchaser of the Class A Notes in making its purchase will be deemed to have made certain acknowledgements, representations and agreements (see "*Subscription and Sale*" in this Base Prospectus).

See "*Risk Factors*" to read about certain factors that prospective investors should consider before buying any of the Class A Notes.

Arranger

J.P. Morgan

Dealers

Barclays	**BNP PARIBAS**
BofA Securities	**HSBC**
J.P. Morgan	**Santander Corporate & Investment Banking**

Base Prospectus dated 24 March 2023

In this Base Prospectus, the terms "**we**", "**our**", "**us**", the "**Holdco Group**" or "**RAC**" refer to RAC Bidco Limited and each of its Subsidiaries (other than the Issuer).

Under the Programme, the Issuer may, subject to all applicable legal and regulatory requirements, from time to time issue Class A Notes in bearer or registered form (respectively "**Class A Bearer Notes**" and "**Class A Registered Notes**"). Copies of the final terms for each Sub-Class of Class A Notes (the "**Final Terms**") will be available (in the case of all Class A Notes) from the specified office set out below of Deutsche Trustee Company Limited as Class A note trustee (the "**Class A Note Trustee**"), (in the case of Class A Bearer Notes) from the specified office set out below of each of the Class A Paying Agents and (in the case of Class A Registered Notes) from the specified office set out below of each of the Class A Registrar and the Class A Transfer Agent.

Class A Notes issued under the Programme shall comprise a single class (the "**Class A Notes**"). Class A Notes will be issued in tranches on each Issue Date. The Class A Notes may comprise one or more sub-classes (each, a "**Sub-Class**") with each Sub-Class pertaining to, among other things, the currency, interest rate and maturity date of the relevant Sub-Class. Each Sub-Class will be fixed rate and may be denominated in sterling, euro or U.S. dollars (or in other currencies subject to compliance with applicable laws).

The maximum aggregate nominal amount of all Class A Notes from time to time outstanding under the Programme will not exceed £5,000,000,000 (or its equivalent in other currencies calculated as described in this Base Prospectus) unless increased from time to time by the Issuer.

Details of the aggregate principal amount, interest (if any) payable, the issue price and any other conditions not contained in this Base Prospectus, which are applicable to each Sub-Class of Class A Notes will be set forth in a set of Final Terms, or in a separate prospectus specific to such Sub-Class (a "**Drawdown Prospectus**"), see "*Final Terms and Drawdown Prospectuses*".

Ratings ascribed to all of the Class A Notes reflect only the views of S&P Global Ratings UK Limited, ("**S&P**" and a "**Rating Agency**") and any further or replacement rating agency appointed by the Issuer. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the Rating Agency. A suspension, reduction or withdrawal of the rating assigned to any of the Class A Notes may adversely affect the market price of such Class A Notes.

As at the date of this Base Prospectus, S&P Global Ratings UK Limited is registered with the Financial Conduct Authority ("**FCA**") as a credit rating agency under the Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 (the "**UK CRA Regulation**"). S&P Global Ratings Europe Limited ("**SPGRE**") is established in the European Union and is registered under EU Regulation 1060/2009, as amended (the "**EU CRA Regulation**"). S&P Global Ratings Europe Limited currently endorses the ratings issued by S&P Global Ratings UK Limited pursuant to and in accordance with the EU CRA Regulation.

If any withholding or deduction for or on account of Tax is applicable to the Class A Notes, payments on the Class A Notes will be made subject to such withholding or deduction, without the Issuer being obliged to pay any additional amounts in consequence. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

In the case of Class A Notes which are to be admitted to trading on a regulated market within the European Economic Area the minimum specified denomination shall be EUR 100,000 or not less than the equivalent of EUR 100,000 in any other currency as at the date of issue of such Class A Notes.

If specified under the relevant Final Terms or relevant Drawdown Prospectus, Class A Notes that are Class A Bearer Notes may be represented initially by one or more temporary global Class A Notes (each a "**Temporary Class A Global Note**") (which may be held either in new global note form or classic global note form), without interest coupons or principal receipts, which will be deposited with a Common Depositary (in the case of Temporary Class A Global Notes in classic global note form) or a Common Safekeeper (in the case of Temporary Class A Global Notes in new global note form) for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") on or about the Issue Date of such Sub-Class. Each such Temporary Class A Global Note will be exchangeable for a permanent global note (each a "**Permanent Class A Global Note**") or definitive Class A Notes in bearer form as specified in the relevant Final Terms or relevant Drawdown Prospectus following the expiration of 40 days after the later of the commencement of the offering and the relevant Issue Date, upon certification

as to non-U.S. beneficial ownership and as may be required by U.S. tax laws and regulations, as described in the section "*Forms of the Class A Notes*". Class A Bearer Notes are subject to U.S. tax law requirements. Subject to certain exceptions, the Class A Bearer Notes may not be offered, sold or delivered within the United States or to United States persons.

If specified under the relevant Final Terms or relevant Drawdown Prospectus, Class A Registered Notes that are initially offered and sold in reliance on Regulation S will be represented on issue by beneficial interests in one or more global notes (each a "**Class A Regulation S Global Note**"), in fully registered form, without interest coupons or principal receipts attached, which will be deposited with, and registered in the name of, a Common Depositary (where not held under the New Safekeeping Structure) or a Common Safekeeper (where held under the New Safekeeping Structure) for Euroclear and Clearstream, Luxembourg. Ownership interests in the Class A Regulation S Global Notes will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Class A Notes in definitive, certificated and fully registered form will be issued only in the limited circumstances described in this Base Prospectus. In each case, purchasers and transferees of Class A Notes will be deemed to have made certain representations and agreements. See "*Subscription and Sale*".

IMPORTANT NOTICES

This Base Prospectus is being distributed only to, and is directed only at, persons who (i) are outside the UK or (ii) are persons who have professional experience in matters relating to investments falling within Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (iii) are high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(1) of the Order (all such persons together being referred to as "**relevant persons**"). Neither this Base Prospectus, nor any of its contents, may be acted upon or relied upon by persons who are not relevant persons. Any investment or investment activity to which this Base Prospectus relates is available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such investments will be engaged in only with, relevant persons.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Class A Note shall in any circumstances imply that the information contained in this Base Prospectus concerning the Issuer or the Obligors at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct or that there has been no adverse change in the financial position of the Issuer or the Obligors as of any time subsequent to the date indicated in the document containing such information. None of the Dealers, the Class A Note Trustee, the Obligor Security Trustee, the Issuer Security Trustee, any of the Hedge Counterparties, the STF Lenders, the WCF Lenders, the Class A Agents, the Liquidity Facility Providers, the Issuer Account Bank or the Borrower Account Bank undertakes to review the financial condition or affairs of any of the Issuer and the Obligors during the life of the Programme or the life of the arrangements contemplated by this Base Prospectus or to advise any investor or potential investor in the Class A Notes of any information coming to their attention. In addition, neither the Issuer nor the Dealers or the Arranger nor any of their respective representatives or affiliates are providing you with any legal, business, tax, financial, regulatory or other advice in this Base Prospectus.

This Base Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, any member of the Holdco Group, the Dealers, the Class A Note Trustee, the Issuer Security Trustee or the Obligor Security Trustee that any recipient of this Base Prospectus should purchase any of the Class A Notes issued under the Programme. Save for the Issuer no other party has separately verified the information contained in this Base Prospectus. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of the Dealers, the Class A Note Trustee, the Issuer Security Trustee, the Obligor Security Trustee, any of the Hedge Counterparties, the STF Parties, the WCF Parties, the Class A Agents, the Liquidity Facility Providers, the Issuer Account Bank or the Borrower Account Bank as to the accuracy or completeness of the information contained in this Base Prospectus or any other information supplied in connection with the Class A Notes or their distribution, nor is any responsibility accepted for the acts or omissions of the Issuer or Obligors or any other person in connection with the issue and offering of the Class A Notes. The statements made in this paragraph are without prejudice to the responsibilities of the Issuer. Each person receiving this Base Prospectus acknowledges that such person has not relied on the Dealers, the Class A Note Trustee, the Issuer Security Trustee, the Obligor Security Trustee, any of the Hedge Counterparties, the STF Parties, the WCF Parties, the Agents, the Liquidity Facility Providers, the Issuer Account Bank or the Borrower Account Bank to review the financial condition or affairs of any of the Issuer or the Obligors, nor on any person affiliated with any of them in connection with its investigation of the accuracy of such information or its investment decision.

The distribution of this Base Prospectus and the offering, sale or delivery of the Class A Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. This Base Prospectus does not constitute, and may not be used for the purposes of, an offer to or solicitation by any person to subscribe or purchase any Class A Notes in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful. If a jurisdiction requires that the offering of Class A Notes be made by a licensed broker or dealer and the relevant Dealers in respect of such offering or any affiliate of such Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealers or such affiliate on behalf of the Issuer in such jurisdiction.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Borrower or the Dealers to subscribe for, or purchase, any Class A Notes.

The Class A Notes may be offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. For a description of this and certain further restrictions see "*Subscription and Sale*".

The Class A Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Base Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Base Prospectus. Any representation to the contrary is unlawful.

Each purchaser or holder of Class A Notes represented by a Class A Regulation S Global Note, or any Class A Notes issued in registered form in exchange or substitution therefor (together "**Restricted Notes**") will be deemed, by its acceptance or purchase of any such Restricted Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Class A Notes as set out in "*Subscription and Sale*".

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus. Any website referred to in this Base Prospectus has not been scrutinised or approved by the Central Bank of Ireland.

Certain Sub-Classes of Class A Notes issued in NGN form or under the NSS (each as defined in "*Forms of the Class A Notes*") may be held in a manner which will allow Eurosystem eligibility. This simply means that the Class A Notes are intended upon issue to be delivered to one of Euroclear or Clearstream, Luxembourg as Common Safekeeper and does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

The Class A Notes and the other financing arrangements described in this Base Prospectus to be entered into by the Issuer will be obligations solely of the Issuer.

Neither this Base Prospectus nor any other financial statements incorporated by reference in this Base Prospectus are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Borrower, the Arranger, the Dealers, the Class A Note Trustee, the Obligor Security Trustee, the Issuer Security Trustee, any of the Hedge Counterparties, any of the Secured Hedge Counterparties, the STF Lenders, the STF Agent, the WCF Lenders, the WCF Agent, the Class A Agents, the Liquidity Facility Providers, the Issuer Account Bank or the Borrower Account Bank that any recipient of this Base Prospectus or any other financial statements incorporated by reference in this Base Prospectus should purchase the Class A Notes. Each potential purchaser of Class A Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Class A Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger or their respective affiliates undertakes to review the financial condition or affairs of the Issuer or the Borrower during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Class A Notes of any information coming to the attention of any of the Dealers or the Arranger or their respective affiliates.

If you are in any doubt about the contents of this Base Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. It should be remembered that the price of securities and the income from them can go down as well as up.

Any individual intending to invest in any investment described in this Base Prospectus should consult his or her professional adviser and ensure that he or she fully understands all the risks associated with making such an investment and has sufficient financial resources to sustain any loss that may arise from it.

All references in this Base Prospectus to "**pounds**", "**sterling**", "**£**" or "**GBP**" are to the lawful currency of the UK, all references to "**$**", "**U.S.$**", "**U.S. dollars**", "**dollars**" and "**U.S.D.**" are to the lawful currency of the United States of America and references to "**€**", "**euro**" or "**EUR**" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended, from time to time.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Class A Notes and any Drawdown Prospectus may include a legend entitled "**MiFID II Product Governance**" which will outline the target market assessment in respect of the Class A Notes and which channels for distribution of the Class A Notes are appropriate. Any person subsequently offering, selling or recommending the Class A Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Class A Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID II Product Governance Rules**"), any Dealer subscribing for any Class A Notes is a manufacturer in respect of such Class A Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Class A Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**" or "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Class A Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Class A Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET - The Final Terms in respect of any Class A Notes and any Drawdown Prospectus may include a legend entitled "**UK MiFIR Product Governance**" which will outline the target market assessment in respect of the Class A Notes and which channels for distribution of the Class A Notes are appropriate. Any person subsequently offering, selling or recommending the Class A Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Class A Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Class A Notes is a manufacturer in respect of such Class A Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PROHIBITION OF SALES TO UK RETAIL INVESTORS - The Class A Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Class A Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Class A Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

NOTICE TO CANADIAN INVESTORS

THE CLASS A NOTES MAY BE SOLD ONLY TO PURCHASERS PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPAL THAT ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE CLASS A NOTES MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS. SECURITIES LEGISLATION IN CERTAIN PROVINCES OR TERRITORIES OF CANADA MAY PROVIDE A PURCHASER WITH REMEDIES FOR RESCISSION OR DAMAGES IF THIS OFFERING CIRCULAR (INCLUDING ANY AMENDMENT THERETO) CONTAINS A MISREPRESENTATION, PROVIDED THAT THE REMEDIES FOR RESCISSION OR DAMAGES ARE EXERCISED BY THE PURCHASER WITHIN THE TIME LIMIT PRESCRIBED BY THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY. THE PURCHASER SHOULD REFER TO ANY APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY FOR PARTICULARS OF THESE RIGHTS OR CONSULT WITH A LEGAL ADVISOR. IF APPLICABLE, PURSUANT TO SECTION 3A.3 (OR, IN THE CASE OF SECURITIES ISSUED OR GUARANTEED BY THE GOVERNMENT OF A NON-CANADIAN JURISDICTION, SECTION 3A.4) OF NATIONAL INSTRUMENT 33-105 UNDERWRITING CONFLICTS (NI 33-105), THE DEALERS ARE NOT REQUIRED TO COMPLY WITH THE DISCLOSURE REQUIREMENTS OF NI 33-105 REGARDING UNDERWRITER CONFLICTS OF INTEREST IN CONNECTION WITH THIS OFFERING.

VOLCKER RULE

Section 13 of the U.S. Bank Holding Company Act of 1956, as implemented by Section 619 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, together with the rules, regulations and published guidance promulgated thereunder (the "**Volcker Rule**"), generally prohibits "sponsorship" of, and investment in the "ownership interests" issued by, "covered funds" by "banking entities", a term that includes most internationally active banking organisations and their subsidiaries and affiliates, although a "banking entity" may sponsor and invest in a covered fund in certain limited circumstances and subject to a number of exceptions. A "banking entity" that serves, directly or indirectly, as the investment manager, investment adviser, commodity trading adviser or sponsor to a "covered fund", or that organises and offers a "covered fund", or that continues to hold an "ownership interest" in a covered fund, or any affiliate of such entity, is also prohibited from entering into certain "covered transactions" with that "covered fund". "Covered transactions" include, among other things, entering into a swap transaction or guaranteeing notes if the swap or the guarantee would result in credit exposure to the "covered fund".

As at the date of this Base Prospectus, and taking into account the effect of any offering and sale of Class A Notes and the application of the proceeds thereof, the Issuer believes that it is not a "covered fund" for purposes of the Volcker Rule. In reaching this conclusion, the Issuer has determined that it need not rely on the exclusions from the definition of "investment company" provided by Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), among other things, because the Issuer believes that, as at the date of this Base Prospectus, it meets the requirements of Rule 3a-5 under the Investment Company Act ("**Rule 3a-5**"), which provides an exemption for finance subsidiaries within an operating group such as the RAC Group.

While the Issuer intends to issue Class A Notes and generally operate in a manner that meets the requirements of Rule 3a-5, should the exemption from the requirements of the Investment Company Act provided by Rule 3a-5 cease to be available to the Issuer then the Issuer may be a "covered fund" and therefore subject to the Volcker Rule. If the Issuer is a "covered fund" subject to the Volcker Rule, this may adversely impact holders of the Class A Notes. In particular, if the Issuer is a "covered fund" and the Class A Notes were to be considered "ownership interests" under the Volcker Rule, certain banking entities would be prohibited from holding or trading in the Class A Notes, which could materially and adversely impact the liquidity and market price of the Class A Notes. This could make it difficult or impossible for holders to sell the Class A Notes.

Additionally, if any Hedge Counterparty, Secured Hedge Counterparty or Liquidity Facility Provider or any affiliate of any such Hedge Counterparty or Liquidity Facility Provider (as applicable) is deemed to be

a "sponsor" of the Issuer, the Hedge Counterparty or Liquidity Facility Provider (as applicable) could be prohibited from entering into the relevant Hedging Agreement or Liquidity Facility (as applicable) with the Issuer or may be required to terminate any existing Hedging Agreements or Liquidity Facilities (as applicable) early, which could have material adverse effects on the Class A Notes.

The general effect of the Volcker Rule remains uncertain. Any prospective investor in the Class A Notes, including a U.S. or foreign bank or a subsidiary or affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule in respect of such investment in the Class A Notes.

RESPONSIBILITY STATEMENTS

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation and for the purpose of giving information with regard to the Issuer and the Obligors which, according to the particular nature of the Issuer, the Obligors and the Class A Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Base Prospectus and in any Final Terms which complete this Base Prospectus for each Sub-Class of Class A Notes issued hereunder. To the best of the knowledge of the Issuer, the information contained in this Base Prospectus is in accordance with the facts and makes no omission of anything likely to affect the import of such information.

The Issuer has accurately reproduced the information contained in the section entitled "*Description of Liquidity Facility Providers*" (the "**LFP Information**") from information provided to it by the Liquidity Facility Providers but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Liquidity Facility Providers, no facts have been omitted which would render the LFP Information inaccurate or misleading.

No person has been authorised to give any information or to make representations other than the information or the representations contained in this Base Prospectus in connection with the issue of the Class A Notes, any member of the Holdco Group, Topco, any holding company of Topco or the offering or sale of the Class A Notes and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Issuer, any member of the Holdco Group, Topco, any holding company of Topco, the Obligor Security Trustee, the Class A Note Trustee, the Issuer Security Trustee, the directors of the Issuer, the Dealers, any of the Hedge Counterparties, the STF Parties, the WCF Parties, the Class A Agents, the Liquidity Facility Providers, the Issuer Account Bank or the Borrower Account Bank. Neither the delivery of this Base Prospectus nor any offering or sale of Class A Notes made in connection herewith shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer or any member of the Holdco Group since the date hereof. Unless otherwise indicated herein, all information in this Base Prospectus is given as of the date of this Base Prospectus. This Base Prospectus does not constitute an offer of, or an invitation by, or on behalf of, the Issuer or any Dealer to subscribe for, or purchase, any of the Class A Notes.

None of the Issuer, the Obligors, the Dealers, the Class A Note Trustee, the Issuer Security Trustee, the Obligor Security Trustee, the Class A Note Trustee, the Issuer Security Trustee, any of the Hedge Counterparties, the STF Parties, the WCF Parties, the Class A Agents, the Liquidity Facility Providers, the Issuer Account Bank or the Borrower Account Bank accept responsibility to investors for the regulatory treatment of their investment in the Class A Notes (including (but not limited to) whether any transaction or transactions pursuant to which Class A Notes are issued from time to time is or will be regarded as constituting a "securitisation" for the purposes of (i) Regulation (EU) 2017/2402 (the "**EU Securitisation Regulation**") (including as it forms part of domestic law by virtue of the EUWA, the "**UK Securitisation Regulation**"), (ii) Regulation (EU) No. 575/2013 of the European Union (together with the regulatory technical standards or implementing technical standards thereto), (iii) Regulation (EU) No 575/2013 (as it forms part of domestic law by virtue of the EUWA and the FCA Handbook), or (iv) any other regulation or directive relating to securitisations that may apply in the European Economic Area) in any jurisdiction or by any regulatory authority. If the regulatory treatment of an investment in the Class A Notes is relevant to any investor's decision whether or not to invest, the investor should make its own determination as to such treatment and for this purpose seek professional advice and consult its regulator. Prospective investors are referred to the "*Risk Factors—Risks relating to the Class A Notes—Regulatory initiatives may result in increased regulatory capital requirements for certain investors and/or decreased liquidity in respect of the Class A Notes*" section of this Base Prospectus for further information.

The Issuer has considered, and obtained legal advice as to, the applicability of the UK Securitisation Regulation and the EU Securitisation Regulation to this transaction and is of the opinion that the Class A Notes do not constitute an exposure to a "securitisation position" for the purposes of the UK Securitisation Regulation and the EU Securitisation Regulation.

This Base Prospectus is valid for 12 months. The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of the Class A Notes, prepare a supplement to this Base Prospectus.

STABILISATION

In connection with the issue of any Sub-Class, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "**Stabilising Manager(s)**") (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Class A Notes or effect transactions with a view to supporting the market price of the Class A Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Sub-Class is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Sub-Class and 60 days after the date of the allotment of the relevant Sub-Class. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

SUPPLEMENTARY BASE PROSPECTUS

The Issuer has undertaken, in connection with the admission of the Class A Notes to the Official List and to trading on the Regulated Market of Euronext Dublin of any issue of Class A Notes, that, if there shall occur between the time when this Base Prospectus is approved and the final closing of any offer of Class A Notes to the public, or as the case may be, the time when trading on the Regulated Market of Euronext Dublin begins, any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the Obligors and the rights attaching to the Class A Notes, the Issuer shall prepare a supplement to this Base Prospectus or publish a replacement base prospectus for use in connection with any subsequent issue by the Issuer of Class A Notes and will supply to each Dealer and the Class A Note Trustee such number of copies of such supplement hereto or replacement base prospectus as such Dealer and Class A Note Trustee may reasonably request. The Issuer will also supply to the Central Bank of Ireland (the "**Central Bank**") such number of copies of such supplement hereto or replacement base prospectus as may be required by the Central Bank and will make copies available, free of charge, upon oral or written request, at the specified offices of the Class A Paying Agents and in respect of Class A Registered Notes, the Class A Registrar and the Class A Transfer Agent.

If the terms of the Programme are modified or amended in a manner which would make this Base Prospectus, as so modified or amended, inaccurate or misleading, in any material respect, the Issuer shall prepare a supplement to this Base Prospectus or publish a replacement base prospectus for use in connection with any subsequent issue by the Issuer of Class A Notes.

If at any time the Issuer shall be required to prepare a supplementary base prospectus, the Issuer shall prepare and make available an appropriate supplement to this Base Prospectus or a further base prospectus which, in respect of any subsequent issue of Class A Notes to be admitted on the Official List and trading on the Regulated Market of Euronext Dublin, shall constitute a supplementary base prospectus.

The obligation to prepare a supplement to this Base Prospectus in the event of any significant new factor, material mistake or inaccuracy does not apply when the Base Prospectus is no longer valid.

FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression "**necessary information**" means, in relation to any Sub-Class of Class A Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Obligors and of the rights attaching to the Class A Notes. In relation to the different types of Class A Notes which may be issued under the Programme, the Issuer has included in this Base Prospectus all of the necessary information except for information relating to the Class A Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Sub-Class of Class A Notes.

Any information relating to the Class A Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Sub-Class of Class A Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus. For a Sub-Class of Class A Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Sub-Class only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions of the Class A Notes as set out herein (the "**Class A Conditions**") as completed by Part A of the relevant Final Terms are the terms and conditions applicable to any particular Sub-Class of Class A Notes which is the subject of such Final Terms.

The Class A Conditions as completed by the relevant Drawdown Prospectus are the terms and conditions applicable to any particular Sub-Class of Class A Notes which is the subject of a Drawdown Prospectus. Each Drawdown Prospectus will be constituted by a single document containing the necessary information relating to the Issuer and the relevant Sub-Class(es) of Class A Notes.

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GENERAL DESCRIPTION OF THE OFFERING PROGRAMME

The following summary highlights selected information about the Programme contained in this Base Prospectus. This summary is not complete and does not contain all the information any prospective investor should consider before investing in any Class A Notes. The following summary should be read in conjunction with, and the following summary is qualified in its entirety by, the more detailed information included in this Base Prospectus, including the Financial Statements. Any prospective investor should read carefully the entire Base Prospectus to understand RAC's business, the nature and terms of any Class A Notes issued and any Class A IBLA entered into in connection with any such issue and the tax and other considerations that are important to a prospective investor's decision to invest in any Class A Notes, including the risks discussed under the heading "Risk Factors".

Overview of the Programme

The Programme.....	The Issuer has established the Programme to raise finance in the capital markets to fund (i) advances to the Borrower under the Class A IBLAs (as defined below) and (ii) fees, commissions, costs and expenses in connection with (i) above. The Class A IBLAs will form part of the capital structure of the Holdco Group which also incorporates revolving bank facilities, medium term bank debt and risk management hedging which rank *pari passu* with the Class A IBLAs. In addition, the Issuer may from time to time issue Class B Notes subject to the satisfaction of certain conditions. For so long as any Class A Notes are outstanding, any Class B Notes will be subordinated to the Class A Notes. As at the date hereof, the Issuer has issued £345,000,000 Class B2 Notes with an Expected Maturity Date of 4 November 2027 and a Final Maturity Date of 4 November 2046.
The Issuer.....	The Issuer has been incorporated as a special purpose company in England and Wales for the purpose of (i) issuing Class A Notes under the Programme described in this Base Prospectus, (ii) issuing Class B Notes, and (iii) on-lending the proceeds of such issuances to the Borrower in accordance with Class A IBLAs and Class B IBLAs (as relevant). For further details of the Issuer, see the section entitled "*The Issuer*".
The Initial Class A IBLA and Use of Proceeds.....	On 6 May 2016, the Borrower and the Issuer entered into a Class A issuer/borrower loan agreement (the "**Initial Class A IBLA**") pursuant to which the Issuer on-lent the proceeds of the Class A Notes issued on 6 May 2016 (being the Class A1 Notes and the Class A2 Notes) to the Borrower by way of one or more advances. The Borrower used the proceeds of the Class A IBLA Advances made under the Initial Class A IBLA (a) to refinance directly or indirectly the then existing indebtedness of RAC Bidco Limited and (b) towards fees, costs, expenses, stamp, registration and other Taxes incurred in connection with the above (but not for any other purpose, including, without limitation, dividend payments to shareholders).
The Class A IBLAs and Use of Proceeds.....	On or prior to each Issue Date on which the Issuer issues Class A Notes (the proceeds of which are intended to be on-lent to the Borrower), if such Class A Notes are not fungible with an existing Sub-Class of Class A Notes, then a new Class A IBLA will be entered into by the Issuer and the Borrower, amongst others, on substantially the same terms as the Initial Class A IBLA (subsequent Class A IBLAs along with the Initial Class

A IBLA being the "**Class A IBLAs**" and each a "**Class A IBLA**"). If on any Issue Date the Issuer issues Class A Notes which are fungible with an existing Sub-Class of Class A Notes, the proceeds of such issue will be lent to the Borrower as a further advance under the Class A IBLA corresponding to such Sub-Class of Class A Notes.

The maturity date, redemption premium, interest rates and payment dates with respect to each advance made by the Issuer to the Borrower under a Class A IBLA (a "**Class A IBLA Advance**") including any sub-advances ("**Class A IBLA Sub-Advance**") will correspond to the terms of the corresponding Sub-Class of Class A Notes and any Issuer Hedging Agreement in respect of which no back-to-back hedging arrangement has been entered into with Borrower.

The Issuer's obligations to repay principal of, and pay interest on, the Class A Notes are intended to be met from the payments of principal and interest received from the Borrower under the corresponding Class A IBLA and payments received under any related Issuer Hedging Agreement and any back-to-back hedging arrangements entered into with the Borrower in respect of such Issuer Hedging Agreement. The Obligors' assets which secure the Borrower's obligations to pay under the Class A IBLAs, have characteristics that demonstrate capacity to produce funds to service any payments due and payable under the Class A IBLAs and consequently, on the Class A Notes.

Failure of the Borrower to repay a Class A IBLA Advance on the final maturity date in respect of such Class A IBLA will be a CTA Event of Default, although it will not, of itself, constitute a Class A Note Event of Default (as defined below).

The Borrower will use the proceeds of the Class A IBLA Advances made under any Class A IBLA (a) to refinance the existing indebtedness; or (b) for general corporate purposes and as permitted pursuant to the Transaction Documents.

For further details of the Class A IBLA, see the section entitled "*Description of the Senior Finance Documents—Class A IBLAs*".

2020 Senior Term Facility ..... On 31 January 2020, the Borrower and the 2020 STF Arrangers, amongst others, entered into a senior term facility agreement (the "**2020 Senior Term Facility Agreement**") under which a facility of up to £300,000,000 was made available (the "**2020 Senior Term Facility**" or "**2020 STF Facility**"). Following partial repayments, as at 31 December 2022, £161,000,000 of the principal amount of the 2020 Senior Term Facility remained outstanding.[1]

2021 Senior Term Facility ..... On 30 June 2021, the Borrower and the 2021 STF Arrangers, amongst others, entered into a senior term facilities agreement of up to £170,000,000 in respect of facility A and up to £95,000,000 in respect of facility B (the "**2021 Senior Term Facilities Agreement**" and the facilities under the 2021 Senior

[1] In March 2023, RAC used cash on balance sheet to repay £19.6 million of outstanding principal under the 2020 Senior Term Facility.

	Term Facilities Agreement, the "**2021 Senior Term Facilities**" or "**2021 STF Facilities**"). As at the date of this Base Prospectus, both facilities have been fully drawn and used to refinance existing indebtedness.
2022 Senior Term Facility	On 15 September 2022, the Borrower and the 2022 STF Arrangers, amongst others, entered into a senior term facility agreement (the "**2022 Senior Term Facility Agreement**") under which a facility of up to £300,000,000 was made available (the "**2022 Senior Term Facility**" or "**2022 STF Facility**") for the purpose of refinancing the Class A1 Notes on or around their Expected Maturity Date. The available commitments under the 2022 Senior Term Facility Agreement automatically cancel in an amount equal to the net proceeds received from any issuance of Class A Notes after 15 September 2022.
The Senior Term Facilities	The 2020 Senior Term Facility Agreement, the 2021 Senior Term Facilities Agreement and 2022 Senior Term Facility Agreement shall each constitute a "**Senior Term Facility Agreement**" and together the "**Senior Term Facility Agreements**". The 2020 STF Facility, the 2021 STF Facilities and the 2022 STF Facility each constitute a "**Senior Term Facility**" or "**STF Facility**" and together the "**Senior Term Facilities**" or "**STF Facilities**". For further details of the Senior Term Facilities, see the section entitled "*Description of the Senior Finance Documents—2020 Senior Term Facility*", "*Description of the Senior Finance Documents—2021 Senior Term Facilities*" and "*Description of the Senior Finance Documents—2022 Senior Term Facility*".
The Working Capital Facility	The Borrower and the WCF Arrangers, amongst others, entered into the working capital facility agreement on 31 January 2020 (the "**Working Capital Facility Agreement**"). The credit facility made available to the Borrower by the WCF Lenders under the Working Capital Facility Agreement comprises a revolving working capital facility of up to £50,000,000 (the "**WC Facility**") (such amount capable of being reborrowed following repayment in accordance with the terms of the Working Capital Facility Agreement), which the Borrower must apply towards working capital purposes and which may be utilised through ancillary facilities made available by WCF Lenders under the WC Facility. As of the date of this Base Prospectus, approximately £6,000,000 of the commitments under the WC Facility have been made available in the form of ancillary facilities provided by certain WCF Lenders. Such ancillary facilities are undrawn as at the date of this Base Prospectus but are available to be drawn from time-to-time and, as at 31 December 2022, £5,000,000 was outstanding under those ancillary facilities. For further details of the WC Facility, see the section entitled "*Description of the Senior Finance Documents—Working Capital Facility*".
The Initial Liquidity Facility and the Debt Service Reserve Account	The Borrower and the Issuer entered into a liquidity facility agreement on 6 May 2016 (as amended and restated on 30 April 2021) (the "**Initial Liquidity Facility Agreement**") with certain lenders (each an "**Initial Liquidity Facility Provider**" and together the "**Initial Liquidity Facility Providers**"). As an

alternative to, or in addition to the Initial Liquidity Facility Agreement, the Issuer and the Borrower may satisfy the requirement to have the Liquidity Required Amount by maintaining a debt service reserve account (the "**Debt Service Reserve Account**") which is funded in an amount which is, when taken together with any other liquidity facility arrangement then available to them, equal to the Liquidity Required Amount.

The facility provided pursuant to the Initial Liquidity Facility Agreement or the amounts standing to the credit of the Debt Service Reserve Account will be required in an amount which is sufficient to provide liquidity support to the Issuer and the Borrower, for a period of 18 months following the relevant Test Date in respect of which the Liquidity Required Amount has been determined or, following a Qualifying Public Offering, 12 months following such Test Date (or such greater time not exceeding 18 months, as required in order to maintain the then current rating of the Class A Notes), in respect of scheduled payments of amortisation, interest and fee amounts payable in respect of the Initial Senior Term Facility (and any other Obligor Senior Secured Liabilities ranking *pari passu* with the Initial Senior Term Facility (excluding payments under a Working Capital Facility and the Class A IBLAs)), Class A Notes and certain other payments due to the Obligor Senior Secured Creditors and the Issuer Senior Secured Creditors taking into account the amounts of any payments to be made or received under any Hedging Agreements.

Common Terms Agreement ..... On 6 May 2016, each of the Obligors and the Obligor Senior Secured Creditors entered into a common terms agreement (as amended and/or restated from time to time) (the "**CTA**" or "**Common Terms Agreement**"). The CTA sets out the representations, covenants (positive, negative and financial), Trigger Events and CTA Events of Default which apply to each Class A Authorised Credit Facility (other than each Borrower Hedging Agreement).

For further details of the Common Terms Agreement, see the section entitled "*Description of the Common Documents—Common Terms Agreement*".

Security Trust and Intercreditor Deed ..... On 6 May 2016, each of the Obligors and the Obligor Secured Creditors entered into a security trust and intercreditor deed (as amended and/or restated from time to time) (the "**STID**" or the "**Security Trust and Intercreditor Deed**"). The STID sets out the intercreditor arrangements in respect of the Holdco Group and the Obligor Secured Creditors (the "**Intercreditor Arrangements**"). The Intercreditor Arrangements bind each of the Obligor Secured Creditors and each of the Obligors.

The purpose of the Intercreditor Arrangements is to regulate, among other things: (a) the claims of the Obligor Secured Creditors; (b) the exercise, acceleration and enforcement of rights by the Obligor Secured Creditors; (c) the rights of the Obligor Secured Creditors to instruct the Obligor Security Trustee; (d) the Entrenched Rights and the Reserved Matters of the Obligor Secured Creditors; and (e) the giving of consents and waivers and the making of modifications to the Common Documents.

The Intercreditor Arrangements also provide for the ranking in point of payment of the claims of the Obligor Secured Creditors both before and after the delivery of a Loan Acceleration Notice and for the subordination of all claims of Subordinated Intragroup Creditors and Subordinated Investors.

For further details of the STID, see the section entitled "*Description of the Common Documents—Security Trust and Intercreditor Deed*".

In addition, the STID will regulate Topco and the Topco Secured Creditors including the enforcement of the Topco Security. For further details, see the section entitled "*Description of Other Indebtedness*".

Principal Security for the Obligors' Obligations ..... The Obligor Secured Liabilities are secured principally pursuant to a security agreement dated 6 May 2016 (the "**Obligor Security Agreement**") between, among others, the Obligors and Deutsche Trustee Company Limited (in its capacity as security trustee for the Obligor Secured Creditors (as defined below)) (the "**Obligor Security Trustee**").

For further details of the security for the obligations of the Obligors under the Finance Documents, see the section entitled "*Description of the Common Documents—Obligor Security Agreement*".

Hedging ..... Pursuant to the Common Terms Agreement, the Borrower, each other member of the Holdco Group and the Issuer are subject to a hedging policy (the "**Hedging Policy**") such that (unless the Hedging Policy requires or permits otherwise) at all times the Borrower and the Issuer (taken together) are hedged as regards interest rate risk in relation to the majority of the total outstanding Relevant Debt (including any Relevant Debt denominated in a Foreign Currency which has been hedged into effective GBP debt) so that at all times, (a) a minimum of 75 per cent. of the interest rate risk in respect of the total outstanding Relevant Debt is (i) fixed rate or (ii) effectively bears a fixed rate of interest pursuant to one or more Hedging Transactions and (b) not more than 105 per cent. of the interest rate risk in respect of the total Relevant Debt that would otherwise have been hedged is hedged pursuant to one or more Hedging Transactions. In respect of the currency risk in relation to interest payable and the repayment of principal in relation to the total outstanding Relevant Debt which is denominated in a currency other than GBP (a "**Foreign Currency**"), at all times the Borrower and the Issuer (taken together) must hedge such currency risk so that (a) a minimum of 100 per cent. of the currency risk in respect of the total outstanding Relevant Debt denominated in a Foreign Currency is hedged into GBP pursuant to one or more Hedging Transactions and (b) not more than 110 per cent. of the currency risk in respect of the total Relevant Debt denominated in a Foreign Currency that would otherwise have been hedged is hedged pursuant to one or more Hedging Transactions.

For further details of the Treasury Transactions, see the section entitled "*Description of the Common Documents—Common Terms Agreement—Hedging Policy*".

For the purposes of the above, "**Relevant Debt**" means any principal amount outstanding (without double counting) under any PP Notes, the Class A Notes, each Class A IBLAs, any debt under any other Class A Authorised Credit Facility and any other debt incurred by the Issuer, the Borrower and/or any PP Note Issuer from time to time that bears interest at a floating rate or is denominated in a Foreign Currency and in either case that rank *pari passu* with the foregoing (other than (i) any Liquidity Facility, (ii) any Hedging Agreement, (iii) any amounts payable to the Issuer by way of the Fifth Facility Fee in accordance with the STID, (iv) any amounts payable to the Issuer by way of the Sixth Facility Fee in accordance with the STID and (v) any back-to-back hedge agreement entered into between the Issuer and the Borrower).

For further details of the Hedging Policy, see the section entitled "*Description of the Common Documents—Common Terms Agreement—Hedging Policy*".

Class B Notes ..... In addition to the issue of Class A Notes and the entry into the Senior Term Facility Agreements, the Working Capital Facility Agreement, the Initial Liquidity Facility Agreement and the other Transaction Documents, the Issuer may issue Class B Notes and on-lend the proceeds to the Borrower under a Class B IBLA.

For so long as any Class A Notes are outstanding, the Class B Notes will be subordinated to the Class A Notes. For so long as any Class A Authorised Credit Facility is outstanding (other than where the amounts outstanding under the Class A Authorised Credit Facilities relate to Subordinated Liquidity Amounts, Subordinated Increased Costs Amounts or Subordinated Hedge Amounts), any Class B IBLA will be subordinated to the Class A Authorised Credit Facilities. The Class B Notes are not, and will not be, subject to an offer or sale pursuant to this Base Prospectus. For further details see the section "*Description of Other Indebtedness*".

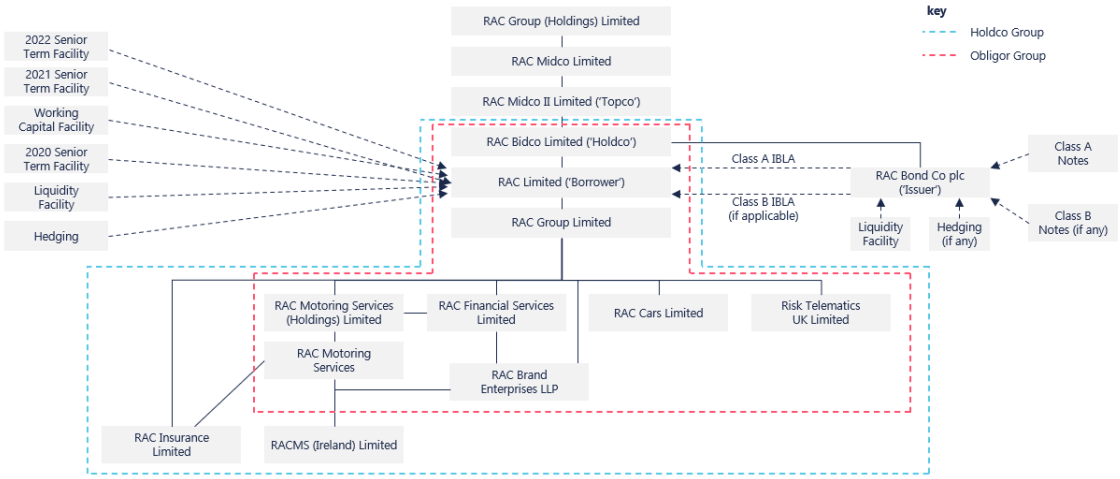
As at the date hereof, the Issuer has issued £345,000,000 Class B2 Notes with an Expected Maturity Date of 4 November 2027 and a Final Maturity Date of 4 November 2046.

Issuer Security ..... The Issuer has given first-ranking security over all of its assets to the Issuer Security Trustee for the benefit of the Issuer Secured Creditors, including the Class A Noteholders and, on a contractually subordinated basis, the Class B Noteholders.

In addition to the Issuer Security, the Class B Noteholders (indirectly via the Issuer) and any Class B Authorised Credit Providers benefit from security granted by Topco to the Obligor Security Trustee over the entire issued share capital of Holdco.

Governing law..... The Common Documents, the Finance Documents and the Issuer Transaction Documents and any non-contractual obligations arising out of or in connection therewith are governed by and construed in accordance with English law.

TRANSACTION STRUCTURE DIAGRAM



Key Characteristics of the Programme

Issuer	RAC Bond Co plc, a public limited company incorporated in England and Wales with limited liability (registration number 10084638) having its registered office at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, United Kingdom. The shares of the Issuer are 100 per cent. legally and beneficially owned by Holdco. The Issuer is tax resident in the UK.
Borrower	RAC Limited, a private company incorporated in England and Wales with limited liability (registration number 07665596), having its registered office at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, United Kingdom. The shares of the Borrower are 100 per cent. legally and beneficially owned by Holdco. The Borrower is tax resident in the UK.
Holdco	RAC Bidco Limited, a private company incorporated in England and Wales with limited liability (registration number 09229824) having its registered office at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, United Kingdom. The shares of Holdco are 100 per cent. legally and beneficially owned by RAC Midco II Limited. Holdco is tax resident in the UK.
Holdco Group	Holdco and each of its Subsidiaries (other than the Issuer) (the "**Holdco Group**").
Holdco Group Agent	RAC Group Limited (the "**Holdco Group Agent**" and "**Opco**").
Obligors	RAC Bidco Limited RAC Limited RAC Group Limited RAC Motoring Services (Holdings) Limited RAC Motoring Services RAC Financial Services Limited Risk Telematics UK Limited RAC Cars Limited RAC Brand Enterprises LLP
Guarantee of Obligor Secured Liabilities	Each Obligor has cross-guaranteed the Borrower's and Obligors' obligations under the Obligor Secured Liabilities. Any member of the Holdco Group (other than RAC Insurance Limited) which represents 5 per cent. or more of the EBITDA of the Holdco Group must provide such a guarantee. No member of the Holdco Group will guarantee the obligations of the Issuer under the Class A Notes. For the avoidance of doubt, while RAC Insurance Limited and RACMS (Ireland) Limited do form part of the Holdco Group, they will not be Obligors (see "*Risk Factors— Certain members of the Holdco Group will not be guaranteeing the Obligor Senior Secured Liabilities (including the Class A IBLA) and will not be granting security over their assets*").
Arranger	J.P. Morgan Securities plc

Dealers	Banco Santander, S.A., Barclays Bank PLC, BNP Paribas, HSBC Bank plc, J.P. Morgan Securities plc and Merrill Lynch International
Class A Noteholders	Subject to the paragraphs below, holders of the Class A Notes issued by the Issuer from time to time (each a "**Class A Noteholder**" and together the "**Class A Noteholders**").
2020 STF Lenders.....	The lenders under the 2020 Senior Term Facility Agreement (the "**2020 STF Lenders**").
2021 STF Lenders.....	The lenders under the 2021 Senior Term Facility Agreement (the "**2021 STF Lenders**").
2022 STF Lenders.....	The lenders under the 2022 Senior Term Facility Agreement (the "**2022 STF Lenders**").
WCF Lenders	The lenders under the Working Capital Facility Agreement (the "**WCF Lenders**").
2020 STF Arrangers.....	The lenders under the 2020 Senior Term Facility Agreement (the "**2020 STF Arrangers**").
2021 STF Arrangers.....	The lenders under the 2021 Senior Term Facility Agreement (the "**2021 STF Arrangers**").
2022 STF Arrangers.....	The lenders under the 2022 Senior Term Facility Agreement (the "**2022 STF Arrangers**").
WCF Arrangers.....	The lenders under the Working Capital Facility Agreement (the "**WCF Arrangers**").
2020 STF Agent	BNP Paribas (the "**2020 STF Agent**").
2021 STF Agent	Deutsche Bank AG, London Branch (the "**2021 STF Agent**").
2022 STF Agent	Deutsche Bank AG, London Branch (the "**2022 STF Agent**").
WCF Agent	BNP Paribas (the "**WCF Agent**").
Class A Authorised Credit Providers	The "**Class A Authorised Credit Providers**" will comprise lenders or other providers of credit or financial accommodation under any Class A Authorised Credit Facility (and will include the Issuer, the STF Lenders, the WCF Lenders, the Liquidity Facility Providers and the Borrower Hedge Counterparties).
Obligor Senior Secured Creditors ..	The Obligor Secured Creditors other than the Issuer in respect of any Class B IBLA(s) and any other Class B Authorised Credit Provider. "**Obligor Senior Secured Creditor**" means any one of them.
Obligor Secured Creditors	The secured creditors of the Obligors (the "**Obligor Secured Creditors**") will comprise the Obligor Security Trustee (in its own capacity and on behalf of the other Obligor Secured Creditors), the Issuer, the STF Lenders, the WCF Lenders, the WCF Agent, the STF Agent, the WCF Arrangers, the STF Arrangers, each Borrower Hedge Counterparty, each Liquidity Facility Provider and the Liquidity Facility Agent under each Liquidity Facility Agreement in respect of amounts owed to each of them by the Borrower from time to time, the Borrower Account Bank, any replacement Cash Manager who is not a

	member of the Holdco Group, each other Authorised Credit Provider, any Additional Obligor Secured Creditors, any Receiver or delegate of a Receiver or Obligor Secured Creditor and any other entity which provides funding to the Obligors and accedes to the STID from time to time (excluding, for the avoidance of doubt, Subordinated Intragroup Creditors and Subordinated Investors).
Issuer Secured Creditors	The secured creditors of the Issuer (the "**Issuer Secured Creditors**") will comprise the Class A Noteholders, any Class B Noteholders, the Class A Note Trustee, any Class B Note Trustee, the Issuer Security Trustee (for itself and on behalf of the other Issuer Secured Creditors), each Issuer Hedge Counterparty, each Liquidity Facility Provider and the Liquidity Facility Agent under the Initial Liquidity Facility Agreement in respect of amounts owed to each of them by the Issuer from time to time, the Issuer Account Bank, the Class A Principal Paying Agent, the Class B Principal Paying Agent, the Class A Transfer Agent, the Class B Transfer Agent, the Class A Registrar, the Class B Registrar, and Class A Agent Bank and any additional agents appointed by the Issuer from time to time, the Issuer Cash Manager under the Issuer Cash Management Agreement, the Issuer Corporate Officer Provider or any other person which accedes to the Issuer Deed of Charge as an Issuer Secured Creditor after the Closing Date or who becomes a Class A Noteholder or a Class B Noteholder after the Closing Date.
Obligor Security Trustee	Deutsche Trustee Company Limited (or any successor trustee appointed pursuant to terms of the Obligor Security Agreement, the STID and any other document evidencing or creating security over any asset of an Obligor to secure any obligation of any Obligor to an Obligor Secured Creditor in respect of the Obligor Secured Liabilities (the "**Obligor Security Documents**")) will act as security trustee for itself and on behalf of the Obligor Secured Creditors and will hold, and will be entitled to enforce, the security provided by the Obligors subject to the terms of the Obligor Security Documents.
Class A Note Trustee.....	Deutsche Trustee Company Limited (or any successor trustee appointed pursuant to the Class A Note Trust Deed) acts as Class A Note Trustee for and on behalf of the Class A Noteholders.
Issuer Security Trustee	Deutsche Trustee Company Limited (or any successor trustee appointed pursuant to the Issuer Deed of Charge) acts as security trustee (the "**Issuer Security Trustee**") for itself and on behalf of the Issuer Secured Creditors and holds, and is entitled to enforce, the Issuer Security subject to the terms of the Issuer Deed of Charge.
Hedge Counterparties.....	Each Issuer Hedge Counterparty or, as the context may require, each Borrower Hedge Counterparty (each a "**Hedge Counterparty"**, and together the "**Hedge Counterparties**").
Borrower Hedge Counterparties.....	Any hedge counterparty to any Borrower Hedging Agreement which has acceded as a Hedge Counterparty to the STID and to the CTA (each a "**Borrower Hedge Counterparty**" and

	together the "**Borrower Hedge Counterparties**") from time to time. A "**Borrower Hedging Agreement**" means each ISDA Master Agreement, entered into by the Borrower and a Borrower Hedge Counterparty in accordance with the Hedging Policy (in the form in effect at the time each relevant Borrower Hedging Transaction is entered into) and which governs the Borrower Hedging Transactions between such parties, and such term includes the schedule to the relevant ISDA Master Agreement and the confirmations evidencing the Borrower Hedging Transactions entered into under such ISDA Master Agreement.
Issuer Hedge Counterparties.....	Any counterparty to any Issuer Hedging Agreement which has acceded as a hedge counterparty to the Issue Deed of Charge (each an "**Issuer Hedge Counterparty**" and together the "**Issuer Hedge Counterparties**") from time to time. An "**Issuer Hedging Agreement**" means each ISDA Master Agreement entered into by the Issuer and an Issuer Hedge Counterparty in accordance with the Hedging Policy (in the form in effect at the time each relevant Issuer Hedging Transaction is entered into) and which governs the Issuer Hedging Transactions between such parties, and such term includes the schedule to the relevant ISDA Master Agreement and the confirmations evidencing the Issuer Hedging Transactions entered into under such ISDA Master Agreement.
Issuer Account Bank	Barclays Bank PLC (or any successor account bank appointed pursuant to the Issuer Account Bank Agreement) (the "**Issuer Account Bank**").
Borrower Account Bank	Barclays Bank PLC (or any successor account bank appointed pursuant to the Borrower Account Bank Agreement) (the "**Borrower Account Bank**").
Cash Manager and Issuer Cash Manager	RAC Group Limited, a company registered in England and Wales with registered number 00229121, or any substitute cash manager appointed in accordance with the CTA or the Issuer Cash Management Agreement, as the case may be.
Liquidity Facility Provider(**s**).....	The lenders under a Liquidity Facility Agreement from time to time.
Class A Registrar.....	In relation to any Sub-Class of Class A Registered Notes, Deutsche Bank Trust Company Americas or, if applicable, any successor registrar appointed in relation to any Sub-Class of Class A Notes.
Class A Transfer Agent.....	Deutsche Bank Trust Company Americas (or any successor Class A Transfer Agent appointed pursuant to the Transaction Documents) acts as Class A Transfer Agent and provides certain transfer agency services to the Issuer in respect of any Sub-Class of Class A Notes issued in registered form.
Class A Principal Paying Agent	Deutsche Bank AG, London Branch acts as Class A Principal Paying Agent (or any successor Class A Principal Paying Agent appointed pursuant to the Class A Agency Agreement) (the "**Class A Principal Paying Agent**") and, together with any other paying agent appointed by the Issuer from time to time (each a "**Class A Paying Agent**"), provides certain issue and

	paying agency services to the Issuer in respect of the Class A Notes.
Rating Agency.....	S&P.
Programme Size.....	Up to £5,000,000,000 (or its equivalent in other currencies) aggregate nominal amount of Class A Notes outstanding at any time as increased from time to time by the Issuer.
Issuance in tranches and Sub-Classes	Class A Notes issued under the Programme will form a single class and be issued in sub-classes on each Issue Date. Each Sub-Class may comprise one or more tranches issued on different Issue Dates. Class A Notes issued after the initial issuance may be fungible with the Class A Notes issued on or after the Closing Date or may be issued on different terms in accordance with the Class A Note Trust Deed. On each Issue Date, the Issuer will issue the Sub-Classes of Class A Notes set out in the Final Terms or relevant Drawdown Prospectus published on the relevant Issue Date.
Certain Restrictions	Each issue of Class A Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time including the restrictions applicable at the date of this Base Prospectus. See "*Subscription and Sale*". Class A Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**") unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent. See "*Subscription and Sale*".
Form and Status of Class A Notes...	The Class A Notes will constitute unconditional obligations of the Issuer. Class A Notes will rank *pari passu* without preference or priority in point of security amongst themselves and will be issued in bearer or registered form. Class A Notes issued in registered form shall not be exchangeable for Class A Notes issued in bearer form. The Class A Notes represent the right of the holders of such Class A Notes to receive interest (where applicable) and principal payments from the Issuer in accordance with the terms and conditions of the Class A Notes and the Class A Note Trust Deed entered into by the Issuer and the Class A Note Trustee in connection with the Programme dated 6 May 2016, as amended and/or supplemented from time to time (the "**Class A Note Trust Deed**").
Currencies.....	Sterling and, subject to any applicable legal or regulatory restrictions, any other currency agreed between the Issuer and the relevant Dealer.

Final Terms or Drawdown Prospectus	Class A Notes issued under the Programme may be issued either (a) pursuant to this Base Prospectus and associated Final Terms, or (b) pursuant to a Drawdown Prospectus.
Denomination of Class A Notes.....	Class A Notes will be issued in such denominations as may be specified in the relevant Final Terms or Drawdown Prospectus, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements applicable to the currency of the relevant Sub-Class of Class A Notes. Class A Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation, shall have a minimum Specified Denomination of £100,000, €100,000, U.S.$200,000 or not less than the equivalent of €100,000 in any other currency as at the date of issue of the relevant Class A Notes.
Maturities.....	Subject to any applicable law or regulation applicable to the Issuer or the relevant specified currency, the Class A Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, as set out in the relevant Final Terms or Drawdown Prospectus. In certain circumstances, where Class A Notes have a maturity of less than one year, such Class A Notes will be subject to limitations to ensure the Issuer complies with section 19 of the FSMA. For further details please see the United Kingdom selling restrictions as set out in the "*Subscription and Sale*" section of this Base Prospectus and the Final Terms or the relevant Drawdown Prospectus for any particular Sub-Class of Class A Notes.
Issue Price	Class A Notes will be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par, as set out in the relevant Final Terms or Drawdown Prospectus.
Interest	Class A Notes will be interest-bearing and interest will be calculated (unless otherwise specified in the relevant Final Terms or Drawdown Prospectus) on the Principal Amount Outstanding (as defined in the Class A Conditions) of such Class A Notes. Interest will accrue at a fixed rate and will be payable in arrear, as specified in the relevant Final Terms or Drawdown Prospectus.
Fixed Rate Class A Notes.....	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s). Class A Notes may accrue interest at a different fixed rate following the Expected Maturity Date of the relevant Sub-Class of Class A Notes.
Class A Note Interest Periods and Payment Dates	Such interest periods and interest payment dates as the Issuer and the relevant Dealer may agree in relation to a particular Sub-Class of Class A Notes.

Expected Maturity.....	As set out in Class A Condition 7(a) (*Redemption, Purchase and Cancellation—Expected Maturity*), unless previously redeemed in full, purchased or cancelled, each Sub-Class of Class A Notes is scheduled to be redeemed on the Expected Maturity Date for such Sub-Class of Class A Notes. However, if an Expected Maturity Date (falling prior to the Final Maturity Date) is specified in respect of a Sub-Class of Class A Notes in the applicable Final Terms or Drawdown Prospectus and they are not redeemed on the Expected Maturity Date, no Class A Note Event of Default will occur as a result of any Class A Notes not being redeemed on their Expected Maturity Date and such Class A Notes will thereafter accrue interest at a different rate as set out in the Final Terms or Drawdown Prospectus applicable to such Class A Notes.
Final Redemption.....	As set out in Class A Condition 7(b) (*Redemption, Purchase and Cancellation—Final Redemption*), if a Sub-Class of Class A Notes has not previously been redeemed in full, purchased or cancelled, such Sub-Class shall be finally redeemed at its Principal Amount Outstanding plus accrued but unpaid interest on the Final Maturity Date as specified in the applicable Final Terms or Drawdown Prospectus. If a Sub-Class of Class A Notes are not redeemed in full by their Final Maturity Date there will be a Class A Note Event of Default.
Optional Redemption.....	As set out in Class A Condition 7(c) (*Redemption, Purchase and Cancellation—Optional Redemption*), the Issuer may (prior to the Expected Maturity Date applicable to a particular Sub-Class of Class A Notes) redeem any Sub-Class of Class A Notes in whole or in part (but on a *pro rata* basis only) upon giving not more than 60 days nor less than five Business Days prior written notice to the Class A Note Trustee, the Issuer Secured Creditors and the Class A Noteholders on any Class A Note Interest Payment Date or, in relation to Fixed Rate Class A Notes, on any date at their Redemption Amount (as defined in the Class A Conditions). An optional redemption will be subject to the payment of the Redemption Amount and there being no Class A Note Event of Default, CTA Event of Default or Potential CTA Event of Default.
Modified Optional Redemption	As set out in Class A Condition 7(k) (*Redemption, Purchase and Cancellation—Modified Optional Redemption*) the Issuer may (prior to the Expected Maturity Date applicable to a particular Sub-Class of Class A Notes) redeem all but not some only of any Sub-Class of Class A Notes in whole on the Call Date or Call Dates at the Redemption Amount in each case specified in the Final Terms in respect of the relevant Call Date. A modified optional redemption will be subject to the payment of the Redemption Amount and there being no Class A Note Event of Default, CTA Event of Default or Potential CTA Event of Default. For the purposes of this Class A Condition 7(k) (see "*Terms and Conditions of the Class A Notes—Redemption, Purchase and Cancellation—Modified Optional Redemption*"), "**Call Date**" means any date specified in the relevant Final Terms applicable to such Sub-Class of Class A Notes on which all the Class A Notes in any particular Sub-Class can be redeemed by the Issuer before the Expected Maturity Date pursuant to Class

A Note Condition 7(k) (see "*Terms and Conditions of the Class A Notes—Redemption, Purchase and Cancellation—Modified Optional Redemption*").

Early Redemption on Prepayment of Class A IBLA..... As set out in Class A Condition 7(e) (*Redemption, Purchase and Cancellation—Early Redemption on Prepayment of a Class A IBLA*), if:

(a) the Borrower gives notice to the Issuer under a Class A IBLA that it intends to voluntarily prepay all or part of any Class A IBLA Advance or the Borrower is required to prepay all or part of any Class A IBLA Advance; and

(b) in each case, such advance was funded by the Issuer from the proceeds of a Sub-Class of Class A Notes,

the Issuer shall, upon giving not more than 60 days nor less than five Business Days' notice to the Class A Note Trustee, the Issuer Secured Creditors and the Class A Noteholders, (where such advance is being prepaid in whole) redeem all of the relevant Sub-Class of Class A Notes or (where part only of such advance is being prepaid) the proportion of the relevant Sub-Class of Class A Notes which the proposed prepayment amount bears to the amount of the relevant advance at the applicable amount provided that the Issuer may delay giving such notice if the proceeds of the prepayment of the Class A IBLA Advance are deposited into the Refinancing Escrow Account which is secured for the corresponding Class A Noteholders and the Issuer shall give at least the required days' notice to the relevant Class A Noteholders prior to the intended date of redemption.

In the case of a voluntary prepayment of all or part of any Class A IBLA Advance and in certain other circumstances the Borrower shall pay to the Issuer an amount equal to the Redemption Amount plus accrued but unpaid interest on the relevant Class A IBLA Advance to the date of prepayment.

Early Redemption following Loan Enforcement Notice..... As set out in Class A Condition 7(f) (*Redemption, Purchase and Cancellation—Early redemption following Loan Enforcement Notice*) if the Issuer receives (or is to receive) any monies from any Obligor following the service of a Loan Enforcement Notice or following the application of any Deemed Available Enforcement Proceeds or the proceeds of any Distressed Disposal in accordance with the STID in repayment of all or any part of a Class A IBLA Advance in accordance with the STID, the Issuer shall, upon giving not more than 60 days nor less than five Business Days' notice to the Class A Note Trustee, the Issuer Secured Creditors and the Class A Noteholders apply such monies to redeem the then outstanding Class A Notes corresponding to the Class A IBLA Advance at their Principal Amount Outstanding plus accrued but unpaid interest on the next Class A Note Interest Payment Date (or, if sooner, Final Maturity Date in accordance with the relevant Issuer priority of payments).

Mandatory Redemption..... If a Sub-Class of Class A Notes is not redeemed in full on the Expected Maturity Date of such Sub-Class, such Class A Notes will be redeemed at par in an amount corresponding to amounts

(if any) received from the Borrower under the Class A IBLA from time to time.

Redemption for Taxation or Other Reasons..... As more particularly set out in Class A Condition 7(d) (*Redemption, Purchase and Cancellation—Redemption for Taxation or Other Reasons*), if the Issuer satisfies the Class A Note Trustee that:

(a) the Issuer would become obliged to deduct or withhold from any payment of interest or principal in respect of the Class A Notes (other than in respect of default interest), any amount for or on account of Taxes by the laws or regulations of the UK or any political subdivision thereof, or any other authority thereof by reason of any change in or amendment to such laws or regulations or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction);

(b) that the Issuer or any Paying Agent would be required to deduct or withhold any amount from any payment pursuant to FATCA;

(c) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, the Issuer is no longer a "securitisation company" (as defined in the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (the "**Regulations**")) and is otherwise unable to claim a tax treatment in the United Kingdom that would prevent a material increase in the Tax liabilities of the Issuer compared to the treatment previously provided to the Issuer under such Regulations;

(d) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, the Borrower would on the next Class A Interest Payment Date be required to make any withholding or deduction for or on account of any Taxes from payments in respect of a Class A IBLA;

(e) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, an Issuer Hedge Counterparty would be entitled to terminate a Hedging Agreement in accordance with its terms as a result of the Issuer or the Issuer Hedge Counterparty being required to make any withholding or deduction for or on account of any Taxes from payments in respect of an Issuer Hedging Agreement; or

(f) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, it has or will become unlawful for the Issuer to perform any of its obligations under any Class A IBLA or to fund or to maintain its participation in the Class A IBLA Advances,

	the Issuer may, upon giving not more than 60 days nor less than five Business Days' prior written notice to the Class A Note Trustee, the Issuer Secured Creditors and the Class A Noteholders in accordance with Class A Condition 16 ("*Notices*"), redeem all (but not some only) of the affected Sub-Class of Class A Notes on any Interest Payment Date at their Principal Amount Outstanding plus accrued but unpaid interest thereon.
Class A Note Purchases.....	As set out in Class A Condition 7(g) (*Redemption, Purchase and Cancellation—Purchase of Class A Notes*), provided no Class A Note Event of Default has occurred and is continuing, the Issuer, the Borrower and any other members of the Holdco Group will be permitted to purchase any of the Class A Notes in the open market. If the purchaser of the Class A Notes is the Issuer, it shall cancel such Class A Notes and, if the purchaser of the Class A Notes is the Borrower or any other member of the Holdco Group, it shall surrender the Class A Notes to the Issuer and the Issuer shall cancel such Class A Notes and, in each case, a corresponding amount of the advances made under the relevant Class A IBLA attributable to the relevant sub-class of Class A Note will be treated as prepaid at par. Any Class A Note purchased by or on behalf of the Issuer, the Borrower or any other member of the Holdco Group shall, for so long as it is held by, or on behalf of, the Issuer, the Borrower or any other member of the Holdco Group, cease to have any voting rights and shall be excluded from any quorum or voting calculations set out in the Class A Conditions, the Class A Note Trust Deed, the Issuer Deed of Charge or the STID, as the case may be.
Class B Note Call Option.....	As set out in Class A Condition 7(h) (*Redemption, Purchase and Cancellation—Class B Call Option*) and subject to the conditions described therein, upon the occurrence of a Class B Call Option Trigger Event, Class B Noteholders and/or Class B Authorised Credit Providers would have the option (the "**Class B Call Option**") to purchase all (but not some only) of the Class A Notes and the Class A Authorised Credit Facilities (excluding any Class A IBLA) subject to certain conditions. If the Class B Call Option is exercised, the relevant Class A Noteholders and the relevant Class A Authorised Credit Provider, as the case may be, will be obliged to sell all (but not some only) of their holdings of such Class A Notes and such Class A Authorised Credit Facility to the relevant Class B Noteholders and/or Class B Authorised Credit Providers. For further details of the Class B Call Option see "*Description of the Issuer Class A Transaction Documents—Issuer Deed of Charge—Class B Call Option*".
Taxation	All payments in respect of Class A Notes will be made free and clear of, and without withholding or deduction for, or on account of, any present or future Taxes unless and save to the extent that the withholding or deduction of such Taxes is required by law. In that event, the Issuer will not be obliged to pay additional amounts in respect of any such withholding or deduction.
Issuer Security	The obligations of the Issuer (including, on a contractually subordinated basis, the obligations of the Issuer under the Class

B Notes) are secured pursuant to the Issuer Deed of Charge. The Issuer has granted first-ranking security by way of, among other things, (i) assignments by way of security of its rights under the Class A IBLAs, the Liquidity Facility Agreement and the other Transaction Documents to which it is a party; (ii) a fixed (which may take effect as a floating) charge over the Issuer Accounts (depending on the relevant account), and over Cash Equivalent Investments; together with (iii) a floating charge over all of its assets to the extent not effectively charged or assigned by way of fixed security, in each case, in favour of the Issuer Security Trustee to be held on trust for the benefit of the Issuer Secured Creditors. Additionally, Holdco, as first fixed continuing security for the payment or discharge of the Issuer Secured Liabilities by the Issuer, has charged in favour of the Issuer Security Trustee by way of a first legal mortgage all of its right, title, interest and benefit, present and future, in and to the Issuer Shares belonging to it from time to time.

Covenants..... The representations, warranties, covenants and events of default which apply to the Class A Notes are set out in the Class A Note Trust Deed (see "*Description of the Issuer Class A Transaction Documents—Class A Note Trust Deed*").

Distribution..... Class A Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

Listing..... It is expected that the Class A Notes issued under the Programme will be admitted to the Official List and trading on the Regulated Market of Euronext Dublin.

Ratings..... The rating assigned to the Class A Notes by the Rating Agency reflects only the views of the Rating Agency. The rating of a particular Sub-Class of Class A Notes will be specified in the relevant Final Terms or Drawdown Prospectus.

S&P is registered with the FCA as a credit rating agent under the UK CRA Regulation. SPGRE is established in the European Union and is registered under the EU CRA Regulation. SPGRE currently endorses the ratings issued by S&P pursuant to and in accordance with the EU CRA Regulation.

A rating is not a recommendation to buy, sell or hold securities and will depend, among other things, on certain underlying characteristics of the business and financial condition of the Holdco Group. A rating may be subject to suspension, change or withdrawal at any time by the assigning Rating Agency.

Class A Note Events of Default ..... Each of the following events of default constitutes a "**Class A Note Event of Default**":

(a) **non-payment**: default is made by the Issuer for a period of five Business Days in the payment of interest or principal on any Sub-Class of the Class A Notes when due in accordance with the Class A Conditions;

(b) **breach of other obligations**: default is made by the Issuer in the performance or observance of any other obligation, condition, provision, representation or warranty binding upon or made by it under the Class A Notes or the Issuer Class A Transaction Documents

and the Issuer Common Documents (other than any obligation whose breach would give rise to the Class A Note Event of Default provided for in sub-paragraph (a) above and, except where in the opinion of the Class A Note Trustee that such default is not capable of remedy, such default continues for a period of 30 Business Days and, in either case, **provided that** the Class A Note Trustee shall have determined that such event is, in its opinion, materially prejudicial to the interests of the Class A Noteholders;

(c) **Issuer Insolvency Event**: an Issuer Insolvency Event occurs; or

(d) **unlawfulness**: it is, or will become, unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Class A Notes or the Issuer Class A Transaction Documents and the Issuer Common Documents.

Selling Restrictions..... The Class A Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S). The Class A Notes may be offered and sold to non-U.S. persons in offshore transactions in reliance on Regulation S. There are also restrictions on the offer, sale and transfer of the Class A Notes in the EEA, the United Kingdom, Canada, Switzerland, Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Sub-Class of Class A Notes. See "*Subscription and Sale*".

Investor Information..... The Holdco Group Agent, is required to produce an Investor Report semi-annually on each date that the audited consolidated Annual Financial Statements of Holdco or the unaudited consolidated Semi-Annual Financial Statements of Holdco are delivered pursuant to the Common Terms Agreement, which will be posted on the Designated Website.

RISK FACTORS

An investment in the Class A Notes involves a high degree of risk. Investors should carefully consider the following risk factors and the other information contained in this Base Prospectus before making an investment decision. The risks described below may not be the only ones RAC faces. Additional risks not presently known to RAC or that it currently believes to be immaterial may also adversely affect its business. If any such risks or any other matters or unforeseen events actually occur, RAC's business, prospects, financial condition or results of operations could be materially adversely affected. In any such cases, the value of the Class A Notes could decline and RAC may not be able to pay all or part of the interest or principal on the Class A Notes when due, and investors may lose all or part of their investment.

This Base Prospectus also contains forward-looking statements that are based on assumptions and estimates and are subject to risks and uncertainties. RAC's actual results could differ materially from those anticipated in such forward-looking statements as a result of many factors, including, but not limited to, the risks faced by RAC described below and elsewhere in this Base Prospectus. See "Forward-Looking Statements".

Risks Relating to RAC's Business and Industry

RAC's business performance and reputation are dependent on maintaining the quality of its roadside assistance services.

The majority of RAC's revenue is attributable to its roadside assistance service which is the product offering most closely associated with RAC's brand. RAC measures the quality of its roadside assistance services using metrics, including percentage of repairs at the roadside and Net Promoter Scores given by Members at the roadside. These metrics are driven by RAC's operational capabilities, including its ability to correctly diagnose breakdown issues via its call centres and deploy the appropriate resource, the ability of its Patrol Specialists to provide the appropriate parts and repair services at the roadside and RAC's overall ability to deliver a positive Member experience. RAC has invested significantly in technology to optimise its diagnostic and deployment capabilities. If this technology does not perform as expected due to an outage, or if RAC fails to keep pace with changing customer and vehicle trends, human error or otherwise, the quality of RAC's roadside assistance offering could suffer. The ability of RAC's Patrol Specialists to provide repair services at the roadside requires appropriate training and equipment. In particular, the automobile market is characterised by frequent technical advances and increases in the complexity of existing components. Certain models of vehicles and automotive components may have technical equipment so complex or innovative that they can be maintained only by persons with special training relating to those particular vehicle models. While RAC invests significantly in the ongoing training of its Patrol Specialists and the maintenance of their equipment, it may not always be cost-effective for this training to cover certain types of vehicles and problems. A material gap in RAC's ability to repair vehicles at the roadside could have a material adverse effect on the quality of its roadside assistance services.

In addition, RAC engages contractors to supplement its own branded Patrol Specialists. RAC contractors are all subject to a screening process, comprising application, onboarding and signing off processes (including signing RAC's terms and conditions) as well as a physical examination. Every mainland UK RAC contractor is obliged to be PAS43 accredited (PAS43 is an accreditation for safe working of vehicle breakdown and recovery operations) and RAC's larger contractors are also required to have ISO9001 accreditation. Certifications and insurance are checked and renewed upon expiry and an audit questionnaire is completed every two years, but there is a risk that these contractors may not provide the same level of service as RAC's own Patrol Specialists. Furthermore, many of these contractors also have arrangements with RAC's competitors. Consequently, during periods of particularly high demand, contractors may not be available to supplement RAC's own Patrol Vehicles fleet in the timeframe typically expected by Members and contractor performance may otherwise be adversely impacted. Failure to manage any of the risks associated with the quality of RAC's roadside assistance offering could have a material adverse effect on RAC's business, prospects, financial condition or results of operations.

RAC's business performance is impacted by the usage levels of its Members, which are in turn dependent on a variety of factors, including Member volumes and mix, weather and vehicle conditions and fuel prices.

RAC's margins are impacted by its Members' usage levels, which are, in turn, impacted by a variety of factors including Member volumes and mix, vehicle age and type, weather, driving habits, fuel prices, lockdowns and travel restrictions. RAC can influence some of these factors, such as the number of Consumer Members (who tend to have higher usage levels, but also higher margins) and the number and type of Corporate Partner arrangements, but others, such as vehicle factors that impact reliability and repairability, weather and economic factors influencing Consumer Member behaviour, are outside of RAC's control.

RAC has access to a large volume of data about its Members and their driving habits, which it uses to make assumptions about likely usage levels. These assumptions inform the pricing of RAC's products and the allocation of its resources in providing its services. If these assumptions prove to be inaccurate or if Member usage levels increase in a way that RAC is not able to plan for or adjust to, its performance, business, financial condition and results of operations could be adversely impacted.

Severe or unexpected weather conditions, including extremes in temperature, heavy rain, snowfall or hail, tend to increase the volume of calls to RAC's roadside assistance centres, with traditionally higher volumes between November and February due to colder weather conditions causing higher volumes of battery faults. Although RAC receives a certain amount of payment-for-use income, the majority of its contracts are for a fixed annual fee, which means that its margins are impacted by increased call-outs during times of severe weather. Consequences of severe or unexpected weather conditions may also include an inability to respond quickly and efficiently to calls from Members, loss of productivity and an adverse impact on other key performance metrics. Any delay in performance or disruption of operations due to severe weather conditions could have a material adverse effect on RAC's brand and reputation and on its business, financial condition and results of operations.

A decline in usage levels could negatively impact RAC's revenue. Approximately 25 per cent. of RAC's Corporate Partner contracts by value as at 31 December 2022 were pay-on-use, and a significant decline in usage by Partner Members under these contracts could lead to a decline in RAC's revenue. Certain of RAC's other Corporate Partner contracts allow for adjustments in pricing where usage has been either significantly above or below an anticipated level. A concentration of these adjustments in a given period could also have a negative impact on RAC's results.

Vehicle age is increasing and as vehicles get older, the likelihood of breaking down generally increases. Consequently, usage levels could increase leading to higher costs for RAC. In addition, technological improvements of some motor vehicle components can reduce the likelihood of motor vehicles breaking down, which could also lead to a decrease in demand for roadside assistance services by both RAC's Consumer Members and Partner Members. In addition, technological improvements and other factors which determine the mix of vehicle faults may result in a permanent change in the proportion of vehicles which can be fixed at the roadside versus those that require recovery which may necessitate the use of different RAC assets or other specialist contractors.

Automobile manufacturers may continue to expand the scope of their warranties and roadside assistance coverage beyond current limits, engage in greater promotion of roadside assistance at the point of service in their dealerships, or improve vehicle technologies so as to identify potential breakdowns before they occur, any of which could negatively impact demand for RAC's roadside assistance products and services.

RAC operates in the insurance broking market and faces significant competition from global, national and local companies.

RAC competes with global and national insurance companies, including direct writers of insurance coverage who may also be its customers, as well as non-insurance financial services companies, such as banks, and other brokers, many of which offer alternative products or more competitive pricing for segments of the insurance broking market in which RAC operates. RAC does not take any underwriting risk with respect to its insurance broking business. It does, however, take limited underwriting risk for certain of its other products including legal expenses insurance, European breakdown cover and onward travel cover. RAC therefore relies on a panel of insurers to underwrite a substantial majority of its policies. Insurance panel members could increase their prices or withdraw from the panel, which may impact RAC's ability to compete with the rest of the market. Whilst RAC maintains a diversified panel of insurance

underwriters, many of its competitors are larger and have greater financial, technical and operating resources, as well as the ability to underwrite their own policies.

The insurance broking market is highly competitive on the basis of price, brand, service and coverage and there are many distribution channels within the insurance industry, including price comparison websites, which have been undergoing significant changes in recent years. If customers do not receive an acceptable level of service when interacting with RAC or the firms that operate RAC's insurance arrangements, there is the potential that RAC will be unable to attract or to retain customers. In addition, if RAC is unable to price its products competitively, its ability to cross-sell its insurance products, its margins and/or market share may suffer. Any of the events above could have a material adverse effect on RAC's business, prospects, financial condition or results of operations.

RAC's operations are dependent on the proper functioning of its information technology ("IT") and communication systems and its ability to keep pace with new technological developments, which are at risk of cyber and information security interruptions.

RAC depends on its IT and communication systems to conduct its business, including receiving web, mobile App and telephone interactions from Members experiencing vehicle breakdowns and allocating the appropriate resources to assist those Members, as well as maintaining accurate customer service records and managing its fleet of Patrol Vehicles. Like any organisation, those systems are at risk of malicious cyber-attacks and unplanned interruption.

In order to remain a leader in its industry, RAC is committing substantial financial, operational and technical resources to the development of new Digital software or other technology. RAC is also increasingly expanding its cloud-based infrastructure and service model. While this does increase technology dependency and reliance on a small number of Critical Third Parties, it does significantly improve cybersecurity controls and IT resilience.

Any material interruption to key RAC IT or communications systems and subsequent failure to ensure sufficient levels of resilience would render RAC unable to provide its services in a timely or effective manner, damaging its levels of customer service, its brand and reputation. RAC has, in the past, experienced IT and telephony issues which resulted in certain key functions being unavailable for a period of time.

Today, however, operating under an ISO27001-certified Information Security Management System, RAC maintains an ecosystem of Cyber, Information Security, Operational Resilience and Crisis Management Controls to maintain the risk of such interruption at an acceptable level. Furthermore, Information Security Strategy is monitored closely by RAC Management and continues to receive increased investment.

There will, however, always be a level of exposure to Cyber and Information Security Risk. The impact of such risk could result in large scale or long-term data loss, temporary inability to deliver services, fines or censure from the Information Commissioner's Office ("**ICO**") and other regulators and other associated financial costs. See "*—Risks Relating to Regulatory and Legislative Matters—RAC collects extensive personal data from Members, Corporate Partners, business contacts and employees, the treatment of which is subject to substantial regulation*". Interruptions to implementing new or enhanced systems may keep RAC from achieving its strategic goals in a timely manner. This could have a material adverse effect on its business, prospects, financial condition or results of operations.

RAC depends on third party providers for many of its products and services and may not be able to renew existing contracts or enter into new contracts with such third parties.

RAC is dependent on third party providers for many critical aspects of its business, including the provision of certain IT systems and services, the provision of its insurance products and European breakdown cover, the lease of its Patrol Vehicles and the supply of auto batteries and auto parts. RAC has a robust third party risk management process which identifies critical third parties and specifies due diligence at onboarding, how the relationship should be managed throughout the life-cycle as well as setting out the contractual provisions that should be included in these contracts but the risk of third parties failing or not functioning as expected cannot be fully mitigated and this could add significant additional costs and/or affect RAC's ability to deliver its strategy.

RAC has invested significantly in the improvement of its IT systems, a number of which are critical to RAC's ability to sell products, manage Members and provide its services. If any of these systems were to fail or not function as expected or if RAC had to find a new third party provider, RAC's ability to deliver its business strategy could be compromised, and it could incur significant additional costs.

RAC's insurance policies are administered by third parties and underwritten by a range of insurance companies. RAC uses third parties to provide its European breakdown cover to its Members. RAC also has arrangements with external suppliers of parts and vehicles to lease its Patrol Vehicles and keep them appropriately stocked with auto batteries and auto parts. Substantially all of RAC's Patrol Vehicles are leased pursuant to a master contract with Novuna, (Hitachi Capital Vehicle Solutions Limited). RAC also employs contractors to supplement its fleet of branded Patrol Vehicles, uses a third party to provide its accident management services and relies on third parties to manufacture its telematics boxes. While there are alternative providers of these products and services, transitioning to a new arrangement could be time-consuming and costly and could result in disruption to the levels of service provided to Members. See also "*—RAC is dependent on the strength and favourable recognition of its brand*".

RAC's ability to renew its existing contracts with suppliers of products and services, or enter into new contractual relationships, either on commercially attractive terms, or at all, depends on a range of commercial and operational factors and events which may be beyond its control. If RAC is unable to maintain its existing contracts and agreements with suppliers of the various products and services which it relies upon or enter into new contracts on commercially favourable terms, its business, prospects, financial condition or results of operations could be materially and adversely impacted, which could have a material adverse effect on RAC's brand.

RAC operates almost exclusively in the UK and difficult conditions in the UK economy may have a material adverse effect on its business, prospects, financial condition and results of operations.

RAC generated almost 100 per cent. of its total Adjusted EBITDA in the UK in the year ended 31 December 2022. As it operates almost exclusively in the UK, its success is closely tied to general political and economic developments in the UK and cannot be offset by developments in other markets. Negative developments in, or the general weakness of, the UK economy and, in particular, current inflation, tighter labour market, higher unemployment, lower household income and lower consumer spending may have a direct negative impact on the spending patterns of Consumer Members and Corporate Partners, both in terms of the services they subscribe for and the amount of insurance and other products they purchase.

Spending on roadside assistance services and motor and telematics insurance is discretionary and price-sensitive. Conditions reducing disposable income such as those caused by the current inflationary environment, increased interest rates (which, among other things, could cause consumers to incur higher monthly expenses under mortgages) or other costs of living, may therefore lead to customers reducing or stopping their spending on roadside assistance services and motor and telematics insurance or opting for lower-cost products and services. These conditions may be particularly prevalent during periods of economic downturn or market volatility and disruption, such as amidst the current inflation, cost of living and energy prices crises. Furthermore, in circumstances where travel is curtailed (including for business), as was the case during the first UK Covid-19 lockdown between March 2020 and July 2020, demand for roadside assistance services may be similarly diminished.

Any negative economic developments in the UK could negatively affect consumer confidence (resulting in, among other things, reduced renewal rates), decrease RAC's earnings or otherwise have a material adverse effect on its business, prospects, financial condition or results of operations. This is specifically highlighted in light of political and economic uncertainty that prevailed in 2022 and the recent Covid-19 pandemic outbreak (and the drastic impact both events had on the UK economy), as well as the current energy and cost of living crises fuelled by the ongoing conflict in Ukraine. See "*—RAC has been affected and could continue to be affected by the effects of the COVID-19 pandemic*" and "*—The ongoing military action between Russia and Ukraine could adversely affect RAC.*".

In addition, any deterioration in the UK economic and financial market conditions may:

- cause financial difficulties for RAC's suppliers and its Corporate Partners, which may result in their failure to perform as planned and, consequently, create delays in the delivery of RAC's products and services;
- result in higher costs for RAC as a result of inflation, including fuel prices for its fleet of Patrol and recovery vehicles, higher energy and other utility prices for its operational sites, and other cost inflation (contractor network rates, hire car provision etc), which may have an adverse impact on the results of operations;
- result in inefficiencies due to RAC's deteriorated ability to forecast developments in the markets in which it operates and failure to adjust its costs appropriately;

- cause reductions in the future valuations of RAC's investments and assets and result in impairment charges related to goodwill or other assets due to any significant underperformance relative to its historical or projected future results or any significant changes in its use of assets or its business strategy;
- result in new, increased or more volatile taxes, which could negatively impact RAC's effective tax rate, including the possibility of new tax regulations, interpretations of regulations that are stricter or increased effort by governmental bodies seeking to collect taxes more aggressively;
- result in increased customer requests for reduced pricing and reduced renewal rates if these requests for reduced pricing are not granted; and
- result in an increase in the average age of vehicles covered by RAC leading to an increased volume of breakdowns.

A delayed recovery or a worsening of economic conditions within the UK may lead to a decrease in subscribers to RAC's roadside assistance services, customers of its insurance intermediation business and generally result in Consumer Members and Corporate Partners terminating their relationship with RAC. Therefore, a weak economy or negative economic development could have a material adverse effect on RAC's business, prospects, financial condition or results of operations.

RAC is dependent on the strength and favourable recognition of its brand.

RAC believes favourable recognition of its brand is one of the most important ways to maintain a leading position in its industry, where the trust and confidence of its Members is paramount. By virtue of the fact that RAC has a highly visible and widely recognised brand, it is particularly exposed to reputational damage from mistakes or misconduct, or allegations thereof, by its Patrol Specialists and other employees, contractors or agents. A decline in the favourable recognition of RAC's brand could impact its ability to attract or retain Members or other customers, which could have a material adverse effect on its business, prospects, financial condition or results of operations.

Customers may receive poor service from their dealings with RAC across any of RAC's customer facing channels which would also affect the business' reputation. RAC's brand could also be damaged by poor customer service in its other business segments and potential negative attention resulting therefrom, and by any failings in RAC's protection and use of data. This could also result in adverse customer outcomes, reduced retention rates of the Consumer Members and loss of Corporate Partners. The increasing prevalence of social media as a customer communication tool means that customer complaints can become public very rapidly and failure to adequately address issues raised in this fashion in a timely manner could compound potential damage to RAC's brand. RAC has made significant investments in marketing, advertising and service to maintain and enhance positive awareness of its brand and will continue to do so going forward. However, there can be no assurance that these and future investments will have the desired impact.

Factors affecting brand strength and favourable recognition may be outside of RAC's control. RAC has a number of brand licensing arrangements, pursuant to which its brand is used by third parties, as well as marketing arrangements with a significant number of Corporate Partners and Affinity Partners. A deterioration in the reputations of, or negatively perceived actions by, its Corporate Partners or Affinity Partners may have an adverse impact on RAC's brand and reputation. If a third party provider were to make use of the RAC brand in a way that was not in the best interests of the customer, or perceived to be so, RAC's reputation could be damaged.

Any deterioration in the perceived strength or trustworthiness of the RAC brand could have a material adverse effect on RAC's business, prospects, financial condition or results of operations.

RAC's business is impacted by its ability to retain and acquire Consumer Members.

RAC's volume of Consumer Members, both retained and new, is one of the most significant drivers of its business results. RAC makes significant investments in communications to encourage existing Consumer Members to renew their memberships. If its Churn Rate were to increase due to price pressure from competitors, a weakening of its brand or any other reason, RAC's financial results may be adversely impacted. For example, the UK government's plan to ban sales of Internal Combustion Engine ("**ICE**") vehicles from 2030 could lead to an increase in demand for alternative methods of transportation such as car-pooling and shared ownership which could also have an adverse impact on RAC's ability to attract or retain Members.

RAC also invests significant resources in new Consumer Member acquisition through a variety of channels, including contact centres, online channels, affinity partnerships and manufacturer conversions. While the volume of new Consumer Members acquired has a direct impact on RAC's financial and operational results, the margins associated with the various acquisition channels vary, making the sales mix an important driver of profitability. In addition, RAC's business model distinguishes between Consumer Members, who subscribe for roadside assistance coverage directly through a membership agreement, and Partner Members, who receive roadside assistance coverage indirectly as an "add-on" or complementary service to the products they purchase from RAC's Corporate Partners as margins differ between these two categories. The web channel is the main channel for traffic, conversion and general road assistance coverage. If RAC's acquisition volumes are concentrated in a lower margin acquisition channel or if the web channel or certain other sale channels are impacted by reduced availability or success in converting opportunities into sales, its financial and operational results may be adversely impacted. As acquiring new Consumer Members is significantly more expensive than renewing the membership of an existing Consumer Member, RAC's results could be adversely impacted by this change in mix.

RAC's business is impacted by its ability to retain and acquire contractual relationships with certain key Corporate Partners and/or maintain margin performance.

RAC has a number of important Corporate Partners, principally for its roadside products and services. For the year ended 31 December 2022, RAC's ten largest Corporate Partners accounted for 59 per cent. of its total Corporate Partner revenue. Continued focus on the Corporate Partners segment has resulted in the number of Corporate Partners growing to over 300 in the year ended 31 December 2022, Partner Members growing to 9.8 million as at 31 December 2022, as well as overall market share increasing along with successful and ongoing cross-sell strategies to existing Corporate Partners for adjacent services. RAC's contracts with Corporate Partners have an average initial term of three to five years and either provide subscription coverage of certain services or are pay-on-usage arrangements. In the ordinary course of its business, RAC's results may fluctuate as a result of Corporate Partner contracts being won or expiring without being renewed. The loss of one or more significant contracts with Corporate Partners, due to financial difficulty or a change in strategy of the Corporate Partner, a deterioration in the business relationship or otherwise, the renewal of those contracts on less advantageous terms, or the failure to acquire new corporate partners could have a material adverse effect on RAC's business, prospects, financial condition or results of operations. In addition, pricing is often fixed to a degree or subject only to contractually agreed adjustments for the duration of the contract. In an environment where costs are rising faster than envisaged at the outset of the contract, this can result in lower margins and potentially losses for the remaining term of the contract.

RAC is exposed to the risk of litigation or regulatory inquiries or investigations, including, but not limited to, that arising from roadside injuries or death.

RAC is exposed to potential prosecution, claims for personal injury by its employees and the general public and property damage resulting from the provision and use of its services. RAC has invested in increasing its in-house Health & Safety expertise, internal training and has a Health and Safety roadside programme focused on embedding ongoing improvements in roadside behaviours. RAC is a founding member and also works closely with the Safe Use of Roadside Verges in Vehicular Emergencies Group (the "**SURVIVE Group**") to develop best practice and manage the impacts of working on high-speed dual-carriageways. In recognition of its commitment to health, safety and wellbeing in 2022, RAC received an International Safety Award from the British Safety Council, achieving a distinction award. However, from time to time, RAC may become involved in litigation, and there is no guarantee that it will be successful in defending itself against such litigation. RAC may be subject to fines and claims that could harm its reputation or have a material adverse effect on its business. RAC is also exposed to workers' compensation claims and other employment-related claims by its employees. The defence of any of these claims may be time consuming and expensive. If the outcome of any such claims is unfavourable to RAC, it could suffer reputational damage and RAC's business could be materially and adversely affected. RAC currently maintains motor liability coverage for bodily injury (including death) and property damage arising from or in connection with the services provided by its Patrol Specialists, however its current liability coverage may not be sufficient to cover all claims. In addition, there can be no assurance that its insurance premiums will not increase in the future, or that RAC will be able to renew its motor liability coverage on commercially acceptable terms. Furthermore, although RAC's customer contact centres provide Members with safety instructions in the event of a breakdown, Members could be accidentally injured or killed by passing vehicles while waiting on the roadside. Accidents such as these could expose RAC to civil suits,

significant damages, claims and liabilities and harm its reputation. See "*—RAC is dependent on the strength and favourable recognition of its brand*".

RAC may not be able to deliver a competitively priced and compelling proposition, or to acquire and retain new customers in a competitive market, which could result in a decline in breakdown or insurance market share and margin, resulting in downward pressure on the pricing of RAC's products.

While RAC believes that brand reputation and customer service are the most important factors in remaining competitive, price is also a key factor for all its business segments. RAC has focused significant investment in widening and differentiating its product set as well as on improving customer and competitor insight. However, pricing for Consumer Members for roadside products and services is relatively transparent between RAC and its principal competitors and RAC's competitors may seek to compete aggressively on the basis of price in order to protect or gain market share. The Internet, including via price comparison websites, has also increased pricing transparency and price pressure within RAC's markets by enabling customers to more easily obtain and compare prices being offered by companies operating in these markets. This transparency may further increase the prevalence and intensity of price competition in RAC's industry.

As part of its efforts to maintain or increase sales volumes, RAC may offer discounts to certain customers in respect of its roadside assistance, insurance or financial service products. A significant change in the number of existing Consumer Members with reduced price products or a significant number of Consumer Members declining to renew their memberships upon the expiration of their introductory offer rates could adversely impact RAC's financial performance and membership numbers. If the availability of roadside assistance coverage becomes more prevalent as an add-on to premium bank accounts, motor insurance products, vehicle purchases or other products of Corporate Partners, RAC could potentially see a migration of Consumer Members to the lower-margin Partner Members book or to a third party provider, which would also have a material adverse effect on RAC's business, prospects, financial condition or results of operations.

RAC may not be able to protect its brand and related Intellectual Property rights from infringement or misuse by others.

In order to monitor the use of its brand by third parties, RAC has an established brand protection strategy that includes an entity formed specifically to monitor and protect RAC's brand, the board of directors of which meets regularly to supervise the use of and challenges or threats to RAC's brand. However, many of the risks that RAC's brand is exposed to are outside of its control and there can be no assurance that the measures RAC takes to protect its brand will be effective. RAC's brand constitutes a significant part of its value and is its principal intellectual property. RAC relies primarily on trademarks and related intellectual property rights to protect its brand. The success of RAC's business depends on its continued ability to use its most important trademarks in order to increase brand awareness. Policing unauthorised use of RAC's proprietary intellectual property rights can be difficult, time-consuming and expensive, and RAC cannot be sure that the steps it has taken to protect those trademarks and other intellectual property rights will preserve its ability to enforce those rights or prevent unauthorised use, infringement or misappropriation by third parties. The unauthorised use, infringement or misappropriation of RAC's intellectual property rights by third parties may lead to loss of revenue, loss of customers and/or damage to RAC's brand and reputation.

Additionally, legal remedies available to RAC may not adequately compensate it for any damages it may suffer as a result of such unauthorised use. Accordingly, any material infringement or misuse of RAC's intellectual property could have a material adverse effect on its business, prospects, financial condition or results of operations.

RAC's operations are dependent on its ability to keep pace with the latest regulatory requirements and advancements in the automotive services sector, including with respect to alternative fuels/electric cars and the environmental impact of petrol/diesel cars.

Vehicle technology is continually changing as evidenced by the introduction of mainstream affordable electric cars over the past few years and in the ongoing development of driverless car technology. RAC has a clear strategy in place to embrace the opportunities presented by changes in the car industry, including the growth in electric, hybrid and other alternatives to fossil fuelled vehicles such as hydrogen, as well as connected and ultimately autonomous vehicles. Any failure by RAC to keep up to date with the environmental regulatory requirements and latest technological developments of vehicles on the roads

could lead to a material gap in its ability to repair vehicles at the roadside, which could have an adverse impact on the quality of its roadside services and its ability to attract or retain Members. RAC's Technical Department monitors vehicle technology developments to ensure that its Patrol Specialists have the skills and equipment required to maintain the high roadside repair levels, but there is a risk that such Patrol Specialists will not be informed and trained to fix the latest technology in electric cars.

RAC may fail to achieve its Environmental, Social and Governance (ESG) strategy or fail to mitigate the risks associated with climate change.

RAC recognises the risk of failing to keep pace with the developing ESG expectations for businesses and RAC has introduced a board sub-committee focused on ESG issues and mitigating any associated risks. The committee considers all ESG risks including but not limited to diversity, equality & inclusion issues, colleague wellbeing and the risk of damaging the environment and the risk of climate change which could result in adverse operational or financial damage to the business. Nevertheless, there remains a risk that RAC may not achieve its strategy with regard to ESG, including keeping pace with market and/or consumer ESG expectations. In addition, RAC could fail to identify the transition and physical risks to the business presented by climate change and to take appropriate action to mitigate these risks. All of the above risks could result in a material adverse effect on RAC's business, prospects, financial condition or results of operations.

RAC may fail to succeed in implementing its strategic change programmes.

In line with its strategic change programmes, RAC continues to enhance its capabilities in the areas of digital sales and services and customer management systems including the use of the web sales channel, its online app "MyRAC", and its digital breakdown reporting "Rescue me" to promote long-term customer engagement and satisfaction and/or deliver operational efficiencies. RAC also actively monitors its strategy in the context of the future of mobility. In particular, RAC continues to develop an electric vehicle ("**EV**") strategy to secure its position as the UK's number one for EV services. In addition, RAC's strategy provides for continued growth outside of its core business with no single initiative required for success. However, a failure to succeed in implementing its strategic change programmes could materially and adversely affect RAC's business, prospects, financial condition or results of operations.

RAC's operations are dependent on its ability to retain the services of the members of its senior management team and to retain and attract qualified and reliable personnel.

RAC relies on a number of key employees, both in its management and operations, with specialised skills and extensive experience in their respective fields. RAC's senior management team has extensive experience, and its success depends upon the continued contributions of that team. RAC also believes that the growth and success of its business will depend on its ability to attract highly skilled, qualified and reliable personnel with specialised know-how in roadside assistance, insurance and head office functions such as product development and marketing, as well as those with other specialist skills. Although RAC places emphasis on retaining and attracting talented personnel and invests in extensive training and development of its employees, it may not be able to retain or hire such personnel in the future due to certain circumstances such as increasing pressure for wage growth and recent labour shortage in the UK which could have an adverse impact on its business.

RAC may be subject to workforce disruptions; its business could be affected by changes in applicable employment laws.

A substantial portion of RAC's employees are covered by a collective bargaining agreement with Unite the Union. In addition, RAC is required to consult with employee representatives, such as works councils, on various matters, including restructurings, acquisitions and divestitures. Although relations with Unite the Union have historically been positive and RAC continues to seek to maintain good relationships with its employees and Unite the Union, such relationships may not continue to be positive and RAC may be affected by industrial action or other disruption related to labour unions and employees in the future, which could impair its ability to deliver its services. Any significant disruption of RAC's relationship with its workforce could have a material adverse effect on its business, prospects, financial condition or results of operations.

In addition, there has been case law in the UK in connection with engaging individuals and their categorisation as employees, workers or self-employed. RAC has always been mindful of this categorisation and acted in accordance with prevailing practice. This case law may affect the interpretation of such arrangements, which could impact on RAC's contracts with self-employed sales agents. In turn,

this could have a material adverse effect on RAC's business, prospects, financial condition or results of operations.

RAC may make acquisitions or disposals in the future, which may not achieve the expected results or may expose it to contingent or other liabilities.

RAC could consider business opportunities in the future, which could involve acquisitions or disposals of businesses or assets. Any acquisition or disposal may result in changes to RAC's capital structure, including the incurrence of additional indebtedness or the refinancing of its outstanding indebtedness, as applicable. There can be no guarantee that any due diligence undertaken will be accurate or complete, and such due diligence will identify or mitigate all material risks to which the entity or assets being acquired are exposed, including contingent or unanticipated liabilities. In addition, any acquisitions or disposals may divert managerial attention and resources from RAC's business objectives. Losses resulting from acquisitions or disposals could damage RAC's brand and reputation and could have a material adverse effect on its business, prospects, financial condition or results of operations.

The ongoing military action between Russia and Ukraine could adversely affect RAC.

On 24 February 2022, Russian military forces invaded Ukraine, and sustained conflict and disruption in the region is likely. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict has and could continue to cause significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in customer preferences or discretionary spending and increases in cyberattacks and espionage.

Russia's recognition of two separatist republics in the Donetsk and Luhansk regions of Ukraine and subsequent military action against Ukraine have led to an unprecedented expansion of sanction programs imposed by the United States, the European Union, the United Kingdom, Canada, Switzerland, Japan and other countries against Russia, Belarus, the Crimea Region of Ukraine, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic, including, among others, the removal of certain Russian financial institutions from the Society for Worldwide Interbank Financial Telecommunication (SWIFT) payment system, which can significantly hinder the ability to transfer funds in and out of Russia. As the conflict in Ukraine continues, there can be no certainty regarding whether the governmental authorities in the United States, the European Union, the United Kingdom or other counties will impose additional sanctions, export controls or other measures targeting Russia, Belarus or other territories and RAC must be ready to comply with the existing and any other potential additional measures imposed in connection with the conflict in Ukraine.

RAC is actively monitoring the situation in Ukraine and assessing its impact on RAC's businesses. As RAC operates almost exclusively in the UK, and aside from very limited provision of European breakdown cover to UK drivers who may travel into Europe, it does not have any business operations or interests in Russia or Ukraine and, to date, has not experienced any material interruptions in its business, financial condition, infrastructure, supplies, technology systems or networks needed to support its operations that could be related to the ongoing conflict. However, there can be no way to predict the progress or outcome of the conflict in Ukraine or its impacts in Ukraine, Russia or Belarus as the conflict, and any resulting government reactions, are rapidly developing and are beyond RAC's control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have substantial impact on the global economy and RAC for an unknown period of time. Any of the abovementioned factors could affect RAC's business, prospects, financial condition or results of operations. Any such disruptions may also magnify the impact of other risks described in this Base Prospectus.

The interests of RAC's principal shareholders may conflict with the interests of the holders of the Notes.

The interests of RAC's principal shareholders, in certain circumstances, may conflict with the interests of the holders of the Notes. Certain CVC Funds, GIC and Silver Lake (collectively, the "**Principal Shareholders**") own approximately 88 per cent. of shares (including ordinary and preferred shares) in RAC's ultimate holding company. Funds controlled by USS, Invest PSP, Harbourvest and certain employees and members of management own the remainder. As a result, the Principal Shareholders have, directly or indirectly, the power, among other things, to affect RAC's legal and capital structure and RAC's day-to-day operations, as well as the ability to elect and change RAC's management and the Board of Directors and to approve any other changes to RAC's operations. For example, the Principal Shareholders could decide to cause RAC to incur additional indebtedness, to sell certain material assets or make

dividends, in each case, so long as the Senior Finance Documents and the Common Documents so permit. The interests of the Issuer's and Borrower's ultimate shareholders could conflict with the interests of the holders of the Notes, particularly if they encounter financial difficulties or are unable to pay their debts when due. The incurrence of additional indebtedness would increase RAC's debt service obligations and the sale of certain assets could reduce RAC's ability to generate revenue, each of which could adversely affect the holders of the Notes.

RAC has been affected and could continue to be affected by the effects of the Covid-19 pandemic.

On 11 March 2020, the World Health Organization declared the Covid-19 pandemic and governmental authorities around the world have implemented measures to reduce the spread of Covid-19. Key aspects of these measures included restrictions on travel and the closure of national borders, as well as the imposition of quarantines, stay-at-home orders, workplace closures, curfews, limitations on building occupancies and other social distancing measures. RAC acted quickly to mitigate risks presented by Covid-19 and has been able to maintain the delivery of full services to RAC's Members and Corporate Partners, as well as continuing to grow its membership through the period.

From March 2020 to July 2020, the UK government imposed a lockdown (the "**first lockdown**"), which closed non-essential businesses and required residents of the UK to remain at home (with certain prescribed exceptions). Consequently, domestic travel in the UK decreased, and as a result, demand for RAC's roadside assistance services during the first lockdown decreased significantly. Although demand for roadside assistance later rebounded as lockdown restrictions were lifted and road travel increased, additional lockdowns including the national lockdown from 5 November 2020 to 2 December 2020 (the "**second lockdown**"), the introduction of further stay-at-home restrictions on 20 December 2020 and the national lockdown announced on 4 January 2021 (the "**third lockdown**" and together with the first lockdown and second lockdown, the "**lockdown periods**") resulted in subsequent decreases in road travel and demand for RAC's roadside assistance services.

Although there was a reduction in demand for roadside assistance services during the lockdown periods, RAC provides an essential service, and its number one priority is to protect the health and wellbeing of its colleagues, members and suppliers. A number of RAC colleagues were key workers, including those in roadside operations, call centre operatives, and RAC's major incident team. This reflects the essential nature of the service, and RAC's Patrols continued to respond to breakdowns throughout the lockdown periods, taking extra care to follow health advice and the latest safety guidelines.

Whilst effective treatments and vaccines have been developed, there remains uncertainty as to how effective the deployment will be at mitigating the impact of the virus over time and whether the treatments and vaccines that have been developed are also effective against mutations of the Covid-19 virus. There further remains considerable uncertainty about the extent, speed and regional differences of any recovery including any longer-term impacts on RAC's business and the possibility of successive "waves" of the Covid-19 pandemic. There is a risk that widespread strict social distancing measures, increased self-isolation requirements or lockdowns may continue to be reintroduced in the future which may impact supply chains, absence patterns of employees and demand for roadside services.

Risks relating to the Financing Structure

The Borrower's ability to meet its obligations in respect of the Obligor Senior Secured Liabilities will depend primarily on the performance of the business of the Holdco Group and the Holdco Group may not be able to generate sufficient cash flows to meet such obligations.

The Borrower's ability to meet its scheduled payment obligations under the Obligor Senior Secured Liabilities will depend upon the financial condition and performance of the Holdco Group as a whole and its general financial condition and operating performance, which in turn will be affected by general economic conditions and by financial, competitive, regulatory and other factors beyond its control. The obligations of the Borrower to make payments under the Obligor Senior Secured Liabilities are full-recourse obligations and are not limited. Future performance of the Holdco Group may not be similar to the performance results of operations of the Holdco Group prior to date stated in this Base Prospectus.

In relation to the Class A IBLA(s), unless previously repaid in full, the Borrower will be required to repay each Class A IBLA Advance on its Final Maturity Date. A failure to repay the relevant Class A IBLA Advance on its Final Maturity Date will constitute a CTA Event of Default. However such failure to repay will not give rise to a Class A Note Event of Default or an obligation on the part of the Obligor Security Trustee to accelerate the Class A IBLA and the other Obligor Senior Secured Liabilities outstanding under

other Class A Authorised Credit Facilities unless instructed to do so by the Qualifying Obligor Senior Secured Creditors pursuant to the STID.

The ability of the Issuer to redeem the Class A Notes on their Expected Maturity Date is dependent on the repayment in full of the corresponding Class A IBLA Advance by the Borrower. The Borrower cannot assure Class A Noteholders that the business of the Holdco Group will generate sufficient cash flow from operations or that future sources of capital will be available to it in an amount sufficient to enable the Borrower to service its indebtedness, including the Class A IBLA Advances, or to fund the other liquidity needs of the Holdco Group.

If the Holdco Group is unable to generate sufficient cash flow to satisfy the Borrower's debt obligations, it may have to undertake alternative financing plans, such as refinancing or restructuring the Borrower's debt, selling assets, reducing or delaying capital investments or seeking to raise additional capital to enable repayment of the Class A IBLA Advances and/or the other Obligor Senior Secured Liabilities. Any refinancing by the Borrower and/or the Issuer is subject to certain conditions (including, without limitation, the then prevailing market conditions for that type of transaction and in particular the availability or absence of liquidity in the debt capital markets and/or the term loan markets). No assurance can be given that these conditions will be favourable at the time any refinancing is required. Any such refinancing may not be possible, and assets may need to be sold to cover any shortfall. If assets are sold, the timing of the sales and the amount of proceeds that may be realised from those sales cannot be guaranteed.

Investors should also note that any additional financing may not be obtained on acceptable terms, if at all. The CTA will regulate the ability of members of the Holdco Group to dispose of assets and use the proceeds from any such disposition. The inability of the Holdco Group to generate sufficient cash flows to satisfy its debt obligations, or to refinance any indebtedness on commercially reasonable terms, would materially and adversely affect the Holdco Group's financial condition and results of operations and the ability of the Borrower to pay the principal and interest on its indebtedness and ultimately the repayment of the Class A Notes. Failure of the Borrower to refinance by the Final Maturity Date of a Class A IBLA Advance will result in a CTA Event of Default. Such a default could result in the enforcement of security and the Class A Noteholders may receive an amount less than the Principal Amount Outstanding on their Class A Notes. See "*—Risks in relation to Security, Enforcement and Insolvency*".

Furthermore, under the terms of the CTA the Borrower is permitted to incur further indebtedness and such indebtedness can be used to, among other things, to refinance existing debt, to purchase additional assets, Permitted Businesses and/or Permitted Joint Venture Investments and/or for the payment of dividends, subject to satisfaction of certain conditions. Any increase in borrowings as contemplated above could cause the Holdco Group to become over- indebted and may cause substantial financial stress to the Holdco Group. See further "*Description of the Common Documents*", "*Description of the Finance Documents*" and "*Description of Other Indebtedness*".

Amounts in the Defeasance Account may be released to the Borrower.

As an alternative to prepayment or redemption of the relevant Class A Notes or Class A Authorised Credit Facilities, the Borrower may credit amounts to the Defeasance Account in certain circumstances. Those amounts include:

- amounts in respect of Excess Cashflow credited to the Defeasance Account pursuant to paragraph 2 of Part B of the Obligor Pre-Acceleration Priority of Payments while a Trigger Event is continuing—see "*Description of the Common Documents—Common Terms Agreement—Cash Management—Defeasance Account*" and "*Description of the Common Documents—Security Trust and Intercreditor Agreement—Obligor Priorities of Payments*";

- amounts attributable to an Equity Cure Amount credited to the Defeasance Account pursuant to the terms of the CTA; and

- amounts required to be paid into the Defeasance Account pursuant to the CTA where a voluntary prepayment is made while a Trigger Event is continuing.

Amounts credited to the Defeasance Account are held for the *pro rata* benefit of the Class A Authorised Credit Providers under any fixed rate Class A Authorised Credit Facilities (and therefore indirectly the Class A Noteholders which hold Fixed Rate Class A Notes) in respect of which the relevant amounts were

credited. However such amounts may be released from the Defeasance Account where the event or circumstance giving rise to the requirement to credit such amounts to the Defeasance Account is no longer continuing. "*Description of the Common Documents—Common Terms Agreement—Cash Management—Defeasance Account*". Consequently, amounts available in the Defeasance Account will not in all circumstances be applied to repay any Class A IBLA and therefore Class A Noteholders and may be released to the Borrower.

The Holdco Group has significant leverage which could adversely affect the Borrower's financial condition and its ability to service its payment obligations under the Obligor Senior Secured Liabilities, including the Class A IBLA Advances under the Class A IBLAs, and therefore the ability of the Issuer to service its payment obligations under the Class A Notes.

The Holdco Group has consolidated indebtedness that is substantial in relation to its shareholders' equity. As at 31 December 2022, the Group's total debt (excluding interest accrued, but unpaid, and capitalised debt issue costs) was £1,676,000,000. Of that total debt, £345 million is Obligor Junior Secured Liabilities, pursuant to the Class B2 Notes, and, therefore, subordinated to any Class A Notes. In addition, given the programmatic nature of the Programme, further Class A Notes may be issued in the future and the Holdco Group may incur further indebtedness as permitted pursuant to the CTA. The Holdco Group's relatively high level of debt could:

- make it more difficult for the Borrower to satisfy its obligations with respect to the Obligor Senior Secured Liabilities including the Class A IBLAs and ultimately for the Issuer to satisfy its obligations with respect to the Class A Notes;
- increase the Holdco Group's vulnerability to general adverse economic and industry conditions, including rises in interest rates;
- restrict the Holdco Group from making strategic acquisitions or exploiting business opportunities;
- along with the financial and other restrictive covenants under the Holdco Group's indebtedness, limit its ability to obtain additional financing, dispose of assets or pay cash dividends other than as permitted in accordance with the CTA;
- require the Holdco Group to dedicate a substantial portion of its cash flow from operations to service its indebtedness, thereby reducing the availability of its cash flow to fund future working capital, capital expenditure, other general corporate requirements and dividends;
- require the Holdco Group to sell or otherwise transfer assets used in its business in order to fund its debt service obligations;
- limit the Holdco Group's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates;
- place the Holdco Group at a competitive disadvantage compared to its competitors that have less debt; and
- increase its cost of borrowing.

Any failure to pay amounts due and payable under any Class A Authorised Credit Facility, including a Class A IBLA, would give rise to a CTA Event of Default and the Obligor Security Trustee may, in such circumstances, elect (or shall be required to do so if so instructed by the required majority of those Obligor Senior Secured Creditors which are entitled to participate in any vote in relation thereto (see "*Description of the Common Documents—Security Trust and Intercreditor Deed*") to declare all amounts outstanding under those agreements to be immediately due and payable and initiate enforcement proceedings against the collateral provided by the Obligors to secure their obligations under such agreements.

The Holdco Group is exposed to the creditworthiness of third party financial institutions.

The creditworthiness of many financial institutions may be closely interrelated as a result of credit, derivative, trading, clearing or other relationships among the institutions. As a result, concerns about, or a default or threatened defaults by, one (or more) institution could lead to significant market-wide liquidity

and credit problems and/or losses or defaults by other institutions. This may adversely affect the financial institutions, such as banks and insurance providers, with which the Holdco Group interacts on a regular basis, and therefore could adversely affect its ability to raise needed funds or access liquidity.

CTA Events of Default may occur without the knowledge of the Obligor Security Trustee if the Borrower fails to notify the Obligor Security Trustee of such event.

The STID provides that the Obligor Security Trustee will be entitled to assume, unless the Obligor Security Trustee is expressly informed otherwise, that no CTA Event of Default or Potential CTA Event of Default has occurred and is continuing. The Obligor Security Trustee will not itself monitor whether any such event has occurred. It will fall to the Borrower to make these determinations as well as the determinations of the financial and operational positions underlying them, which may be subjective. The Obligor Security Trustee shall not be obliged to make any such determinations and shall be able to conclusively rely on any investor report or compliance certificate provided to it without being obliged to enquire as to the accuracy or validity of any such investor report or compliance certificate. If the Borrower or any Obligor fails to notify the Obligor Security Trustee of the occurrence of a CTA Event of Default or a Potential CTA Event of Default, it is likely that neither the Obligor Security Trustee, any Obligor Secured Creditor nor any Issuer Secured Creditor (including the Class A Noteholders) would know that a CTA Event of Default or a Potential CTA Event of Default has occurred, the occurrence of which may indicate that an individual Obligor or the Holdco Group as a whole is experiencing financial or other difficulties. The absence of such notice may result in the Obligor Security Trustee, any Obligor Secured Creditor and any Issuer Secured Creditor (including the Class A Noteholders) being unable to enforce their rights under the Transaction Documents in a timely manner potentially resulting in greater losses on their investment that would have been the case had such notice of default been given by the Borrower when such notice might have first been delivered.

Certain other payments will rank ahead of the Class A IBLAs (and therefore indirectly the Class A Notes) in respect of the payment waterfalls under the Security Trust and Intercreditor Deed.

Amounts payable to certain other secured creditors will rank senior to interest and principal payments on the Class A IBLA Advances (and therefore indirectly the Class A Notes).

Amounts due with respect to, amongst other things, certain Facility Fees and the Liquidity Facility Agreement (other than any step-up margin and certain increased costs) will rank at all times senior to interest and principal on the Class A IBLA Advances and consequently the Class A Notes.

See "*Description of the Senior Finance Documents—Initial Class A IBLA*", "*Description of the Common Documents—Security Trust and Intercreditor Deed*" and "*Description of Other Indebtedness*" for further details.

Certain members of the Holdco Group will not be guaranteeing the Obligor Senior Secured Liabilities (including the Class A IBLA) and will not be granting security over their assets.

Certain subsidiaries of the Holdco Group, being, at the date of this Base Prospectus, RAC Insurance Limited and RACMS (Ireland) Limited, will not be Obligors and as a result will not be providing a guarantee of the Borrower's obligations under any of the Obligor Senior Secured Liabilities (including the Class A IBLA) or Obligor Junior Secured Liabilities nor will such entities be granting security over any of their assets to the Obligor Security Trustee. Notwithstanding the fact that such entities will not be Obligors, such entities are consolidated into the financial statements of Holdco and accordingly, the EBITDA of the Holdco Group calculated for the purposes of the financial covenants in the CTA will take into account any EBITDA generated by such entities from time to time. Although the Obligor Security Trustee will have a charge over the shares in such non-Obligor entities, following the occurrence of a CTA Event of Default, the Obligor Security Trustee will not be able to take any Enforcement Action against any of the assets or undertakings of such non-Obligor entities.

Hedging Risks

The Holdco Group and the Issuer have a Hedging Policy in place to mitigate the risks arising from mismatches in cash flows received and payable from time to time. For more detail on the Hedging Policy, see "*Description of the Common Documents—Common Terms Agreement—Hedging Policy*".

In order to address, *inter alia*, interest rate risks and/or currency risks, the Holdco Group and the Issuer may operate a hedging programme in accordance with the Hedging Policy and are permitted to enter into

Treasury Transactions (for non-speculative purposes only). However, there can be no assurance that the Hedging Agreements adequately address the above mentioned risks that the Holdco Group, and/or the Issuer will face from time to time. In addition the Holdco Group, the Borrower and/or the Issuer could find itself over-hedged or under-hedged which could lead to financial stress (see "*Description of the Common Documents—Common Terms Agreement—Hedging Policy*").

The Holdco Group's and the Issuer's interest rate and/or currency hedging strategies involve entering into derivative contracts that require the Holdco Group (and, if the Issuer enters into any Hedging Agreement in the future, the Issuer) to fund certain cash payments.

The Holdco Group and the Issuer are subject to the creditworthiness of, and in certain circumstances early termination of the Hedging Agreements by Hedge Counterparties. If a Hedging Agreement is terminated and the Holdco Group and/or the Issuer (as applicable) is unable to find a replacement Hedge Counterparty, the funds available to the Holdco Group and/or the Issuer may be insufficient to meet their respective obligations in full as a result of adverse fluctuations in *inter alia* interest rates and/or exchange rates or making any termination payments to the relevant Hedge Counterparty.

The Holdco Group's and the Issuer's ability to fund their respective contingent liabilities upon termination of a Hedging Agreement will depend on the liquidity of the Holdco Group's and the Issuer's assets and access to capital at the time, and the need to fund these contingent liabilities could adversely impact the Holdco Group's and/or the Issuer's financial condition.

For details of the Holdco Group's and the Issuer's option to terminate under the Hedging Agreements, see the section headed "*Description of the Common Documents—Common Terms Agreement—Hedging Policy*".

Absence of credit rating triggers in Hedging Agreements.

Although the Holdco Group and the Issuer are only permitted to enter into Hedging Transactions with suitably rated counterparties the rating of those counterparties are only tested on the entry into each Hedging Transaction (see "*Description of the Common Documents— Common Terms Agreement—Hedging Policy—Principles relating to Hedging Agreements*") and the Hedging Agreements do not include early termination triggers referencing the credit ratings of the relevant Hedge Counterparties. As a consequence, the Holdco Group and the Issuer are not entitled to replace Hedge Counterparties with more creditworthy counterparties in the event they are downgraded and the Hedge Counterparties are not obliged to post collateral under such circumstances. Such downgrades may lead to the credit ratings of the Class A Notes being downgraded.

Other Legal Risks

A change of law could have a negative impact on Class A Noteholders.

The transactions described in this Base Prospectus (including the issue of the Class A Notes) and the ratings which are assigned to the Class A Notes are based on the relevant law and administrative practice in effect as at the date of this document, and having regard to the expected tax treatment of all relevant entities under such law and practice. It is possible that, whether as a result of case law or through statute, changes in law or regulations, or their interpretation or application may result in either the Issuer's or the Holdco Group's debt financing arrangements as originally structured no longer having the effect anticipated or which could have a material adverse effect on the Issuer's or the Holdco Group's business, financial condition and results of operation and/or could adversely affect the rights, priorities of payments and/or treatment of holdings in the Class A Notes of the Class A Noteholders.

Challenges by secured creditors of the financing transactions described in this Base Prospectus could have a negative impact on other secured creditors.

The financing transactions described in this Base Prospectus have been structured based on English law and practice as in effect on the date of this Base Prospectus. It is possible that a secured creditor which is subject to laws other than the laws of England and Wales may seek to challenge the validity and/or enforceability of one or more features of the financing structure under the local laws of such creditor's jurisdiction. Potential investors should be aware that the outcome of any such challenge may depend on a number of factors, including but not limited to, the application of the laws of a jurisdiction other than England and Wales. There can be no assurance that any challenge would not adversely affect directly or

indirectly the rights of the other secured creditors, including the Class A Noteholders, the market value of the Class A Notes and/or the ability of the Issuer to make interest and principal payments on the Class A Notes.

Risks in relation to Security, Enforcement and Insolvency

The enforcement and disposal of the Obligor Security by the Obligor Security Trustee may be subject to the Security Trustee obtaining a fairness opinion.

Upon the occurrence of a CTA Event of Default, the Qualifying Obligor Senior Creditors, subject to having passed the necessary resolution in accordance with the STID (see "*Description of the Common Documents—Security Trust and Intercreditor Deed—Enforcement and Acceleration*"), will have the right to instruct the Obligor Security Trustee to enforce the Obligor Security and dispose of assets and/or the shares in the Obligors without the approval of any Obligor Junior Secured Creditors (including any Class B Noteholders via the Issuer). However, if there are Obligor Junior Secured Liabilities outstanding at the time under any Class B Authorised Credit Facility (including a Class B IBLA), the STID provides that the Obligor Security Trustee may only dispose of any Obligor Secured Property with a value above £10.0 million if a fairness opinion from a financial advisor has been first commissioned unless certain exceptions apply. For further information see "*Description of the Common Documents—Security Trust and Intercreditor Deed— Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.—Obligor Senior Secured Creditors— Enforcement action if Obligor Junior Secured Liabilities outstanding*". Any requirement to obtain a fairness opinion could delay the realisation of the Obligor Secured Property upon an enforcement of the Obligor Security.

Certain events could trigger a change of control which may require a prepayment of certain indebtedness.

The 2020 STF Facility, the WC Facility, the 2021 STF Facilities and the 2022 STF Facility each contain, a provision which allows lenders under those facilities to elect to cancel their commitments and make all amounts owing to them under such agreement immediately due and payable where a change of control of Holdco has occurred and the relevant lender has (using reasonable endeavours) failed to satisfy its "know-your-customer" or other identification checks within 30 days of such change of control. Any future Authorised Credit Facility could also include similar provisions.

RAC may, in the future, incur further financial indebtedness under Authorised Credit Facilities which may contain a change of control mandatory prepayment obligation. In the case of such a provision, the relevant Authorised Credit Facility providers would have the right to demand prepayment of their loans as a consequence of a change of control.

Following the occurrence of a Share Enforcement Event, the Obligor Security Trustee may (and shall, if instructed by Topco Secured Creditors representing at least 30 per cent. of the aggregate principal amount of all outstanding Topco Secured Liabilities, including holders of the Class B Notes) enforce the Topco Security.

Enforcement of the Topco Security may give rise to a change of control mandatory prepayment obligation under any Class A Authorised Credit Facility which contains such a provision. In addition, the ultimate shareholders of the Holdco Group may decide to sell the Holdco Group, which may also trigger a change of control mandatory prepayment obligation in any Class A Authorised Credit Facility which contains such a provision.

RAC may be unable to generate sufficient cash flow to satisfy the Borrower's debt obligations arising from a prepayment required pursuant to a change of control. It may have to undertake alternative financing plans, such as refinancing or restructuring its debt, selling assets, reducing or delaying capital investments or seeking to raise additional capital. Any refinancing by RAC is subject to certain conditions (including, without limitation, the then prevailing market conditions for that type of transaction and in particular the availability or absence of liquidity in the debt capital markets and/or the term loan markets). No assurance can be given that these conditions will be favourable at the time any refinancing is required. Any such refinancing may not be possible, and assets may need to be sold to cover any shortfall. If assets are sold, the timing of the sales and the amount of proceeds that may be realised from those sales cannot be guaranteed. Therefore the Borrower may not have sufficient funds to make any mandatory prepayment as and when it is required to be made and, ultimately, the Issuer may be unable to satisfy its obligations with respect to the Class A Notes.

It is not unusual for contracts with commercial counterparties to provide rights of termination upon a change of control occurring with respect to their commercial counterparty. Accordingly, in addition to the mandatory prepayment obligations described above, certain commercial counterparties contracting with members of the Holdco Group may exercise their right to terminate the contractual agreement of a change of control of the Holdco Group were to occur. In such circumstances RAC may not be able to find alternative commercial counterparties to replace the terminated arrangements or find alternatives with equally advantageous commercial terms.

RAC is subject to insolvency laws in England and Wales, which may not be as favourable as insolvency laws in other jurisdictions.

The Obligors are incorporated in England and Wales, and will therefore *prima facie* be subject to the insolvency laws of England and Wales. If insolvency proceedings were to be opened in England and Wales, such proceedings could be in parallel to proceedings opened elsewhere. Recognition of those proceedings in such other jurisdictions is likely to be a relevant consideration for the English courts prior to opening insolvency or restructuring proceedings. Such recognition would be a matter for the private international law of the relevant jurisdictions.

If insolvency proceedings were to be opened in a place other than England and Wales, such foreign proceedings could be in parallel to proceedings opened in England. Such foreign proceedings would not benefit from automatic recognition in England – although the foreign officeholder could apply under the Model Law Regulations (as defined below) which provide that foreign insolvency proceedings may be recognised in England where a company has its centre of main interests (as that concept is used in the Model Law Regulations) or an "establishment" (being a place of operations where it carries out a non-transitory economic activity with human means and assets) in such foreign jurisdiction. The UNCITRAL Model Law on Cross-Border Insolvency was implemented, subject to certain modifications, in Great Britain on 4 April 2006 by The Cross-Border Insolvency Regulations 2006, SI 2006/1030 (the "Model Law Regulations"). Under the Model Law Regulations, if foreign insolvency proceedings are commenced in respect of a company, then, upon application by the foreign representative (defined to be a person or body, including one appointed on an interim basis, authorised in a foreign proceeding to administer the reorganisation or the liquidation of the company's assets or affairs or to act as a representative of the foreign proceeding), and provided that certain requirements are met, the English courts are required to recognise such proceedings. Any such recognition may in effect impact upon the availability of certain types of creditor action in England and Wales or, provided certain further requirements are met, result in the application of English avoidance (including claw-back) provisions.

Further, if the relevant foreign insolvency proceedings are recognised as "foreign main proceedings", an automatic stay on certain types of creditor action will apply (including the commencement or continuation of certain legal proceedings) and the company's right to transfer, encumber or otherwise dispose of its assets will be suspended in England and Wales. In general, this stay and suspension will not restrict rights relating to the enforcement of security or of a creditor to set-off its claim against a claim of the company (so long as these rights could be exercised if the company had been made the subject of a winding up order under the Insolvency Act). However, the foreign representative may also make an application to an English court to exercise its discretion to provide further relief, including the imposition of a wider stay (which may extend to restrictions on the rights referred to above), particularly if the foreign proceedings in question are reorganisation proceedings which, under the foreign insolvency law, give rise to a stay on security enforcement.

In addition, the English courts may have jurisdiction to open insolvency proceedings in respect of entities not incorporated in England and Wales, such as certain of the other companies in the Issuer's group. If insolvency proceedings were to be opened in England and Wales such proceedings could be in parallel to proceedings opened elsewhere (such as the country or place of such other group company's incorporation). Recognition of those proceedings in such other jurisdictions is likely to be a relevant consideration for the English courts prior to opening insolvency or restructuring proceedings. Such recognition would be a matter for the private international law of the relevant jurisdictions.

The procedural and substantive provisions of insolvency laws in England and Wales are generally favourable to secured creditors. These provisions afford unsecured creditors only limited protection from the claims of secured creditors that rank in priority to them. If the insolvency law of England and Wales

applies in respect of certain of the Obligors or RAC's other subsidiaries, it will generally not be possible for the Issuer or the other subsidiaries or unsecured creditors of the subsidiaries to prevent secured creditors from enforcing their security to repay the debts due to them.

If an Obligor incorporated in England or Wales were to enter into administration proceedings in England and Wales, the Class A Notes and the guarantees provided from any Obligor in connection with the Class A IBLA could not be enforced while the relevant company was in administration without the permission of the court or consent of the administrator, and there can be no assurance that such permission of the court or consent of the administrator would be obtained. Furthermore, under insolvency law in England and Wales, some of RAC's subsidiaries' debts may be subject to preferential claims, including amounts owed in respect of occupational pension schemes in respect of the 12-month period prior to insolvency, unpaid employees remuneration in respect of the four-month period prior to insolvency and administration or liquidation expenses.

It may be difficult to realise the value of the collateral.

The collateral securing, among other things, the Class A IBLA and the Class A Notes, as the case may be, will be subject to any and all Permitted Security and exceptions, defects, encumbrances, liens and other imperfections permitted under Issuer Class A Transaction Documents and/or the Common Documents and accepted by other creditors that have the benefit of first-priority security interests in the collateral securing the Class A Notes or Class A IBLA(s) from time to time. The existence of any such Permitted Security, exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the collateral securing the Class A Notes and Class A IBLA(s), as well as the ability of the Obligor Security Trustee and/or the Issuer Security Trustee to realise or enforce such collateral. Furthermore, the first-priority ranking of security interests can be affected by a variety of factors, including the timely satisfaction of perfection requirements, statutory liens or re-characterisation under the laws of certain jurisdictions.

The security interests of the Obligor Security Trustee and the Issuer Security Trustee will be subject to practical problems generally associated with the realisation or enforcement of security interests in collateral. For example, the Obligor Security Trustee may need to obtain the consent of a third party to enforce a security interest. RAC cannot assure any prospective investor that the Obligor Security Trustee will be able to obtain any such consents. RAC also cannot assure any prospective investor that the consents of any third parties will be given when required to facilitate a realisation or enforcement of the relevant security interest in respect of the assets over which security has been granted. Accordingly, the Obligor Security Trustee may not have the ability to enforce the security over those assets and the value of the collateral may significantly decrease.

The security interests in the collateral are granted to the Obligor Security Trustee or the Issuer Security Trustee, as the case may be, rather than directly to the creditors in respect of the applicable indebtedness. The ability of the Obligor Security Trustee and the Issuer Security Trustee to enforce certain of the collateral may be restricted by local law.

The security interests in the collateral that secure RAC's obligations under, among other things, the Class A IBLA and the Class A Notes will not be granted directly to the creditors in respect of such indebtedness, but will be granted only in favour of the Obligor Security Trustee or the Issuer Security Trustee, as the case may be. Accordingly, only the Obligor Security Trustee or the Issuer Security Trustee, as the case may be, will have the right to enforce the applicable security. As a consequence, the creditors in respect of such indebtedness, including the holders of the Class A Notes, will not have direct security interests and will not be entitled to take enforcement action in respect of the collateral securing such indebtedness, except, in the case of the holders of the Class A Notes, through the Class A Note Trustee who will (subject to the provisions of the STID and, as applicable, the Issuer Deed of Charge) provide instructions to the Obligor Security Trustee or the Issuer Security Trustee, as the case may be, in respect of the applicable collateral.

There may be conflicts of interest between the holders of the different Sub-Classes of the Class A Notes.

The Class A Note Trustee will be required to have regard only to the interests of the holders of each Sub-Class of existing Class A Notes as if they formed a single class of Class A Notes when exercising his powers, trusts, authorities, duties and discretions (except in certain circumstances as set out in the Class A

Note Trust Deed). Class A Noteholders may find their voting powers diluted by the issue of further Sub-Classes of Class A Notes.

Enforcement and/or acceleration of Obligor Security.

The STID will provide that, except where the Obligor Security Trustee is mandatorily required to appoint an Administrative Receiver, the Obligor Security Trustee may only take enforcement action in respect of the Obligor Security if so instructed by the Qualifying Obligor Secured Creditors in accordance with the STID. As long as there are Qualifying Obligor Senior Secured Liabilities outstanding, the Qualifying Obligor Secured Creditors will comprise the providers of any Class A Authorised Credit Facility (including the 2020 STF Lenders, the WCF Lenders, the 2021 STF Lenders, the 2022 STF Lenders and the Issuer as the lender under any Class A IBLA but excluding the Liquidity Facility Providers) and the Hedge Counterparties (for the purposes of voting on enforcement). If the proposed enforcement action includes serving a Loan Acceleration Notice on the Borrower to accelerate the Obligor Secured Liabilities or to approve any Distressed Disposal of a Permitted Business or the shares in a member of the Holdco Group subject to the Obligor Security then such resolution must be approved by the Class A Instructing Group which will, pursuant to the STID, require (i) a quorum of one or more Qualifying Obligor Senior Creditors representing, in aggregate, at least 75 per cent. of the aggregate Outstanding Principal Amount of all Qualifying Obligor Senior Secured Liabilities and (ii) a majority of the Qualifying Obligor Senior Creditors participating in the resolution representing at least 75 per cent. of the Outstanding Principal Amount of Qualifying Obligor Senior Secured Liabilities and, unless at the relevant time there is no principal amount outstanding under any Class A IBLA, the Qualifying Obligor Senior Creditors voting in favour of the resolution must include the Issuer acting through its Secured Creditor Representative under each Class A IBLA having been itself instructed by the Class A Noteholders pursuant to a Noteholder Instruction Resolution. See "*Description of the Common Documents—Security Trust and Intercreditor Deed—Enforcement and Acceleration*" for further information. The Obligor Senior Secured Creditors in respect of the 2020 STF Facility, the WC Facility, the 2021 STF Facilities and the 2022 STF Facility (or any other Class A Authorised Credit Facility) may have interests and views which compete with those of the Class A Noteholders. As a result, the Class A Noteholders (via the Issuer as Lender of the proceeds of the Class A Notes through the Class A IBLAs) may not be able to instruct the Obligor Security Trustee to take enforcement action in respect of the Obligor Security and the Obligors or block such an instruction (see "*Description of the Common Documents—Security Trust and Intercreditor Deed—Qualifying Obligor Secured Liabilities*").

Guarantees and security may constitute a transaction at an undervalue or a preference under English law.

A liquidator or administrator of an Obligor incorporated in England and Wales could apply to the court to unwind the issuance of its guarantee or the grant of security, **provided that** this guarantee or security was granted during the two years before the onset of insolvency, if such liquidator or administrator believed that the issuance or grant constituted a transaction at an undervalue. It will only be a transaction at an undervalue if, at the time of the transaction or in consequence of the transaction, the Obligor is unable to pay its debts or becomes unable to pay its debts. RAC believes that each guarantee and the grant of the security will not be a transaction at an undervalue and further believes that each guarantee and/or security will be provided in good faith for the purposes of carrying on the business of each Obligor incorporated in England and its subsidiaries and that there are reasonable grounds for believing that the transactions will benefit each such Obligor. However, there can be no assurance that the provision of the guarantees and/or the grant of the security will not be challenged by a liquidator or administrator or that a court would support the Holdco Group analysis. If the provisions of the guarantees were determined to be transactions at an undervalue, the court may make such order as it thinks fit for restoring the position to what it would have been if those guarantees and/or the grant of the security had not been given or made.

Furthermore, if the liquidator or administrator can show that any of the one of the Obligors have given a "preference" to any person within six months of the onset of liquidation or administration (or two years if the preference is to a "connected person") and, at the time of giving the preference, the relevant Obligor was technically insolvent or became so as a result of the preferential transaction, a court has the power, among other things, to void the preferential transaction. For these purposes, a company gives preference to a person if that person is one of the company's creditors (or a surety or guarantor for any of the company's debts or liabilities) and the company takes an action which has the effect of putting that person into a position which, in the event of the company going into insolvent liquidation, will be better than the position that person would have been in if that action had not been taken. The court may not make an order in respect

of a preferential transaction unless it is satisfied that the company was influenced by a desire to put that person in a better position. This provision of English insolvency law may affect transactions entered into or payments made by any of the Obligors during the relevant period prior to the liquidation or administration of such Obligor.

In addition, if it can be shown that a transaction entered into by an English company was made for less than fair value and was made to shield assets from creditors, then the transaction may be set aside as a transaction defrauding creditors. Any person who is a "victim" of the transaction, and not just liquidators or administrators, may assert such a claim. There is no statutory time limit within which a claim must be made and the company need not be insolvent at the time of the transaction. The Obligors do not believe that they have entered into any transactions which may be regarded as being for less than fair value or to shield assets from their creditors.

A delay in regulatory consent for the enforcement of Obligor Security could materially and adversely affect the interests of the holders of the Class A Notes.

On an enforcement of the Obligor Security granted under the Obligor Security Documents, the Obligor Security Trustee may elect to effect the enforcement by way of a sale of the shares in an Obligor or a sale of the shares in a Holding Company within the Holdco Group which owns an Obligor. Where such Obligor is an authorised person under the Financial Services and Markets Act 2000, such a sale will be subject to the consent of the PRA or FCA. Any purchaser of such Obligor or such Holding Company which owns such Obligor would be required to meet, among other things, a fit and proper person test. In such case, the PRA or the FCA, as applicable, will have a period of 60 business days from the date on which it acknowledges receipt of a complete application extendable up to 90 business days if the regulator asks for further information. The withholding or delay of the consent of the PRA or the FCA could adversely affect the interests of the holders of the Class A Notes in an enforcement scenario.

On an enforcement of security over the assets of an Obligor which is an authorised person, the enforcement rights may not be exercised to the extent that any such enforcement action would cause the relevant Obligor to have regulatory capital which is less than a specified amount (the amount being its regulatory capital requirement or in certain circumstances a lower amount).

Fixed security interests may be recharacterised as floating security interests due to the degree of control exercised over certain underlying assets, including over bank accounts, and as a result the full proceeds of enforcement may not be available to repay the Obligor Secured Liabilities or the Issuer Secured Liabilities.

There is a possibility that a court could find that the fixed security interests expressed to be created by the security documents governed by and construed in accordance with English law should, instead, take effect as floating charges, on the basis that the description given to them as fixed charges is not determinative.

Whether the fixed security interests will be upheld as fixed security interests rather than floating security interests will depend, among other things, on whether the Obligor Security Trustee or, as the case may be, the Issuer Security Trustee has the requisite degree of control over the relevant assets and exercises that control in practice. Where the chargor is free to deal with the assets that are the subject of a purported fixed charge in its discretion and without the consent of the chargee prior to crystallisation, the court is likely to hold that the security interest in question constitutes a floating charge, notwithstanding that in the security document the security interest may be expressed in words that indicate an intention to create a fixed security interest.

The Borrower and the other Obligors have interests in a number of accounts, including accounts established in accordance with the terms of the Transaction Documents. The Borrower and the other Obligors party to the Obligor Security Agreement have, pursuant to the terms of the Obligor Security Agreement, granted security over all of their interests in the accounts, which security is expressed to be by way of a fixed charge. Furthermore, under the Issuer Deed of Charge, the Issuer will grant security over all of its bank accounts, which will also be expressed to be fixed security.

Although the various bank accounts are stated to be subject to certain degrees of control (in certain cases only on the giving of notice following delivery of a Loan Enforcement Notice), there is a risk that, if the Issuer Security Trustee or the Obligor Security Trustee (as applicable) does not exercise the requisite degree of control over the relevant accounts in practice, a court could determine that the security interests granted

in respect of those accounts take effect as floating security interests only and that the security interests granted over the assets from which the monies paid into the accounts are derived also take effect as floating security interests only, notwithstanding that the security interests are expressed to be fixed. In such circumstances, monies paid into accounts or derived from those assets could be diverted to pay preferential creditors and certain other liabilities were a Receiver, liquidator or administrator to be appointed in respect of the relevant company in whose name the account is held.

In addition to security over bank accounts, the Borrower and the other Obligors party to the Obligor Security Agreement have, pursuant to the Obligor Security Agreement, granted security, expressed to be by way of fixed charge, over certain other assets including certain real property, shares in certain members of the Holdco Group, intra-group loans and intellectual property. Further, pursuant to the Issuer Deed of Charge, the Issuer will grant security, expressed to be by way of a fixed charge, over certain other of its assets including Cash Equivalent Investments. There is a risk, as highlighted by the case of **Ashborder BV & Ors v Green Gas Power Ltd & Ors** [2004] EWHC 1517 (ch) a court could determine that the nature and extent of the rights and obligations which the parties intended to create, as evidenced by the Transaction Documents, are inconsistent with the grant of a fixed security interest and that such security takes effect as floating charge security interests only, notwithstanding that the security interests are expressed to be fixed.

If the fixed security interests are recharacterised as floating security interests, the claims of (i) the unsecured creditors of the relevant Obligor incorporated in England and Wales (or otherwise subject to insolvency proceedings in England and Wales) or, as the case may be, the Issuer in respect of that part of the Obligor's net property which is ring-fenced in accordance with the amendments to the Insolvency Act pursuant to the Enterprise Act 2002 (the "**Enterprise Act**"), (ii) certain statutorily defined preferential creditors of the relevant Obligor, and (iii) in circumstances where a restructuring moratorium has been entered into by the relevant Obligor under Part A1 of the Insolvency Act and administration or liquidation commences within 12 weeks of the end of that moratorium, moratorium debts and priority pre-moratorium debts, may have priority over the rights of the Obligor Security Trustee or the Issuer Security Trustee, as the case may be, to the proceeds of enforcement of such security in accordance with section 176A of the Insolvency Act. To the extent that the assets of the Issuer or any Obligor are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the provisions of section 174A, 176A and 176ZA of the Insolvency Act, certain floating charge realisations which would otherwise be available to satisfy the claims of secured creditors under the Issuer Deed of Charge or the Obligor Security Agreement may be first used to satisfy any expenses of the insolvency proceeding, claims of unsecured creditors, up to an amount equal to £800,000 (or an increased amount which may be provided for by statutory instrument) in respect of each relevant Obligor as set out in the Insolvency Act 1986 (Prescribed Part) Order 2003. In addition, the costs and expenses of an administration or liquidation (including corporation tax on capital gains) will be payable out of floating charge assets in priority to the claims of the floating charge holder. As a result, the full amount of the proceeds of enforcement of the security may not be available to repay the Class A Notes.

Floating charges given by the Obligors may be deemed invalid for lack of consideration which would hinder the appointment of an Administrative Receiver.

Section 245 of the Insolvency Act provides that, in certain circumstances, a floating charge granted by a company may be invalid in whole or in part. If a floating charge is held to be wholly invalid then it will not be possible to appoint an Administrative Receiver of such company and, therefore, it will not be possible to prevent the appointment of an administrator of such company. The risk is, if a liquidator or administrator is appointed to the Issuer or the relevant Obligor within a period of twelve months ending with the onset of insolvency or where the floating charge is granted in favour of a connected person, a period of two years (the "**relevant time**") commencing upon the date on which the Issuer or that Obligor, as the case may be, grants a floating charge, the floating charge granted by the Issuer or that Obligor, as the case may be, will be invalid pursuant to section 245 of the Insolvency Act except to the extent of the consideration received by the relevant chargor at the time of or after the creation of the floating charge. The Issuer will have received consideration (namely, the Issuer will issue Class A Notes and will receive the subscription monies therefor) and the Borrower had and will have received such consideration (namely, the Borrower will draw under the Class A IBLAs and the other Authorised Credit Facilities). As such, during the relevant time the floating charge granted by the Issuer will be valid to the extent of the amount of the Class A Notes, the floating charge granted by the Borrower will be valid to the extent of the amount drawn by the Borrower under the Authorised Credit Facilities including the Class A IBLA. The floating charge granted by each of the other Obligors will be valid to the extent of the £1,000 fee paid by the Borrower to the other Obligors and any other qualifying consideration received by them, but may not be valid for the full amount of the

property charged. However, such limitation on the validity of the floating charges will not of itself affect the ability of the Obligor Security Trustee to appoint an Administrative Receiver in respect of the Obligors. After the relevant time it will not be possible for the floating charges granted by each of the Issuer, the Borrower or the Obligors to be invalidated under section 245 of the Insolvency Act.

The ability of the Obligor Secured Creditors to appoint an Administrative Receiver may be hindered by the application of the Enterprise Act 2002 in respect of floating charges.

The provisions of the Enterprise Act restrict the right of the holder of a floating charge to appoint an Administrative Receiver (unless the security was created prior to 15 September 2003 or an exception applies) and instead give primacy to collective insolvency procedures (in particular, administration).

The Insolvency Act contains provisions that continue to allow for the appointment of an Administrative Receiver in relation to certain transactions in the capital markets. The relevant exception provides that the appointment of an Administrative Receiver is not prohibited if it is made in pursuance of an agreement which is or forms part of a capital market arrangement (as defined in the Insolvency Act) under which a party incurs or, when such agreement was entered into was expected to incur, a debt of at least £50 million and if the arrangement involves the issue of a capital market investment (also defined in the Insolvency Act, but generally a rated, listed or traded debt instrument). This exception should be applicable to floating charges created by the Obligors and assigned by way of security to the Issuer Security Trustee. However, as this issue is partly a question of fact, were it not possible to appoint an Administrative Receiver in respect of one or more of the Obligors, they could be subject to administration if they were to become insolvent.

The UK Secretary of State for Business, Enterprise and Industrial Strategy may, by secondary legislation, modify the exceptions to the prohibition on appointing an Administrative Receiver or provide that the exception shall cease to have effect. No assurance can be given that any such modification or provision in respect of the capital market exception, or its ceasing to be applicable to the transactions described in this Base Prospectus, will not be detrimental to the interests of the holders of the Class A Notes.

Certain Obligors may have the right to seek a moratorium which could restrict creditors' ability to enforce security.

Pursuant to the Corporate Insolvency and Governance Act 2020 (as amended from time to time), a free-standing moratorium is available to protect certain companies, both UK and overseas if there is a sufficient connection with England, from creditor action for a specified period, granting a 'payment holiday' for 'pre-moratorium debts'. Pre-moratorium debts are debts due prior to the moratorium coming into force or debts which become due during the moratorium if they relate to obligations incurred before the moratorium comes into force. The moratorium is similar in scope to that which applies in administration, preventing security enforcement and legal proceedings amongst other things. In order to be eligible for the moratorium Obligors must be or likely to be unable to pay its debts and the moratorium must be likely to result in the rescue of the company as a going concern. However, there are broad exclusions including for companies which are party to a capital markets arrangement. As a result, the moratorium is not available to the Obligors.

If the NSIA applies, this would restrict creditors' ability to enforce security.

The NSIA has now come into force and allows the UK Government broad powers to scrutinise and intervene in qualifying acquisitions that could harm the UK's national security. In addition to the UK Government's broad powers to scrutinise qualifying acquisitions in any area of the UK economy, certain transactions involving the acquisition of a qualifying entity in one of 17 defined sensitive areas of the UK economy will have to be notified to the UK Government for approval before they are completed. Although the business of the Holdco Group broadly relates to transport (one of the 17 defined sensitive sectors currently identified by the Department for Business, Energy & Industrial Strategy as being within scope of the mandatory notification regime), guidance published by the UK Government states that 'transport' for these purposes only includes ports and harbours, airports and air traffic control.

However, the NSIA regime allows the Secretary of State for Business, Energy and Industrial Strategy to update the list of sensitive sectors and accordingly RAC cannot guarantee that such future amendments will not lead to the business of the Holdco Group falling with scope of the mandatory regime. If the business of the Holdco Group were to fall within scope of the mandatory regime then the enforcement of security by the Obligor Secured Creditors (including, indirectly via the Issuer, the Class A Noteholders) may constitute

a ‘trigger event’ under the NSIA requiring a mandatory notification to the UK Government such that the enforcement of security could be impeded or take more time due to the prohibition on completing a notifiable acquisition without UK Government approval. RAC cannot guarantee that the regime under the NSIA will not have an impact on any enforcement of security by the Obligor Secured Creditors or Issuer Secured Creditors.

Risks relating to the Class A Notes

The Class A Notes may not be a suitable investment for all investors.

Each potential investor in the Class A Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Class A Notes, the merits and risks of investing in the Class A Notes and the information contained in this Base Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Class A Notes and the impact the Class A Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Class A Notes, including Class A Notes where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Class A Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial advisor) possible economic and interest rate scenarios and other factors that may affect its investment and its ability to bear the applicable risks.

The Class A Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as standalone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Class A Notes that are complex financial instruments unless it has the expertise (either alone or with a financial advisor) to evaluate how the Class A Notes will perform under changing conditions, the resulting effects on the value of the Class A Notes and the impact this investment will have on the potential investor's overall investment portfolio.

In addition, the market value of the Class A Notes may fluctuate for a number of reasons including due to prevailing market conditions, current interest rates and the perceived creditworthiness of the Issuer and the Obligors. Any perceived threat of insolvency or other financial difficulties of the Obligors could result in a downgrade of ratings and/or a decline in market value of the Class A Notes.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent Class A Notes are legal investments for it. The Class A Notes can be used as security for indebtedness and other restrictions apply to the purchase or pledge of any of the Class A Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Class A Notes under any applicable risk-based capital or similar rules.

The Issuer is a special purpose company with no business operations or assets other than the issue of the Class A Notes, any Class B Notes and the transactions ancillary thereto.

The Class A Notes will be limited recourse obligations of the Issuer. The Issuer is a special purpose company with no business operations or significant assets other than in connection with the issuance of the Class A Notes, the Class B Notes and the transactions ancillary thereto.

The Class A Notes will not be obligations or responsibilities of, and will not be guaranteed by, the Class A Note Trustee, the Class B Note Trustee, the Issuer Security Trustee, the Dealers, the Liquidity Facility Providers, the Liquidity Facility Agent, the 2020 STF Agent, the 2020 STF Lenders, the WCF Agent, the WCF Lenders, the 2021 STF Agent, the 2021 STF Lenders, the 2022 STF Agent, the 2022 STF Lenders, the Issuer Cash Manager, the Class A Paying Agents, the Issuer Account Bank, the Borrower Account Bank, the Obligor Security Trustee, the Hedge Counterparties, any of the Obligors or any company in the same group of companies as, or affiliated to, Holdco (other than the Issuer itself but without prejudice to the Borrower's obligations to the Issuer under any Class A IBLA). Furthermore, no such person other than the Issuer will accept any liability whatsoever to Class A Noteholders in respect of any failure by the Issuer to pay any amounts due under the Class A Notes.

The ability of the Issuer to meet its obligations under the Class A Notes will be dependent on:

(a) the receipt by it of funds from the Borrower under the Class A IBLAs;

(b) the receipt by it of interest (if any) from monies standing to the credit of the Issuer Transaction Account, or otherwise from certain Cash Equivalent Investments made by it or on its behalf; and

(c) the receipt by it of amounts in accordance with the terms of Issuer Hedging Agreements and related back-to-back hedging arrangements in place between the Issuer and the Borrower (if any).

In the event that the Issuer is unable on any Class A Note Interest Payment Date to pay in full (to the extent required to be paid on any such date) items 1 to 6 (inclusive but excluding any final payment on any Final Maturity Date and any Additional Class A Note Amounts and all termination amounts or other unscheduled amounts due and payable pursuant to items 6(a) and 6(b)) specified in the Issuer Pre-Acceleration Priority of Payments, the Issuer will (subject to satisfaction of the conditions for drawing) have available to it funds under the Liquidity Facility. Other than the foregoing, the Issuer will not have any other funds available to it to meet its obligations under the Class A Notes and/or any other payment obligation ranking in priority to, or equally with, the Class A Notes.

The expected maturity date of each Sub-Class of the Class A Notes is earlier than the respective final maturity date of such Sub-Class of the Class A Notes.

There is no guarantee that the Issuer will have sufficient funds to redeem each Sub-Class of Class A Notes on its respective Expected Maturity Date and such redemption is dependent on the repayment in full of the corresponding Class A IBLA Advance by the Borrower on its Final Maturity Date (which will coincide with the Expected Maturity Date of the corresponding Sub-Class of Class A Note).

Accordingly, whilst a failure to repay the Class A IBLA Advance on its Final Maturity Date will result in a CTA Event of Default, the Class A Notes will not default at that time and will not default until the earlier of the Class A Note Final Maturity Date and a failure to pay interest thereon.

The Issuer may, over time, issue other Sub-Classes of Class A Notes in relation to which the expected maturity date of such Class A Notes is earlier that the Expected Maturity Date and/or the Final Maturity date of Class A Notes which are already outstanding at that time.

The Class A Authorised Credit Facilities will rank behind certain third parties in respect of certain obligations of the Issuer and the Borrower.

Although the Issuer Security Trustee will hold the benefit of the Issuer Security on trust for the Class A Noteholders and the Obligor Security Trustee will hold the benefit of the Obligor Security on trust for the Obligor Secured Creditors, such security interests will also be held on trust for certain third parties. Certain obligations of the Issuer to third parties rank ahead of the Class A Noteholders. Such persons include, among others, the Class A Note Trustee, the Issuer Security Trustee (in its individual capacity), the Liquidity Facility Providers, the Class A Paying Agents and the Issuer Account Bank in respect of certain amounts owed to them. To the extent that significant amounts are owing to any such persons, the amounts available to Class A Noteholders will be reduced. See further the risk factor "*Certain other payments will rank ahead of the Class A IBLAs (and therefore indirectly the Class A Notes) in respect of the payment waterfalls under the Security Trust and Intercreditor Deed*" above.

The Issuer is dependent on third parties for the provision of certain services in relation to the Class A Notes.

The Issuer is a party to contracts with a number of third parties who have agreed to perform certain services in relation to, amongst other things, the Class A Notes. For example, the Liquidity Facility Providers have agreed to provide the Initial Liquidity Facility, the Issuer Corporate Officer Provider has agreed to provide an independent director to the Issuer, and the Issuer Account Bank and the Class A Paying Agents have agreed to provide, amongst other things, payment, administration and calculation services in connection with the Class A Notes. In the event that any relevant third- party fails to perform its obligations under the respective agreements to which it is a party, the Class A Noteholders may be adversely affected.

Although the Issuer has funds available to it under the Initial Liquidity Facility they may not be sufficient and the Initial Liquidity Facility may not be available.

Under the terms of the CTA, the Obligor must use its reasonable endeavours to ensure that for so long as, *inter alia*, any Class A Notes remain outstanding, the Borrower and Issuer has available a Liquidity Facility and/or a liquidity reserve of an aggregate amount equal to its projected interest payments and certain other senior expenses in respect of Obligor Senior Secured Liabilities (excluding principal payments under any Working Capital Facility) including net payments under the Hedging Agreements to which it is a party for the following (prior to a Qualifying Public Offering) 18 months and (upon and following a Qualifying Public Offering and subject to a rating agency confirmation confirming the then current rating of the Class A Notes) 12 months' debt service.

Pursuant to the terms of the Liquidity Facility Agreement, the Issuer will be entitled to make drawings under the Liquidity Facility Agreement from time to time to cover shortfalls in the amounts available to the Issuer to make payments in respect of items 1 to 6 (inclusive but excluding any final payment on any Final Maturity Date and any Additional Class A Note Amounts and all termination amounts or other unscheduled amounts due and payable pursuant to items 6(a) and 6(b)) of the Issuer Pre-Acceleration Priority of Payments.

In the event that one or more of certain events of default by the Issuer is outstanding under the Liquidity Facility Agreement, including non-payment of amounts payable by the Issuer to one or more Liquidity Facility Provider(s), such Liquidity Facility Provider(s) may cancel its commitments to make advances to the Issuer.

The Initial Liquidity Facility Agreement was entered into on 6 May 2016 and the Initial Liquidity Facility made available under it expires after each 364 day period other than to the extent renewed by the relevant Liquidity Facility Providers. The Initial Liquidity Facility under the Initial Liquidity Facility Agreement have been renewed each year since 2016 in accordance with the renewal mechanics set out in the Initial Liquidity Facility Agreement. Following the most recent renewal, the Initial Liquidity Facility expires on 28 April 2023 unless renewed again. The Liquidity Facility Providers are not obliged to extend or renew the Initial Liquidity Facility at its expiry, but if a Liquidity Facility Provider does not renew or extend the Initial Liquidity Facility on request then the Issuer will, subject to certain terms, be required to make a Standby Drawing and place the proceeds of that drawing on deposit in the Liquidity Facility Standby Account. The Initial Liquidity Facility Agreement was amended and restated on 30 April 2021.

The Liquidity Facility Providers will be entitled to receive interest and repayments of principal on drawings made under the Initial Liquidity Facility Agreement in priority to payments to be made to Class A Noteholders (which may ultimately reduce the amount available for distribution to Class A Noteholders). Interest in relation to Liquidity Loan Drawings under the Initial Liquidity Facility Agreement (as amended and restated from time to time and renewed annually) is at a rate equal to the Sterling Over-night Index Average reference rate ("**SONIA**)" plus 2.25 per cent. per annum subject to a step up of 0.50 per cent. every six months on drawn amounts. Further, if a Standby Drawing is made, interest will be at a rate equal to SONIA plus 2.25 per cent. per annum **provided that**, unless otherwise agreed with the relevant Liquidity Facility Providers, from 6 May 2026, the margin applicable to Standby Drawings will be subject to a step up of 0.50 per cent. per annum every six months on drawn amounts. Step up amounts are subordinated and a failure to pay the step up amount will not amount to an event of default under the Liquidity Facility Agreement.

In the event that there are four consecutive annual renewals of the Liquidity Facility by a Liquidity Facility Provider, unless such Liquidity Facility Provider has agreed to renew its commitment for a further period,

there will be a Standby Drawing of the entire available commitment of the relevant Liquidity Facility Provider.

See "*Description of the Credit and Liquidity Support Documents—Initial Liquidity Facility Agreement*".

Voting by the Class A Noteholders in respect of a STID Proposal.

The Class A Noteholders exercise their right to vote by "blocking" their Class A Notes in the clearing system and delivering irrevocable instructions to the Class A Registrar or the Class A Principal Paying Agent that the votes in respect of their Class A Notes are to be cast in a particular way. In respect of modifications, consents and waivers to the Common Documents, the Class A Note Trustee (as Secured Creditor Representative) is required to notify the Obligor Security Trustee of each vote received by the Class A Registrar or the Class A Principal Paying Agent no later than the Business Day on which any vote is received. The STID provides that as soon as the Obligor Security Trustee has received sufficient votes from the Obligor Secured Creditors (including the Class A Note Trustee as Secured Creditor Representative of the Class A Noteholders) in favour of a consent, modification or waiver of a Common Document, the Decision Period will be closed and no further votes will be taken into account by the Obligor Security Trustee.

Accordingly, unless a Class A Noteholder exercises its right to vote at the beginning of a Decision Period, it is possible that a consent, modification or waiver of a Common Document may be approved by the Obligor Secured Creditors before such Class A Noteholder has participated in any vote and any consent, modification or waiver of a Common Document duly approved by the Obligor Secured Creditors shall be binding on all of the Class A Noteholders.

Modifications, waivers and consents in respect of the Common Documents, the Finance Documents and the Issuer Transaction Documents.

The Obligor Security Trustee may as requested by the Holdco Group Agent by way of a STID Proposal designated by the Holdco Group Agent as being in respect of a Discretion Matter, in its sole discretion concur with the Holdco Group Agent in making any modification to, giving any consent under, or granting any waiver in respect of any breach or proposed breach of any Common Document to which the Obligor Security Trustee is a party or over which it has the benefit of the Obligor Security under the Obligor Security Documents, if (i) in its opinion, it is required to correct a manifest error, or an error in respect of which an English court could reasonably be expected to make a rectification order, or it is of a formal, minor, administrative or technical nature, or (ii) such modification, consent or waiver is not, in the opinion of the Obligor Security Trustee, materially prejudicial to the interests of any of the Qualifying Obligor Secured Creditors.

The Issuer may also request the Class A Note Trustee to agree to any modification to, or to give its consent to any event, matter or thing, or grant any waiver in respect of the Issuer Transaction Documents (subject to the STID in relation to any Common Documents and the Issuer Deed of Charge in relation to the Issuer Common Documents) without the consent or sanction of the Class A Noteholders or (subject to the below) any other Issuer Secured Creditor.

The Class A Note Trustee may without the consent or sanction of Class A Noteholders and the other Issuer Secured Creditors, concur with, or instruct the Issuer Security Trustee to concur with the Issuer or any other relevant parties in making (i) any modification to the Class A Conditions or the Issuer Transaction Documents (subject to the STID in relation to any Common Documents and the Issuer Deed of Charge in relation to the Issuer Common Documents) or other document to which it is a party or in respect of which the Issuer Security Trustee holds security if, in the opinion of the Class A Note Trustee, such modification is made to correct a manifest error, or an error in respect of which an English court would reasonably be expected to make a rectification order, or is of a formal, minor, administrative or technical nature, or (ii) any modification (other than in respect of a Class A Basic Terms Modification) to the Class A Conditions or any Issuer Transaction Document (subject to the STID in relation to any Common Documents and the Issuer Deed of Charge in relation to the Issuer Common Document) or other document to which it is a party or in respect of which the Issuer Security Trustee holds security if the Class A Note Trustee is of the opinion that such modification is not materially prejudicial (where "**materially prejudicial**" means that such modification, consent or waiver would have a material adverse effect on the ability of the Issuer to pay any amounts of principal or interest in respect of the Class A Notes on the relevant due date for payment therefor) to the interests of the Class A Noteholders **provided that** to the extent such modification under

(ii) above relates to an Issuer Secured Creditor Entrenched Right, each of the affected Issuer Secured Creditors has given its prior written consent.

The Class A Note Trustee may, without prejudice to its rights in respect of any subsequent breach or Class A Note Event of Default, from time to time and at any time but only if and in so far as in its opinion the interests of the Class A Noteholders shall not be materially prejudiced (where "**materially prejudiced**" means that such waiver would have a material adverse effect on the ability of the Issuer to pay any amounts of principal or interest in respect of the Class A Notes on the relevant due date for payment therefor) thereby, waive or authorise (or instruct the Issuer Security Trustee to waive or authorise) any breach or proposed breach by the Issuer of any of the covenants or provisions contained in the Class A Conditions or any Issuer Transaction Document (subject to the STID in relation to any Common Documents and the Issuer Deed of Charge in relation to the Issuer Common Documents) to which it is a party or in respect of which it holds security or determine that any event which would otherwise constitute a Class A Note Event of Default shall not be treated as such for the purposes of the Class A Note Trust Deed **provided that** to the extent such event, matter or thing relates to an Issuer Secured Creditor Entrenched Right, each of the affected Issuer Secured Creditors has given its prior written consent.

Pursuant to the Class A Note Trust Deed and Issuer Deed of Charge, the Class A Note Trustee is authorised to execute and deliver on behalf of each such Issuer Secured Creditor all documentation required to implement such modification. Such execution and delivery by the Class A Note Trustee will bind each of the Issuer Secured Creditors as if such documentation had been duly executed by it.

There can be no assurance that any modification, consent or waiver in respect of the Common Documents or Issuer Transaction Documents will be favourable to all Class A Noteholders. Such changes may be detrimental to the interests of some or all Class A Noteholders, despite the ratings of such Class A Notes being affirmed.

The conditions of the Class A Notes contain provisions for voting by Class A Noteholders to vote on matters affecting their interests generally (other than matters which concern the enforcement of the Obligor Security or modifications to the Common Documents, which matters may only be addressed in accordance with the procedures set out in the STID as described above). These provisions permit defined majorities to bind all Class A Noteholders including Class A Noteholders who do not vote on the relevant matter and Class A Noteholders who voted in a manner contrary to the majority.

The STID and the Issuer Deed of Charge will provide that in certain circumstances, consequential amendments may be made, consents and/or waivers may be granted and provided that the relevant conditions are satisfied, the consent of the Class A Noteholders or any Obligor Senior Secured Creditors or any Issuer Secured Creditors (as applicable) will not be required to effect such amendments, consents and/or waivers and such amendments, consents and/or waivers will not constitute an Entrenched Right, Ordinary Voting Matter, Extraordinary Voting Matter, Issuer Secured Creditor Entrenched Right or other Voting Matter. See "*Description of the Common Documents —Security Trust and Intercreditor Deed*" and "*Description of the Issuer Transaction Documents —Issuer Deed of Charge*" for details.

Class A Noteholders may have less control over STID Proposals than other Qualifying Obligor Secured Creditors.

In respect of modifications, waivers or consents relating to the provisions of the Common Documents, the votes of the Class A Noteholders will be treated as a single class on a pound for pound basis with the other Qualifying Obligor Secured Creditors.

The votes of the Class A Noteholders cannot constitute a majority in respect of any Ordinary Voting Matter or Extraordinary Voting Matter unless the Principal Amount Outstanding under the Class A Notes is sufficiently greater than the amounts outstanding under all the other Voted Qualifying Obligor Secured Liabilities (including the Class A Authorised Credit Facilities) to do so.

This is made more acute by the fact that only the votes of those Class A Noteholders who participate within the specified Decision Period will be taken into account in relation to any Ordinary Voting Matter or Extraordinary Voting Matter; whereas the entire outstanding principal amount under any Authorised Credit Facility will be counted to both the numerator and the denominator in respect of the Quorum Requirement and majority required once the requisite minimum quorum and voting requirement has been met in respect of such facility. This right with respect to the other Authorised Credit Providers is referred to as a "**drag-**

along right". It is possible that the interests of certain Qualifying Obligor Secured Creditors will not be aligned with the interests of a Series or Sub-Class of Class A Noteholders, and it is possible that, in relation to votes on certain matters, by reason of the relative size of Qualifying Obligor Secured Liabilities that are capable of being voted by the Qualifying Obligor Secured Creditors other than the Issuer and the drag-along rights with respect to the other Qualifying Obligor Secured Liabilities, the Obligor Security Trustee is given an instruction which is not in the interests of Class A Noteholders.

The STID also contains "snooze you lose" provisions with the consequence that Obligor Secured Creditors (including, indirectly, the Class A Noteholders) which fail to participate in a vote or fail to assert an Entrenched Right within the applicable time period are not counted for the purposes of determining whether voting thresholds have been reached and are prevented from later asserting any applicable Entrenched Right respectively.

Irrespective of the result of voting at a meeting of Class A Noteholders in relation to a proposed STID Proposal, any STID Proposal duly approved shall be binding on all of the Class A Noteholders.

Regulatory initiatives may result in increased regulatory capital requirements for certain investors and/or decreased liquidity in respect of the Class A Notes.

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in numerous measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in certain securitisation exposures and/or the incentives for certain investors to invest in securities issued under such structures, and may thereby affect the liquidity of such securities. Investors in the Class A Notes are responsible for analysing their own regulatory position and none of the Dealers nor any of the parties to the transaction makes any representation to any prospective investor or purchaser of the Class A Notes regarding the regulatory capital treatment of their investment in the Class A Notes at any time.

Class A Noteholders in any Member State of the EEA and in the UK should consult their own advisers as to the consequences to, and effect on, them of the application of Directive 2013/36/EU (as amended) and Regulation (EU) No. 575/2013, as amended (together "**CRD**"), as implemented by their own regulator, or Regulation (EU) No. 575/2013 (as it forms part of domestic law by virtue of the EUWA) and the UK legislation and rules implementing Directive 2013/36/EU (as amended) (as applicable) to their holding of any Class A Notes. The Issuer is not responsible for informing Class A Noteholders of the effects of the changes to risk-weighting which will result for investors from the adoption of CRD by their own regulator.

The Issuer has considered, and obtained legal advice as to, the applicability of the UK Securitisation Regulation and the EU Securitisation Regulation to this transaction and is of the opinion that the Class A Notes do not constitute an exposure to a "securitisation position" for the purposes of the UK Securitisation Regulation and the EU Securitisation Regulation.

However, investors should be aware that the regulatory capital treatment of any investment in the Class A Notes will be determined by the interpretation which an investor's regulator places on the provisions of the UK Securitisation Regulation and the EU Securitisation Regulation. Prospective investors should therefore be aware that should the UK Securitisation Regulation and the EU Securitisation Regulation apply to an investment in the Class A Notes, significantly higher capital charges may be applied to that investor's holding and/or any further changes to the regulation or regulatory treatment of the Class A Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Class A Notes in the secondary market. No assurance can be given that further changes will not be made to the UK Securitisation Regulation and the EU Securitisation Regulation, which could impact holders of the Class A Notes.

Prudential regulation reforms under Basel or other frameworks may have an adverse impact on the regulatory capital treatment of the Class A Notes.

Investors should note in particular that the Basel Committee on Banking Supervision ("**BCBS**") has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS as Basel III, and commonly referred to as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the

securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of the Class A Notes. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II frameworks in Europe and the UK, both of which are under review and subject to further reforms. Investors in the Class A Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Class A Notes and should consult their own advisers in this respect.

The Class A Notes will be new securities for which there is no established trading market.

Application has been made to the Central Bank, as competent authority under the Prospectus Regulation, for this Base Prospectus to be approved as a prospectus, and to Euronext Dublin for the Class A Notes to be admitted to the Official List and trading on the Regulated Market. The Class A Notes are a new issue of securities for which there is currently no market. The Arranger and/or the Dealers may make a market in the Class A Notes as permitted by applicable laws and regulations. However neither the Arranger nor the Dealers are obligated to make a market in the Class A Notes and they may discontinue their market-making activities at any time without notice. Therefore, the Holdco Group cannot assure any investor as to the development or liquidity of any trading market for the Class A Notes. The liquidity of any market for the Class A Notes will depend on a number of factors, including:

(i) the number of Class A Noteholders;

(ii) the operating performance and financial condition of the Holdco Group;

(iii) the market for similar securities;

(iv) the interest of securities dealers in making a market in the Class A Notes; and

(v) prevailing interest rates.

Historically, the debt capital markets have been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Class A Notes. The Holdco Group cannot assure investors that the market, if any, for the Class A Notes will be free from similar disruptions or that any such disruptions may not adversely affect the prices at which the investors may sell the Class A Notes. Therefore, the Holdco Group cannot assure investors that they will be able to sell the Class A Notes at a particular time nor that the Class A Notes will receive a favourable price from such sale. Consequently, investors in the Class A Notes should be aware that they may have to hold the Class A Notes until their maturity.

In addition, the market value of the Class A Notes may fluctuate with changes in prevailing rates of interest, market perceptions of the risks associated with the Class A Notes, supply and other market conditions. Consequently, any sale of Class A Notes by Class A Noteholders in any secondary market which may develop may be at a discount to the original purchase price of such Class A Notes.

Rating Agency assessments, downgrades and changes to Rating Agency criteria may result in ratings volatility on the Class A Notes.

The ratings assigned to the Class A Notes by S&P address the likelihood of full and timely payment to the Class A Noteholders of all payments of interest due on each Class A Note Interest Payment Date and the full repayment of the principal amount of the Class A Notes on or before the relevant Final Maturity Date. There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the Rating Agency as a result of changes in or unavailability of information or if, in the Rating Agency's judgement, circumstances so warrant. Rating organisations other than the Rating Agency could seek to rate the Class A Notes and, if such "unsolicited ratings" are lower than the comparable rating assigned to the Class A Notes by the Rating Agency, such "shadow ratings" could have an adverse effect on the value of the Class A Notes.

In addition, future events, including events affecting the Holdco Group, could have an adverse effect on the rating of the Class A Notes.

Where a particular matter (including the determination of material prejudice by a Trustee) involves S&P being requested to confirm that a proposed action would not result in a downgrade or a CreditWatch

placement, such confirmation is given at the sole discretion of the Rating Agency. Depending on the timing of the delivery of the request and any relevant information, there is a risk that the Rating Agency will not be able to provide its confirmation in the time available or at all. The Rating Agency will not be responsible for the consequences of any failure to deliver a rating confirmation on any particular timescale.

Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time, and in the context of cumulative changes to the transaction of which the Class A Notes form part since the Closing Date. A confirmation of ratings represents only a restatement of the opinions given at the Closing Date and cannot be construed as advice for the benefit of any parties to the transaction or as confirmation that an event or amendment is in the best interests of, or not materially prejudicial to the interests of, the Class A Noteholders. No assurance can be given that a requirement to seek a ratings confirmation will not have a subsequent impact upon the business of the Issuer.

Under the terms of the Class A Note Trust Deed, the Class A Note Trustee will acknowledge that it does not have any right of recourse to or against the Rating Agency in respect of a ratings confirmation which the Class A Note Trustee relies upon.

Reliance by the Issuer Security Trustee or the Obligor Security Trustee, the Class A Note Trustee or any Class B Note Trustee on any ratings assessment will not create, impose on or extend to the Rating Agency any actual or contingent liability to any person (including, without limitation, the Issuer Security Trustee, the Obligor Security Trustee, the Class A Note Trustee or any Class B Note Trustee and/or any Class A Noteholder) or create any legal relations between the Rating Agency and the Issuer Security Trustee, the Obligor Security Trustee, the Class A Note Trustee or any Class B Note Trustee, any Class A Noteholder or any other person whether by way of contract or otherwise.

A ratings confirmation will be a point-in-time assessment which:

(a) will not constitute a credit rating by the Rating Agency;

(b) will not be monitored by the Rating Agency and therefore will not be updated to reflect changed circumstances or information that may affect the rating confirmation; and

(c) will not address other matters that may be of relevance to the Class A Noteholders,

and such ratings confirmation will be issued on the basis that the Issuer Security Trustee, the Obligor Security Trustee, the Class A Note Trustee or any Class B Note Trustee and each Class A Noteholder will be deemed to have acknowledged and agreed to the above terms.

None of the Issuer Security Trustee, the Obligor Security Trustee, the Class A Note Trustee or any Class B Note Trustee, or any Class A Noteholder will have any right of recourse to or against the Rating Agency in respect of a ratings confirmation which is relied upon by the Issuer Security Trustee or the Obligor Security Trustee, the Class A Note Trustee or any Class B Note Trustee.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

Class A Definitive Notes not having denominations in integral multiples of the minimum authorised denomination may have difficulty in trading in the secondary market.

The Class A Notes have a denomination consisting of a minimum authorised denomination of £100,000 (or the equivalent in other currencies) plus higher integral multiples of £1,000 up to £199,000. Accordingly, it is possible that the Class A Notes may be traded in amounts in excess of the minimum authorised denomination that are not integral multiples of such denomination. In such a case, if Class A Definitive Notes are required to be issued, a Class A Noteholder who holds a principal amount less than the minimum authorised denomination at the relevant time may not receive a Class A Definitive Notes in respect of such holding and may need to purchase a principal amount of Class A Notes such that their holding amounts to the minimum authorised denomination (or another relevant denomination amount).

If Class A Definitive Notes are issued, Class A Noteholders should be aware that Class A Definitive Notes which have a denomination that is not an integral multiple of the minimum authorised denomination may be illiquid and difficult to trade.

Class A Notes in book-entry form will be subject to the rules of Euroclear or Clearstream (as applicable) respectively, which may not be adequate to ensure the owners their timely exercise of rights under the Class A Notes.

The Class A Notes will initially only be issued in global form and deposited with a Common Safekeeper or depositary for Euroclear or Clearstream, Luxembourg, as applicable. Interests in the Class A Global Notes will trade in book-entry form only. The Common Safekeeper or depositary, or its nominee, for Euroclear or Clearstream, Luxembourg as applicable will be the sole holder of the Class A Global Notes representing the Class A Notes. Accordingly, owners of book-entry interests must rely on the procedures of Euroclear or Clearstream, Luxembourg, as applicable, and non-participants in Euroclear or Clearstream, Luxembourg as applicable, must rely on the procedures of the participant through which they own their interests, to exercise any rights and obligations of a holder of Class A Notes.

Unlike the holders of the Class A Notes themselves, owners of book-entry interests will not have the direct right to act upon the Issuer's solicitations for consents, requests for waivers or other actions from holders of the Class A Notes. The procedures to be implemented through Euroclear or Clearstream, Luxembourg, as applicable, may not be adequate to ensure the timely exercise of rights under the Class A Notes.

Prepayment of Class A IBLA Advances may negatively affect the projected yield to maturity of the corresponding Class A Notes.

The yield to maturity of the Class A Notes will depend on, amongst other things, the amount and timing of the repayment and prepayment of principal on the corresponding Class A IBLA Advance and the price paid by the Class A Noteholders. Such yield may be adversely affected by a higher or lower than anticipated rate of prepayment on the applicable Class A IBLA Advance. The rate of prepayment of the applicable Class A IBLA Advance cannot be predicted and will be influenced by a wide variety of economic and other factors including, prevailing interest rates, the state of the UK economy and the availability of alternative financing. Therefore, no assurance can be given as to the level of prepayment that will be experienced.

Purchase of the Class A Notes by Class B Noteholders and/or Class B Authorised Credit Providers in the event that Class B Noteholders and/or Class B Authorised Credit Providers exercise the Class B Call Option may negatively affect the yield to maturity of the Class A Notes.

Any one or more Class B Noteholders or any one or more Class B Authorised Credit Providers shall, following the occurrence of a Class B Call Option Trigger Event, be entitled to purchase all, but not some only, of the Class A Notes and any Class A Authorised Credit Facility within the Class B Call Option Period in return for the payment of the Class B Call Option Purchase Price in immediately transferable funds to the existing Class A Noteholders and the relevant Class A Authorised Credit Providers. Any such exercise by Class B Noteholders of the Class B Call Option may impact, *inter alia*, the yield to maturity on the Class A Notes. See "*Summary of the Class A Transaction Documents—Issuer Deed of Charge—Class B Call Option*". For further details in relation to the Class B Call Option, please see the section "*Description of the Issuer Class A Transaction Documents—Class B Call Option*". This section sets out a fuller description of the conditions and circumstances which must be satisfied in order for Class B Noteholders to be able to exercise the Class B Call Option.

Risks Relating to Taxation

A change of tax law and practice might have an adverse effect on the financial position of the Issuer or the Obligors.

The structure of the transaction, the issue of the Class A Notes, the ratings that are to be assigned to them and the statements in relation to taxation set out in this Base Prospectus are based on current law and the published practice of the relevant authorities in force or applied as at the date of this Base Prospectus. Any changes in such law or practice might have an adverse effect on the financial position of the Issuer or the Obligors and no assurance can be given as to the effect of any possible judicial decision or change of law or the administrative practice of any jurisdiction or relevant authorities after the date of this Base Prospectus.

Roadside breakdown subscription policies are considered to be an insurance product for taxation purposes and are subject to IPT, the rate of which is currently 12 per cent. It is possible that rises in this rate may be imposed in future. There is a risk that RAC may be unable to pass on any such increases in full to customers, resulting in a cost to RAC. HMRC also launched a consultation in November 2020 in relation to the operation of IPT which reported on 30 November 2021. It is possible that a change of tax law may result from the proposals.

RAC is currently in litigation with HMRC in respect of the deductibility for corporation tax purposes of the amortisation of certain intangible assets.

RAC is currently in litigation with HMRC regarding the deductibility for corporation tax purposes of the amortisation of certain intangible assets for periods between 2012 and 2015, following a reorganisation of ownership of these assets in 2012. In the event that the deductions claimed were ultimately found not to be valid, additional corporation tax of approximately £28.5 million (including the tax in dispute between 2012 and 2015 and further tax due in relation to periods since 2015, excluding any interest) would become payable. These amounts were paid to HMRC in December 2022 on a without prejudice basis to preclude the incurrence of further interest charges.

The Borrower's UK tax position may change which may adversely affect the ability of the Borrower to repay the Class A IBLA and so the ability of the Issuer to repay the Class A Notes.

There can be no assurance that UK tax law and practice will not change in a manner (including, for example, an increase in the rate of corporation tax) that would adversely affect the ability of the Borrower to repay amounts of principal and interest under the Class A IBLA. Similarly, UK tax law and practice can be subject to differing interpretations and the Borrower's interpretation of the relevant tax law as applied to their transactions and activities may not coincide with that of HMRC. As a result, transactions of the Borrower may be challenged by HMRC and any profits of the Borrower from its activities in the UK may be assessed to additional tax which may adversely affect the ability of the Borrower to repay amounts of principal and interest under the Class A IBLA. If, in turn, the Issuer does not receive all amounts due from the Borrower under the Class A IBLA, the Issuer may not have sufficient funds to enable it to meet its payment obligations under the Class A Notes and/or any other payment obligations ranking in priority to, or equally with, the Class A Notes.

Withholding tax in respect of the Class A Notes.

All payments made under the Class A Notes can be made without deduction or withholding for or on account of any UK income tax **provided that** at the time of payment the Class A Notes are officially listed in Ireland, in accordance with provisions corresponding to those generally applicable in EEA states, and are admitted to trading on the Regulated Market of Euronext Dublin (or are otherwise listed on a recognised stock exchange for the purposes of Section 1005 of the Income Tax Act 2007) (see "*Tax Considerations—United Kingdom Taxation*").

In respect of the Class A Notes, in the event that any withholding or deduction is required to be made for or on account of Tax imposed by the UK from payments due under the Class A Notes, neither the Issuer, any Class A Paying Agent nor any other person will be obliged to pay any additional amounts to Class A Noteholders or, if Class A Definitive Notes are issued, Class A Couponholders, in respect of any such withholding or deduction.

If, as a result of a change in tax law, a withholding or deduction is required to be made in respect of payments of principal or interest or other amounts due and payable under the Class A Notes, the Issuer will (subject to meeting certain conditions and after giving notice) have the option (but not the obligation) of redeeming all (but not some only) of the affected Class A Notes in full at the Principal Amount Outstanding together with accrued but unpaid interest up to but excluding the date of redemption. For the avoidance of doubt, none of the Class A Note Trustee, Class A Noteholders or Class A Couponholders will have the right to require the Issuer to redeem the Class A Notes in these circumstances.

See "*Tax Considerations—United Kingdom Taxation*" for further discussion of withholding tax in respect of the Class A Notes.

The payments on the Class A IBLA may be subject to withholding tax which may result in a prepayment of the Class A IBLA, and so an early redemption of the Class A Notes, and may also impact on the

Borrower's ability to repay the Class A IBLA in full, and so the Issuer's ability to repay the Class A Notes in full.

The Borrower will be required to make payments of interest to the Issuer under the Class A IBLA without deduction or withholding for or on account of UK income tax if and for so long as the Issuer is and continues to be a person who is entitled to receive such payments gross of such a deduction or withholding. The Issuer has been advised that it is currently such a person.

In the event that any withholding or deduction for or on account of Tax is required to be made from any payment due to the Issuer under the Class A IBLA, the amount of that payment will be increased so that, after such withholding or deduction has been made, the Issuer will receive a cash amount equal to the amount that it would have received had no such withholding or deduction been required to be made.

If, as a result of a change in tax law, the Borrower is obliged to increase any sum payable by it to the Issuer as a result of the Borrower being required to make a withholding or deduction from that payment under the Class A IBLA, the Borrower will have the option (but not the obligation) to prepay all relevant outstanding advances made under the Class A IBLA in full. If the Borrower chooses to prepay all or part of any advance made under the Class A IBLA, the Issuer will then be required to redeem (i) (where such advance is being prepaid in whole) all of the Class A Notes; or (ii) (where part only of such advance is being prepaid) the proportion of the Class A Notes which the proposed prepayment amount bears to the amount of the relevant advance. Such a redemption would be for a redemption price calculated in accordance with Class A Condition 7 ("*Redemption, Purchase and Cancellation*"). If the Borrower does not have sufficient funds to enable it either to repay the Class A IBLA or to make increased payments to the Issuer, the Issuer's ability to make timely payments of interest and principal under the Class A Notes could be adversely affected.

Withholding tax in respect of the Issuer Hedging Agreements may result in the termination of the Hedging Agreements and/or the redemption of the Class A Notes.

The Issuer and members of the Holdco Group believe that all payments under the Hedging Agreements can under current law be made without deduction or withholding for or on account of any UK tax. In addition, the Issuer is not obliged to gross up for any deductions or withholdings on account of Tax in respect of payments it makes under the Hedging Agreements, and is generally entitled (subject to complying with certain conditions) to be grossed up for any deductions or withholdings on account of Tax in respect of payments it receives under the Hedging Agreements.

In the event that any action taken by a Tax Authority or brought in a court of competent jurisdiction or a change in Tax law after the date a transaction is entered into under a Hedging Agreement means that either the Issuer or the Hedge Counterparty will, or there is a substantial likelihood that it will, be obliged to gross up payments under the relevant Hedging Agreement or receive any such payments net of withholding tax, the party required to gross up or receive net of withholding tax may (if certain mitigating measures are not successful) terminate the relevant Hedging Agreement in accordance with its terms.

If, by reason of a change in law or regulation (or the application or official interpretation thereof), a Hedge Counterparty would be entitled to terminate the Hedging Agreement in accordance with its terms as a result of the Issuer or the Hedge Counterparty being required to make any withholding or deduction for or on account of any Taxes from payments in respect of the Hedging Agreement, the Issuer will (subject to meeting certain conditions and after giving notice) have the option (but not the obligation) of redeeming all (but not some only) of the affected Class A Notes in full at the Principal Amount Outstanding (but excluding any premium) plus accrued but unpaid interest thereon up to but excluding the date of redemption. For the avoidance of doubt, neither the Class A Note Trustee nor the Class A Noteholders will have the right to require the Issuer to redeem the Class A Notes in these circumstances. See Condition 7(d) (*Redemption for Taxation or Other Reasons*).

If the Issuer were to cease to qualify as a securitisation company this may have an adverse effect on the Issuer's UK tax position, which could adversely affect the Issuer's ability to make timely payment of interest and principal under the Class A Notes.

The Issuer is incorporated in England and Wales and resident for tax purposes in the UK and has been advised that it should be a "securitisation company" for the purposes of the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296). Accordingly, the Issuer should be subject to corporation tax

in the UK on its "retained profit" only, in accordance with the special regime for securitisation companies as provided for by those regulations.

If the Issuer were to cease to qualify as a securitisation company for the purposes of those regulations, its profits or losses for tax purposes might be different from its cash position and there might be a risk of the Issuer incurring unfunded tax liabilities. In addition, interest paid on the Class A Notes could be disallowed for UK corporation tax purposes which could cause a significant divergence between the cash profits and the taxable profits in the Issuer. Any unforeseen taxable profits in the Issuer could adversely affect the Issuer's ability to make timely payment of interest and principal under the Class A Notes. If the Issuer ceases to be a "securitisation company" as a result of a change in tax law, the Issuer will have an option (but not the obligation) of redeeming all of the affected Class A Notes in full.

U.S. Foreign Account Tax Compliance ("FATCA")

While the Class A Notes are in global form and held within the Clearing Systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the Clearing Systems (see "*Tax Considerations*"). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Class A Notes are discharged once it has paid the Common Depositary or Common Safekeeper for the Clearing Systems (as the holder of the Class A Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the Clearing Systems and custodians or intermediaries.

Risks Relating to Regulatory and Legislative Matters

RAC collects extensive personal data from Members, Corporate Partners, business contacts and employees, the treatment of which is subject to substantial regulation.

RAC regularly collects, processes, stores and uses personal data (including name, address, age, bank and credit card details and, in some circumstances, special category data) from its Members, Corporate Partners, business contacts and employees as part of the operation of its business, and therefore must comply with data protection laws in the UK and the payment card industry security standard requirements. Those laws and regulations impose certain requirements on RAC in respect of the collection, use, processing and sharing of personal data.

There is a risk that data collected by RAC may not be processed in accordance with notifications made to data subjects. In some cases, the consent of those data subjects may also be required to process the personal data for the purposes notified to them. The scope of the notification made to, and consents obtained from, data subjects may limit RAC's ability to deal freely with the personal data in its databases. It may not be possible for RAC to lawfully use that data for purposes other than those notified to data subjects, or for which they have provided consent. Failure to comply with data protection laws could potentially lead to regulatory censure, in particular by the UK Information Commissioner's Office, fines, civil and criminal liability, and reputational and financial costs. In addition, data protection laws, and other laws relating to the use of data, are rapidly evolving and may become more burdensome and costly to RAC's operations.

The EU General Data Protection Regulation ("**GDPR**"), began to apply from 25 May 2018 and introduced significant changes to data protection law. In particular, the GDPR contains much higher penalties for breaches, new obligations for data processors, increased accountability, expanded rights for data subjects and an extended territorial scope. RAC has specialist teams in place to ensure the appropriate recording, storage, safeguarding and usage of data and operates a number of controls and procedures to ensure full

compliance with GDPR. Regular training and briefings are provided to employees to ensure that information security and data protection obligations are understood and embedded across the organisation.

On 31 January 2020, the UK withdrew from membership in the EU and on 31 December 2020 the UK's Brexit transition period ended with the UK and the EU implementing the EU—UK Trade and Cooperation Agreement. The GDPR (as it was applied at the end of the transition period) was incorporated into UK law at the end of the transition period under the UK Data Protection Act 2018 and certain UK Brexit-related regulations. As a result of the UK's exit from the EU, the UK is now a third country for the purpose of the GDPR rules regarding personal data exports from the EEA, meaning that in the absence of an "adequacy" finding from the European Commission, organisations exporting personal data from the EEA to the UK may be required to implement additional safeguards in respect of any such data exports, for example standard contractual clauses or Binding Corporate Rules. On 28 June 2021, the European Commission adopted two adequacy decisions under the GDPR and Law Enforcement Directive meaning that personal data can flow freely from the EU to the UK. However these decisions have sunset clauses of four years after which they will be reviewed so at that point, or if these decisions are revoked for any reason, RAC may be required by the GDPR to implement additional safeguards in respect of any data transfers RAC make from the EEA to the UK, which might impose an additional administrative and cost burden on RAC's business. The UK government has announced the Data Protection and Digital Information Bill which aims to maintain adequacy but increase flexibility for UK business. It is possible that this will affect the EU's adequacy decisions. Under UK data protection laws, the EEA is considered to be an "adequate" destination for exports of personal data from the UK, and so UK data protection law does not currently require additional safeguards in respect of any such data exports.

RAC is also exposed to the risk that the personal data it controls could be wrongfully accessed or used, whether by employees or third parties, or otherwise lost or disclosed or processed, in breach of applicable data protection law. If RAC, or any of the third party service providers on which it relies, fails to process, store or protect such personal data in a secure manner or if any such theft or loss of personal data were otherwise to occur, RAC could face liability under data protection laws. This could also result in damage to its brand and reputation, as well as the loss of new or existing Members or other customers, any of which could have a material adverse effect on its business, prospects, financial condition or results of operations. See "*—RAC is dependent on the strength and favourable recognition of its brand*". RAC has invested significant resources in information security and has a threat-centric continuous improvement plan in place. RAC undertakes regular security testing and the Data Protection team has a robust framework of policies and procedures in place to help with early identification and handling of any data-related issues.

RAC is subject to laws and regulations that could adversely affect its business.

The industries in which RAC operates are affected by government regulation in the form of national and local laws and regulations in relation to health and safety, the conduct of operations and taxation. RAC is subject to prudential and consumer protection measures imposed by a number of insurance and financial services regulators, including the Financial Conduct Authority ("**FCA**"), the Prudential Regulation Authority ("**PRA**"), ICO, HM Treasury and the UK Competition & Markets Authority. In the UK, the PRA is the primary regulatory authority of the insurance sector and the FCA of the insurance intermediation sector. Each has prescribed certain rules, principles and guidance with which RAC and others in the insurance and financial services industries must comply. The PRA and the FCA regularly update and amend the regulations and interpretation that apply to such regulation and the new FCA Consumer Duty, which comes into force in July 2023, sets clearer and higher expectations for firms' standards of care towards consumers, imposing an overarching duty on firms to act to deliver good outcomes to retail customers. In addition, the second phase of the Operational Resilience regulatory project requires firms to ensure that their important business services are within tolerance thresholds by 2025.

RAC has specific project teams set up to deal with the current regulatory change projects that are active and a robust horizon-scanning framework which ensures that it is aware of forthcoming proposed changes and deals with them appropriately. However, any failure to comply with relevant regulations, and future regulations to be implemented, could result in customer detriment, regulatory enforcement and/or significant brand/reputational damage to RAC.

With respect to each of its business areas, regulatory proceedings could result in a public reprimand, substantial monetary fines or other sanctions which could have a material adverse effect on RAC's business, prospects, financial condition or results of operations.

RACMS currently benefits from an exemption under which the provision of certain breakdown services is not treated as a regulated activity. Any change in law, regulation or in interpretation of law or regulation, or change in operational model in respect of those services, could result in the requirement for structural change of RAC's business and policies which could significantly increase the costs of the business.

RAC's roadside operations necessarily require attendance by Patrols or third-party contractors to inspect and repair Member's vehicles at the roadside. RAC recognises that health and safety is an essential part of its responsibility towards its employees and all those affected by its business activities. RAC's operations are subject to various laws and regulations relating to health and safety, employment, environmental and other matters. If RAC fails to comply with any such laws or regulations, it could be subject to sanctions such as mandatory shut-downs, damages, criminal prosecutions and injunctive action. Changes in governmental regulations, as well as maintaining compliance with required standards, may also significantly increase RAC's costs, the price of membership and access to its services, which in turn could materially and adversely affect its business, prospects, financial condition or results of operations. See also "*—RAC is exposed to the risk of litigation or regulatory inquiries or investigations, including, but not limited to, that arising from roadside injuries or death*".

RAC may also be subject to regulatory and governmental inquiries and investigations, the impact of which may be difficult to assess or quantify. Any negative publicity arising in connection with any inquiries and litigation or regulatory investigation affecting RAC's business could adversely affect its reputation. Regulatory and governmental inquiries and investigations may also result in substantial costs and expenses and divert the attention of RAC's management. Future regulatory and governmental inquiries and investigations could lead to increased costs or interruption of RAC's normal business operations, which may have a material adverse effect on its business, prospects, financial condition or results of operations.

FORWARD-LOOKING STATEMENTS

This Base Prospectus contains various forward-looking statements that reflect management's current views with respect to future events and anticipated financial and operational performance. Forward-looking statements as a general matter are all statements other than statements as to historical facts or present facts or circumstances. The words "aim", "anticipate", "assume", "believe", "contemplate", "continue", "could", "estimate", "expect", "forecast", "intend", "likely", "may" "might", "plan", "positioned", "potential", "predict", "project", "remain", "should", "will" or "would", or, in each case, their negative, or similar expressions, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. These forward-looking statements include all matters that are not historical facts and include statements regarding the intentions, beliefs or current expectations of RAC's management concerning, among other things, the results of operations, financial condition, liquidity, prospects, growth, strategies of the Holdco Group and/or RAC (as the context requires) and the industry in which RAC operates. Forward-looking statements appear in a number of places in this Base Prospectus, including, without limitation, in the sections entitled "*General Description of the Offering Programme*", "*Risk Factors*", "*Business*" and "*Regulatory Summary*".

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the financial position and results of operations and the development of the markets and the industries in which RAC operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Base Prospectus. In addition, even if RAC's results of operations and financial position and the development of the markets and industries in which it operates are consistent with the forward-looking statements contained in this Base Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. A number of risks, uncertainties and other factors could cause results and developments to differ materially from those expressed in or implied by the forward-looking statements. See "*Risk Factors*" below.

Additional factors that could cause RAC's actual results, performance or achievements to differ materially from those set out in the forward-looking statements include, but are not limited to, those discussed under "*Risk Factors*". The factors described above and others described under the caption "*Risk Factors*" should not be construed as exhaustive. Due to such uncertainties and risks, potential investors in the Class A Notes are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this Base Prospectus. Prospective investors are urged to read this Base Prospectus, including the sections entitled "*Risk Factors*" and "*Business*", for a more complete discussion of the factors that could affect RAC's future performance and the industry in which it operates.

These forward-looking statements speak only as of the date of this Base Prospectus. RAC expressly undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law or regulation. Accordingly, prospective investors are cautioned not to place undue reliance on any of the forward-looking statements herein. In addition, all subsequent written and oral forward-looking statements attributable to RAC or to persons acting on RAC's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Base Prospectus, including those set forth in the section entitled "*Risk Factors*".

TRADEMARKS AND TRADE NAMES

RAC is the registered owner of or has rights to certain trademarks or trade names that it uses in conjunction with the operation of its business. Each trademark, trade name or service mark of any other company appearing in this Base Prospectus is the property of its respective holder.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Consolidated financial information

The Issuer is a special purpose company and was incorporated on 24 March 2016 for the purpose of issuing the Class A Notes and the Class B Notes and lending the proceeds of such issuances to the Borrower. The Issuer has not engaged in any activities, and has no assets, other than those related to its formation and subsequent issuances of:

- Class A1 Notes and Class A2 Notes on 6 May 2016;
- Class B1 Notes on 7 July 2017; and
- Class B2 Notes on 4 November 2021.

Accordingly, the results of the Issuer do not represent the results of RAC and separate financial information of the Issuer is not presented in this Base Prospectus.

Unless otherwise indicated, in this Base Prospectus the financial information for RAC is presented:

- as at and for the year ended 31 December 2020, based on the audited consolidated financial statements of RAC as at and for the year ended 31 December 2021 (with comparative financial information for the year ended 31 December 2020), prepared in accordance with the IFRS as adopted in the UK ("**IFRS**"), together with the related notes (the "**2021 Annual Financial Statements**"); and
- as at and for the years ended 31 December 2021 and 2022, based on the audited consolidated financial statements of RAC as at and for the year ended 31 December 2022 (with comparative financial information for the year ended 31 December 2021), prepared in accordance with the IFRS, together with the related notes (the "**2022 Annual Financial Statements**" and, together with the 2021 Annual Financial Statements, the "**Financial Statements**").

RAC's presentation currency is pounds sterling. Accordingly, the Financial Statements included herein are presented in pounds sterling.

2022 Restatements

In the 2022 Annual Financial Statements, RAC restated its revenue and cost of sales for the year ended 31 December 2021, in each case, to reduce them by £21 million as a result of changes to its accounting treatment of certain insurance commissions. No restatements due to the above mentioned changes in accounting treatment were made to revenue or cost of sales reported for the year ended 31 December 2020 in the 2021 Annual Financial Statements. RAC estimates that had revenue and cost of sales for the year ended 31 December 2020 been so restated, that would have resulted in their reduction by £26 million.

Non-IFRS financial measures

In this Base Prospectus, certain financial measures are presented on consolidated or segmental basis that are not defined by IFRS, including the following:

- "**Adjusted revenue**" is statutory revenue adjusted for a change in RAC's estimation of deferred service revenue for the sale of certain insured roadside insurance services and related commissions. RAC began reporting Adjusted revenue in its 2022 Annual Financial Statements for the years ended 31 December 2022 and 2021. No Adjusted revenue was reported in the 2021 Annual Financial Statements for the years ended 31 December 2021 or 2020. There was no difference between statutory and adjusted revenue for the year ending 31 December 2021 (and there would have been no such difference for the year ended 31 December 2020 had adjusted revenue been reported for that year).
- "**Adjusted EBITDA**" is EBITDA before exceptional items, adjusted for changes to deferred service revenue estimates. RAC began reporting Adjusted EBITDA in its 2022 Annual Financial Statements for the years ended 31 December 2022 and 2021. No Adjusted EBITDA was reported in the 2021 Annual Financial Statements for the years ended 31 December 2021 or 2020. There was no difference between EBITDA before exceptional items and Adjusted EBITDA for the year ending 31 December 2021 (and there would have been no such difference for the year ended 31 December 2020 had Adjusted EBITDA been reported for that year).
- "**Adjusted EBITDA Margin**" is Adjusted EBITDA for a year as a percentage of adjusted

revenue for the same year.

- "**EBITDA before exceptional items**" is profit or loss for the year before finance expenses, tax credit or charge, depreciation, amortisation, impairment and exceptional items.
- "**EBITDA before exceptional items Margin**" is EBITDA before exceptional items for a year as a percentage of statutory revenue for the same year.
- "**EBITDA before head office costs**" is EBITDA before exceptional items before head office costs, which cannot be internally analysed into operating segments.
- "**Operating Cash Conversion**" is net cash flows from operating activities as a percentage of EBITDA before exceptional items.
- "**Adjusted net cash flows from operating activities**" is net cash flows from operating activities for the year, adjusted for the cash impact of certain exceptional items.
- "**Adjusted Operating Cash Conversion**" is Adjusted net cash flows from operating activities as a percentage of Adjusted EBITDA.
- "**Segment EBITDA before head office costs**" is, for each operating segment, its contribution to EBITDA before head office costs.
- "**Net debt**" is total debt adjusted for (i) interest accrued, but unpaid; (ii) amount drawn under Working Capital Facility; (iii) capitalised debt issue costs; (iv) IFRS 16 lease liabilities and (v) cash and cash equivalents.
- "**Leverage**" is calculated as net debt to (i) Adjusted EBITDA for the years ended 31 December 2022 and 2021 and (ii) EBITDA before exceptional items for the year ended 31 December 2020.
- "**Change in Net Working Capital**" is the movement in receivables, payables and inventory.
- "**Other operating cash flows**" is those cash flows from exceptional items and payments to pension schemes and represent (i) £1 million of payments to pension schemes for the year ended 31 December 2021; and (ii) £20 million of operating cash impact of exceptional items for the year ended 31 December 2022.
- "**Investment and maintenance capital expenditures**" is all expenditures on intangible assets and property, plant and equipment excluding expenditures categorised as customer acquisition capital expenditures.
- "**Customer acquisition capital expenditures**" is expenditure on contract costs under IFRS 15 and customer acquisition intangibles under IAS 38.
- "**Total capital expenditures**" is investment and maintenance capital expenditures plus customer acquisition capital expenditures.

These non-IFRS measures are sometimes used by investors to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditures and working capital requirements. There are no generally accepted principles governing the calculation of these non-IFRS measures, and the criteria upon which such measures are based can vary from company to company. These non-IFRS measures do not provide a sufficient basis to compare RAC's performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance or as an alternative to cash generated from (or used in) operating, investing or financing activities as a measure of liquidity. In addition, these measures should not be used instead of, or considered as an alternative to, RAC's historical financial results under IFRS. Also, these measures may be different from similarly defined measures in the Obligor Security Documents, the Common Terms Agreement, the Master Definitions Agreement, the STID, the Borrower Account Bank Agreement and the Tax Deed of Covenant (together, the "**Common Documents**"). See "*Description of the Common Documents*".

Adjusted EBITDA, EBITDA before exceptional items, EBITDA before head office costs and Segment EBITDA before head office costs have limitations as analytical tools, and investors should not consider them in isolation. Some of these limitations are:

- they do not reflect RAC's cash expenditures or future requirements for capital expenditures or

contractual commitments;

- they do not reflect changes in, or cash requirements for, RAC's working capital needs;
- they do not reflect any cash income taxes that RAC may be required to pay;
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments on RAC's debt;
- although depreciation and amortisation are non-monetary charges, the assets being depreciated and amortised will often need to be replaced in the future and Adjusted EBITDA, EBITDA before exceptional items, EBITDA before head office costs and Segment EBITDA before head office costs do not reflect any cash that would be required for such replacements;
- some of the exceptional items RAC eliminates in calculating Adjusted EBITDA, EBITDA before exceptional items, EBITDA before head office costs and Segment EBITDA before head office costs reflect cash payments that were made, or will be made in the future; and
- the fact that other companies in RAC's industry may calculate Adjusted EBITDA, EBITDA before exceptional items, EBITDA before head office costs and Segment EBITDA before head office costs differently than RAC does, which limits their usefulness as comparative measures.

RAC has presented these non-IFRS measures in this Base Prospectus because it believes they are helpful to investors and financial analysts in highlighting trends in its overall business because the items excluded in calculating these measures have little or no bearing on its day-to-day operating performance. In particular, Adjusted EBITDA and EBITDA before exceptional items eliminate potential differences in performance caused by variations in capital structures, tax positions, the value and useful lives of tangible and intangible assets. Potential investors in the Class A Notes are encouraged to evaluate these items and the limitations for purposes of analysis in excluding them.

The financial information included in this Base Prospectus is not intended to comply with the applicable accounting requirements of the U.S. Securities Act and the related rules and regulations of the SEC which would apply if the Class A Notes were being registered with the SEC.

Non-financial operating data

The non-financial operating data included in this Base Prospectus have been extracted without material adjustment from RAC's management records and are unaudited. RAC's use or computation of that data may not be comparable to the use or computation of similarly titled data reported by other companies in RAC's industry.

General

Certain numerical figures set out in this Base Prospectus, including financial information presented in millions or thousands and percentages describing market shares, have been subject to rounding adjustments and, as a result, the totals of such figures in this Base Prospectus may vary slightly from the actual arithmetic totals of such information.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the content of any RAC internet websites, including the internet websites referred to in this Base Prospectus, is not part of, and is not incorporated by reference in, this Base Prospectus.

SELECTED FINANCIAL AND OPERATING DATA

*The selected historical financial data discussed below have been derived from, and should be read in conjunction with, the Financial Statements, which are included elsewhere in this Base Prospectus, and the section entitled "Presentation of Financial and Other Information". The Financial Statements were prepared in accordance with the IFRS as adopted in the UK ("**IFRS**").*

Presented below are certain non-IFRS measures that are not required by, or presented in accordance with, IFRS. The Management believes that the presentation of these non-IFRS measures is helpful to prospective investors in the Class A Notes because these and other similar measures are used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. However, prospective investors in the Class A Notes should not consider these non-IFRS measures as alternatives to operating profit or to cash flows from (or used in) operating, investing or financing activities, in each case, as determined in accordance with IFRS. In addition, such non-IFRS measures may not be comparable to similarly titled measures used by other companies and may be different from similarly defined measures in the Common Documents. See "Presentation of Financial and Other Information—Non-IFRS financial measures".

The results of operations for prior periods are not necessarily indicative of the results to be expected for any other period.

Selected Income Statement Data

	Years ended 31 December		
	2020	**2021**	**2022**
		(£ millions)	
Revenue[(1)]	624	632	659
Cost of sales[(1)]	(295)	(280)	(289)
Gross profit	**329**	**352**	**370**
Administrative expenses	(203)	(217)[(2)]	(425)[(3)]
Operating (loss) / profit	**126**	**135**	**(55)**
Net finance expenses	(76)	(72)	(47)
(Loss) / profit before tax	**50**	**63**	**(102)**
Tax charge	(32)	(61)	(4)
(Loss) / profit for the year	**18**	**2**	**(106)**

Notes:

(1) In the 2022 Annual Financial Statements, RAC restated its revenue and cost of sales for the year ended 31 December 2021, in each case, to reduce them by £21 million as a result of changes to its accounting treatment of certain insurance commissions. No restatements due to the above mentioned changes in accounting treatment were made to revenue or cost of sales reported for the year ended 31 December 2020 in the 2021 Annual Financial Statements. See "*Presentation of Financial and Other Information—2022 Restatements*". RAC estimates that had revenue and cost of sales for the year ended 31 December 2020 been so restated, that would have resulted in their reduction by £26 million.

(2) Includes £5 million of exceptional items, see note 3 in "*—Selected Other Financial and Operating Data—Selected Other Financial and Operating Data for RAC*".

(3) Includes £152 million impairment charge, £41 million of exceptional items and £5 million of adjusting items, see note 3 in "*—Selected Other Financial and Operating Data—Selected Other Financial and Operating Data for RAC*".

Selected Statement of Financial Position Data

	As at 31 December		
	2020	**2021**	**2022**
		(£ millions)	
Assets			
Non-current assets			
Goodwill and intangible assets	1,914	1,860	1,662
Contract costs	32	32	33
Property, plant and equipment	34	35	32
Right of use assets	61	56	62
Other investments	2	3	23
Deferred tax asset	9	10	16

Derivative financial instruments	—	5	26
Total non-current assets	**2,052**	**2,001**	**1,854**
Current assets			
Inventories	4	3	2
Trade and other receivables	46	401	71
Cash and cash equivalents	106	113	136
Current tax receivable	—	—	1
Total current assets	**156**	**517**	**210**
Liabilities			
Current Liabilities			
Borrowings	(8)	(10)	(310)
Provisions	(1)	(1)	(3)
Trade and other payables	(226)	(226)	(245)
Current tax payable	(25)	(30)	-
Total current liabilities	**(260)**	**(267)**	**(558)**
Net current (liabilities) / assets	**(104)**	**250**	**(348)**
Non-current liabilities			
Borrowings	(1,400)	(1,660)	(1,358)
Employee benefit liability	(5)	(4)	(3)
Trade and other payables	(60)	(60)	(60)
Deferred tax liability	(179)	(219)	(213)
Derivative financial instruments	(5)	—	—
Total non-current liabilities	**(1,649)**	**(1,943)**	**(1,634)**
Net assets / (liabilities)	**299**	**308**	**(128)**

Selected Statement of Cash Flows Data

	Year ended 31 December		
	2020	**2021**	**2022**
	(£ millions)		
Net cash flows from operating activities	222	226	174
Net cash flows used in investing activities	(56)	(49)	(33)
Net cash flows used in financing activities	(158)	(170)	(118)
Net increase in cash and cash equivalents	8	7	23
Cash and cash equivalents carried forward	106	113	136

Selected Other Financial and Operating Data

Selected Other Financial and Operating Data for RAC

	Year ended 31 December		
	2020	**2021**	**2022**
	(£ millions, except where indicated otherwise)		
Revenue *(millions)*[1]	624	632	659
of which:			
Membership Services (per cent.)[1]	*84.8%*	*88.4%*	*91.0%*
Insurance (per cent.)[1]	*15.2%*	*11.6%*	*9.0%*
Adjusted revenue *(millions)*[2]	n.a.	632	664
Adjusted EBITDA[3]	n.a.	254	260
Adjusted EBITDA Margin (*per cent.*)[4]	n.a.	40.2%	39.2%
EBITDA before exceptional items[3]	241	254	255
EBITDA before exceptional items Margin (*per cent.*)[4]	38.6%	40.2%	38.7%
Net cash flows from operating activities	222	226	174
Operating Cash Conversion (*per cent.*)[5]	92.1%	89.0%	68.2%
Adjusted net cash flows from operating activities[6]	n.a.	226	223
Adjusted Operating Cash Conversion (*per cent.*)[7]	n.a.	89.0%	86.0%

	Year ended 31 December		
	2020	2021	2022
	(£ millions, except where indicated otherwise)		
Breakdown Assistance Members (*millions*)	12.0	12.2	12.5
of which:			
Consumer Members (millions)	*2.5*	*2.6*	*2.7*
of which:			
Individuals	*2.3*	*2.4*	*2.4*
SME	*0.2*	*0.2*	*0.2*
Partner Members (millions)	*9.5*	*9.6*	*9.8*
Insurance Members (*millions*)	0.7	0.7	0.6
Breakdowns attended (*millions*)	2.2	2.3	2.4
Roadside Repair Rate (*per cent.*)[8]	83.3%	81.7%	80.9%
Consumer Members Churn Rate (*per cent.*)[9]	15.0%	14.5%	14.2%
Total debt[10]	1,412	1,676	1,676
Net debt[10]	1,369	1,621[11]	1,602[11]
Leverage[12]	5.7x	6.4x	6.2x
Class A FCF DSCR[13]	3.54x	3.67x	3.00x
Class B FCF DSCR[13]	2.88x	3.17x	2.27x
Investment and maintenance capital expenditures[14]	30	25	28
Customer acquisition capital expenditures[15]	24	24	26
Total capital expenditures[16]	**54**	**49**	**54**

Notes:

(1) In the 2022 Annual Financial Statements, RAC restated its revenue and cost of sales for the year ended 31 December 2021, in each case, to reduce them by £21 million as a result of changes to its accounting treatment of certain insurance commissions. No restatements due to the above mentioned changes in accounting treatment were made to revenue or cost of sales reported for the year ended 31 December 2020 in the 2021 Annual Financial Statements. See "*Presentation of Financial and Other Information—2022 Restatements*". RAC estimates that had revenue and cost of sales for the year ended 31 December 2020 been so restated, that would have resulted in their reduction by £26 million.

(2) Adjusted revenue is statutory revenue adjusted for a change in RAC's estimation of deferred service revenue for the sale of certain insured roadside insurance services and related commissions. RAC began reporting Adjusted revenue in its 2022 Annual Financial Statements for the years ended 31 December 2022 and 2021. No Adjusted revenue was reported in the 2021 Annual Financial Statements for the years ended 31 December 2021 or 2020. There was no difference between statutory and adjusted revenue for the year ending 31 December 2021 (and there would have been no such difference for the year ended 31 December 2020 had adjusted revenue been reported for that year). Adjusted revenue is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(3) Adjusted EBITDA is EBITDA before exceptional items, adjusted for changes to deferred service revenue estimates. RAC began reporting Adjusted EBITDA in its 2022 Annual Financial Statements for the years ended 31 December 2022 and 2021. No Adjusted EBITDA was reported in the 2021 Annual Financial Statements for the years ended 31 December 2021 or 2020. There was no difference between EBITDA before exceptional items and Adjusted EBITDA for the year ending 31 December 2021 (and there would have been no such difference for the year ended 31 December 2020 had Adjusted EBITDA been reported for that year). Adjusted EBITDA is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

EBITDA before exceptional items is profit or loss for the year before finance expenses, tax credit or charge, depreciation, amortisation, impairment and exceptional items. EBITDA before exceptional items is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

The following table sets forth the reconciliation of Adjusted EBITDA and EBITDA before exceptional items to profit or loss for the year for the periods indicated:

	Year ended 31 December		
	2020	2021	2022
	(£ millions)		
(Loss) / profit for the year	**18**	**2**	**(106)**
Tax charge	32	61	4
(Loss) / profit before tax	**50**	**63**	**(102)**
Net finance expenses	76	72	47
Operating (loss) / profit	**126**	**135**	**(55)**
Depreciation of owned tangible assets	7	7	7
Depreciation of right of use assets	12	12	15
Amortisation of customer acquisition intangibles	9	8	8
Amortisation of contract costs	16	17	17

Amortisation of non-customer acquisition intangible assets	70	70	70
Exceptional items[(a)]	1	5	41
Impairment	n.a.	—	152[(b)]
EBITDA before exceptional items	**241**	**254**	**255**
Adjusting items	n.a.	—	5[(c)]
Adjusted EBITDA	n.a.	**254**	**260**

Notes:

(a) The following table sets forth exceptional items for the periods indicated:

	Year ended 31 December		
	2020	**2021**	**2022**
		(£ millions)	
Transaction costs	—	3	19[(i)]
Colleague awards	—	—	18[(ii)]
Strategic initiatives costs	—	—	3
Restructuring costs	1	2	1
Exceptional items	**1**	**5**	**41**

Notes:

(i) Primarily relate to the Silver Lake Investment.

(ii) Includes various one-off payments made under colleague schemes, the majority as a result of the Silver Lake Investment.

(b) An impairment charge for the year ended 31 December 2022 was recognised in the Insurance operating segment as a result of the challenging macro-economic conditions and the effect of regulatory changes. The introduction of the FCA's General Insurance Pricing Practices ("**GIPP**") regulations impacted both RAC and the wider insurance market. This was compounded by increasing UK interest rates having a knock-on effect on discount rates alongside a more prudent outlook of RAC's future cash flows. The impairment charge is primarily against goodwill arising from historic business combinations and the brand intangible asset. No impairment charge was recognised in the Membership services operating segment.

(c) Represents changes to deferred service revenue estimates.

(4) Adjusted EBITDA Margin is Adjusted EBITDA for a year as a percentage of adjusted revenue for the same year. EBITDA before exceptional items Margin is EBITDA before exceptional items for a year as a percentage of statutory revenue for the same year. Adjusted EBITDA Margin and EBITDA before exceptional items Margin are non-IFRS measures. For further detail on these and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(5) Operating Cash Conversion is net cash flows from operating activities as a percentage of EBITDA before exceptional items. Operating Cash Conversion is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(6) Adjusted net cash flows from operating activities is net cash flows from operating activities for the year, adjusted for the cash impact of certain exceptional items. Adjusted net cash flows from operating activities is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

The following table sets forth the reconciliation of Adjusted net cash flows from operating activities to net cash flows from operating activities for the periods indicated:

	Year ended 31 December		
	2020	**2021**	**2022**
		(£ millions)	
Net cash flows from operating activities	222	226	174
Adjusting items	—	—	49[(a)]
Adjusted net cash flows from operating activities	**222**	**226**	**223**

Note:

(a) Reflects the cash impact of certain exceptional items, including £20 million of exceptional cash costs and a one-off payment of £29 million to HMRC on a "without prejudice" basis in respect of an ongoing litigation in order to preclude further interest occurring.

The following table sets forth the reconciliation of Adjusted net cash flows from operating activities to Adjusted EBITDA for the periods indicated:

	Year ended 31 December	
	2021	**2022**

	(*£ millions*)	
Adjusted EBITDA[(a)]	**254**	**260**
Change in Net Working Capital[(b)]	(9)	(10)
Tax paid	(18)	(51)
Other operating cash flows[(c)]	(1)	(20)
Adjusting items	—	44[(d)]
Adjusted net cash flows from operating activities	**226**	**223**

Notes:

(a) See note (3) above.

(b) Change in Net Working Capital is the movement in receivables, payables and inventory. Change in Net Working Capital is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(c) Other operating cash flows is those cash flows from exceptional items and payments to pension schemes and represent (i) £1 million of payments to pension schemes for the year ended 31 December 2021; and (ii) £20 million of operating cash impact of exceptional items for the year ended 31 December 2022. Other operating cash flows is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(d) Reflects the cash impact of certain exceptional items, including £20 million of exceptional cash costs and a one-off payment of £29 million to HMRC on a "without prejudice" basis in respect of an ongoing litigation in order to preclude further interest occurring, *less* £5 million adjustment for changes to deferred service revenue estimates, which is already reflected in calculations of Adjusted EBITDA, see note (3) above.

(7) Adjusted Operating Cash Conversion is Adjusted net cash flows from operating activities as a percentage of Adjusted EBITDA. Adjusted Operating Cash Conversion is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(8) Represents the percentage of breakdowns successfully repaired at the roadside.

(9) Represents the percentage of Consumer Members leaving RAC as a percentage of opening File Size plus acquisitions, measured over a rolling 12-month period.

(10) Total debt is calculated in accordance with the presentation in the section entitled "*Capitalisation*". Net debt is total debt adjusted for (i) interest accrued, but unpaid; (ii) amount drawn under Working Capital Facility; (iii) capitalised debt issue costs; (iv) IFRS 16 lease liabilities and (v) cash and cash equivalents. Net debt is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

The following table sets forth the reconciliation of net debt to total debt as at the dates indicated:

	As at 31 December		
	2020	**2021**	**2022**
		(£ millions)	
Total debt	1,412	1,676	1,676
Interest accrued, but unpaid, drawn Working Capital Facility and capitalised debt issue costs	(4)	(6)	(8)
IFRS 16 lease liabilities	67	64	69
Cash and cash equivalents[(a)]	(106)	(113)	(136)
Net debt	**1,369**	**1,621**	**1,602**

Note:

(a) Includes cash held by the Employee Benefit Trust.

(11) Reflects the impact of £345 million in aggregate principal amount of Class B2 Notes.

(12) Leverage is calculated as net debt to (i) Adjusted EBITDA for the years ended 31 December 2022 and 2021 and (ii) EBITDA before exceptional items for the year ended 31 December 2020. Leverage is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(13) Class A FCF DSCR is calculated in accordance with the Common Documents. Class B FCF DSCR is calculated on substantially the same basis as Class A FCF DSCR but including total debt service charges in respect of Class B Authorised Credit Facilities or Class B Notes and any other indebtedness incurred by Topco or the Holdco Group. Both Class A FCF DSCR and Class B FCF DSCR are calculated on the basis of EBITDA before exceptional items for the relevant years.

(14) Investment and maintenance capital expenditures is all expenditures on intangible assets and property, plant and equipment excluding expenditures categorised as customer acquisition capital expenditures. Investment and maintenance capital expenditures is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(15) Customer acquisition capital expenditures is expenditure on contract costs under IFRS 15 and customer acquisition intangibles under IAS 38. Customer acquisition capital expenditures is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(16) Total capital expenditures is investment and maintenance capital expenditures plus customer acquisition capital expenditures. Total capital expenditures is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

Selected Other Financial Data for Operating Segments

Revenue by Segment

	Year ended 31 December		
	2020[1]	**2021**	**2022**
		(£ millions)	
Revenue of products			
Membership services – transferred at a point in time	39	35	35
Revenue of services			
Membership services – Insurance related – transferred over time	398	401	441
Membership services – Non-insurance related – transferred at a point in time[2]	92	123	124
Insurance – transferred at a point in time	95	73	59
Group revenue[3]	**624**	**632**	**659**

Notes:

(1) During the year ended 31 December 2021, RAC re-aligned its financial services business to be included into its "Membership Services" segment. As a result of this realignment, (i) RAC's former "Insurance and Financial Services" segment was renamed "Insurance" segment; (ii) £5 million and £3 million generated by RAC from insurance related membership services and non-insurance related membership services, respectively, for the year ended 31 December 2020 were included in the results of its "Membership Services" segment for the relevant year. This reclassification did not have a material effect on the revenue reported on RAC's consolidated income statement, its net assets or working capital.

(2) Non-insurance related revenue includes revenue from pay-on-use customers and Accident Management Services.

(3) In the 2022 Annual Financial Statements, RAC restated its revenue and cost of sales for the year ended 31 December 2021, in each case, to reduce them by £21 million as a result of changes to its accounting treatment of certain insurance commissions. No restatements due to the above mentioned changes in accounting treatment were made to revenue or cost of sales reported for the year ended 31 December 2020 in the 2021 Annual Financial Statements. See "*Presentation of Financial and Other Information—2022 Restatements*". RAC estimates that had revenue and cost of sales for the year ended 31 December 2020 been so restated, that would have resulted in their reduction by £26 million.

Segment EBITDA before head office costs

	Year ended 31 December		
	2020	**2021**	**2022**
		(£ millions)	
Membership services	249	255	263
Insurance	41	46	36
EBITDA before head office costs[1]	**290**	**301**	**299**
Head office costs[2]	(49)	(47)	(44)
EBITDA before exceptional items[3]	**241**	**254**	**255**

Notes:

(1) EBITDA before head office costs is EBITDA before exceptional items before head office costs, which cannot be internally analysed into operating segments. EBITDA before head office costs is a non-IFRS measure. For further detail on this and other non-IFRS measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(2) These costs are not internally analysed into separate operating segments.

(3) See note (3) in "*—Selected Other Financial and Operating Data for RAC*".

CAPITALISATION

The following table sets forth the consolidated cash and cash equivalents and the capitalisation of RAC, on a historical basis, derived from the 2022 Annual Financial Statements which are included elsewhere in this Base Prospectus.

Prospective investors in any Class A Notes should read this table in conjunction with "*Use of Proceeds*", "*Description of the Common Documents*", "*Description of the Senior Finance Documents*", "*Description of the Credit and Liquidity Support Documents*", "*Description of the Issuer Transaction Documents*", "*Description of Other Indebtedness*" and "*Terms and Conditions of the Class A Notes*".

	As at 31 December 2022 (*£ millions*)
Cash and cash equivalents	**136**
Debt[(1)]	
Class A1 Notes[(2)]	300
Class A2 Notes[(3)]	600
Class B2 Notes[(4)]	345
2020 Senior Term Facility[(5)]	161
2021 Senior Term Facility	265
of which:	
Facility A[(6)]	*170*
Facility B[(6)]	*95*
2022 Senior Term Facility[(7)]	—
Working Capital Facility[(8)]	5
Initial Liquidity Facility[(9)]	—
Total debt	**1,676**
Equity	
Ordinary share capital	339
Hedging instruments reserve[(10)]	18
Retained earnings	(485)
Total equity	**(128)**
Total capitalisation	**1,548**

Notes:

(1) Does not include (i) interest accrued, but unpaid; (ii) capitalised debt issue costs and (iii) IFRS 16 lease liabilities.

(2) Class A1 Notes have an expected maturity date of 6 May 2023 and a final maturity date of 6 May 2046 and bear interest at the rate of 4.565% per annum until 6 May 2023 and 5.065% per annum thereafter. See "*Description of the Senior Finance Documents—Class A IBLA*".

(3) Class A2 Notes have an expected maturity date of 6 May 2026 and a final maturity date of 6 May 2046 and bear interest at the rate of 4.870% per annum until 6 May 2026 and 5.370% per annum thereafter. See "*Description of the Senior Finance Documents—Class A IBLA*".

(4) Class B2 Notes have an expected maturity date of 4 November 2027 and a final maturity date of 4 November 2046 and bear interest at the rate of 5.250% per annum until 4 November 2027 and 4.750% per annum thereafter. See "*Description of Other Indebtedness—The Class B2 Notes*".

(5) 2020 Senior Term Facility matures on 31 January 2025 and bears interest at the rate of 2.500% plus SONIA per annum. RAC repaid £139 million of the original £300 million principal on 30 July 2021. Variable interest on the 2020 Senior Term Facility is hedged using an interest rate swap. See "*Description of the Senior Finance Documents—2020 Senior Term Facility*".

(6) Facility A under the 2021 Senior Term Facility matures on 30 June 2025 and bears interest at the rate of 1.800% plus SONIA per annum. Facility B under the 2021 Senior Term Facility matures on 30 June 2028 and bears interest at the rate of 2.500% plus SONIA per annum Variable interest on the 2020 Senior Term Facility is hedged using an interest rate swap. See "*Description of the Senior Finance Documents—2021 Senior Term Facility*".

(7) RAC entered into the £300 million 2022 Senior Term Facility to have committed funds available to refinance, if required, outstanding Class A1 Notes on or around their expected maturity date. As at 31 December 2022 and the date of this Base Prospectus, the 2022 Senior Term Facility remained undrawn. The available commitments under the 2022 Senior Term Facility will be automatically cancelled in an amount equal to the net proceeds received from any issuance of Class A Notes after 15 September 2022. See "*Description of the Senior Finance Documents—2020 Senior Term Facility*" and "*Use of Proceeds*".

(8) The up to £50 million Working Capital Facility matures on 31 January 2025 and bears interest at the rate of 2.500% plus SONIA per annum. As at 31 December 2022, £5 million was drawn under a PrecisionPay facility with Barclays Bank PLC provided as an ancillary facility under the Working Capital Facility. A credit card facility, also with Barclays Bank PLC, is also available as an ancillary facility under the Working Capital Facility and was undrawn as at 31 December 2022. Ancillary facilities under the Working Capital Facility reduce the commitments available to be drawn under the Working Capital Facility. These ancillary facilities are undrawn as at the date of this Base Prospectus but are available to be drawn from time-to-time. See "*Description of the Senior Finance Documents—Working Capital Facility*".

(9) The up to £90 million Initial Liquidity Facility bears interest at the rate of 2.500% plus SONIA per annum and is subject to annual renewal. As at 31 December 2022 and the date of this Base Prospectus, the Initial Liquidity Facility remained undrawn. See "*Description of the Credit and Liquidity Support Documents—Initial Liquidity Facility*".

(10) Reflect reserves related to interest rate swaps. See notes 5 and 6 above.

In March, 2023, RAC used cash on balance sheet to repay £19.6 million of outstanding principal under the 2020 Senior Term Facility. As at the date of this Base Prospectus, £6 million under the Working Capital Facility were allocated for and available for utilisation as ancillary facilities provided thereunder. Except as set forth in this paragraph, there have been no other material changes to the capitalisation of the Group since 31 December 2022.

On or about any Class A Closing Date in relation to any Class A Notes, the Borrower and the Issuer will enter into a Class A IBLA, pursuant to which the Issuer will on-lend the proceeds of any Class A Notes to the Borrower by way of one or more advances. The Borrower will use the proceeds of the Class A IBLA Advances made under any Class A IBLA (a) to refinance the existing indebtedness; or (b) for general corporate purposes and as permitted pursuant to the Transaction Documents. See "*Use of Proceeds*".

BUSINESS

Introduction

RAC is a leading breakdown assistance provider in the UK. According to its estimates, RAC represents approximately 37.5 per cent. of the UK policy-based breakdown assistance market by member numbers. In 2022, it responded to approximately 2.4 million breakdowns (27 per cent. of which were reported digitally). RAC's strategic objective is to become the UK's leader for all driving and motoring needs, offering more innovative products and services to its large and growing membership base, increasingly through digital channels. With 125 years of operating history, RAC has established itself as one of the most widely-recognised and trusted brands in the automotive services market.

As at 31 December 2022, RAC had 13.0 million Members. This included 12.5 million Breakdown Assistance Members, of which 2.7 million were Consumer Members and 9.8 million were Partner Members, the equivalent of approximately one out of every three motorists in the UK, and 0.6 million Insurance Members.

RAC categorises its offerings into two segments:

- **Membership Services**: This is the largest operating segment of RAC's business, offering its core breakdown cover and related products to Consumer Members (who subscribe directly) and Partner Members (who subscribe through respective Corporate Partners). In addition, this segment includes certain newer products and services, such as Service, Maintenance and Repair ("**SMR**"), recalls and inspections and Small and Medium Sized Enterprises ("**SME**") Services, that RAC has been developing in recent years. The Membership Services segment accounted for 91.0 per cent. and 88.4 per cent. (in each case, on a post-2022 revenue restatement basis) and 84.8 per cent. of RAC's statutory revenue for the years ended 31 December 2022, 2021 and 2020, respectively. See "*Presentation of Financial and Other Information—2022 Restatements*".

- **Insurance**: This segment predominantly acts as an insurance broker intermediary with minimal underwriting risk. RAC offers a range of insurance products and the majority of the revenue generated from this operating segment is driven by motor insurance products. The Insurance segment accounted for 9.0 per cent. and 11.6 per cent. (in each case, on a post-2022 revenue restatement basis) and 15.2 per cent. of RAC's statutory revenue for the years ended 31 December 2022, 2021 and 2020, respectively. See "*Presentation of Financial and Other Information—2022 Restatements*".

RAC had £659 million and £632 million (in each case, on a post-2022 revenue restatement basis) and £624 million of statutory revenue for the years ended 31 December 2022, 2021 and 2020, respectively. It had £664 million and £632 million of adjusted revenue for the years ended 31 December 2022 and 2021. See "*Selected Financial and Operating Data*" and "*Presentation of Financial and Other Information—2022 Restatements*".

RAC's EBITDA before exceptional items was £255 million, £254 million and £241 million for the years ended 31 December 2022, 2021 and 2020, respectively. RAC had £260 million and £254 million of Adjusted EBITDA and Adjusted EBITDA Margin of 39.5 per cent. and 40.2 per cent. for the years ended 31 December 2022 and 2021, respectively. See "*Selected Financial and Operating Data*".

RAC's Operating Cash Conversion was 68.2 per cent., 89.0 per cent. and 92.1 per cent., respectively, for years ended 31 December 2022, 2021 and 2020. It had Adjusted Operating Cash Conversion of 86.0 per cent. and 89.0 per cent. for the years ended 31 December 2022 and 2021, respectively. See "*Selected Financial and Operating Data*". RAC has a strong working capital position as the majority of its Consumer Members pay for services in advance and the majority of its suppliers are paid after the provision of products and services.

History

RAC has its roots in the Automobile Club of Great Britain (the "**Club**"), which was founded by Charles Harrington Moore and Richard Simms in 1897. It began employing the first uniformed Patrol Specialists in the UK in 1901 and started offering legal services in 1905. The Club received Royal approval from King Edward VII and was renamed the Royal Automobile Club in 1907. The first roadside emergency telephone boxes were installed in 1926. And since then, RAC has had a history of innovation in motoring services, as

exemplified by its development of rapid deployment trailers in 2000, which increased efficiency and enabled more Patrol (rather than contractor) tows. In 2013, a new generation of RAC's scan diagnostics equipment was introduced to enable Patrol Specialists to complete more repairs at the roadside. New tyre fitting vans were also launched in major cities and a "universal" spare wheel was introduced to reduce the number of instances of towing and provide improved customer service. In 2014 and 2015, RAC made significant investment in developing its telematics solutions, which, among other things, help improve fuel consumption efficiency thus reducing the impact on the environment. In 2016, RAC equipped its Patrol Vehicles with a state-of-the-art battery tester. In 2019, it launched two industry-leading pieces of technology: RAC EV Boost (which enables Patrol Specialists to charge 'flat' electric cars enough to get them to a nearby charge point) and the "All Wheels Up" recovery system, which gives them the ability to tow vehicles that would otherwise need to be recovered by a flatbed alongside a new garage referral portal allowing motorists to find and select a reputable garage for servicing, MOT and repair needs. In 2021, RAC launched "Garage and Parts Cover" for Breakdown Assistance Members needing further work after a breakdown. In 2022, RAC launched its SMR mobile servicing.

Originally the "Associate Section" of the Club, RAC was demutualised and incorporated as RAC Motoring Services Limited in 1978. This entity was re-registered as an unlimited company with the name RAC Motoring Services and sold to the motoring services business Lex Service plc in 1999. Lex Service plc was renamed RAC plc and sold to Aviva in 2005. In 2011, RAC plc was renamed RAC Limited and sold to The Carlyle Group. In 2014, GIC acquired a large minority stake in RAC Group (Holdings) Limited, RAC's ultimate parent company, from The Carlyle Group. In December 2015, a special purpose vehicle financed by certain CVC Funds entered into an agreement to acquire The Carlyle Group's remaining stake and become a co-investor in RAC with GIC. The CVC acquisition was successfully closed in April 2016. In September 2021, Silver Lake agreed to become a significant minority shareholder alongside CVC and GIC. The Silver Lake investment was closed in March 2022.

Strengths

Well established position in large, attractive and growing markets

RAC primarily focuses on the large UK breakdown assistance market, that represented a total addressable market of approximately £1.95 billion, by value, in 2022, with an expectation it will reach £2.25 billion by 2027. The key underlying drivers of this market are the number of vehicles licensed in the UK, including cars, motorcycles and other vehicles, and the aging of these vehicles. Approximately 80 per cent. of the UK Car Parc is covered by a breakdown assistance policy. RAC is one of only two large-scale, nationwide, branded operators in this market and, according to its estimates, had an approximately 37.5 per cent. market share by member numbers in breakdown assistance services in 2022. By leveraging its brand, its differentiation from competitors, the quality of its breakdown assistance offering, its operational rigour, the recurring revenues from the subscription based model, the relevance of its core product and favourable market dynamics, in recent years RAC has consistently delivered robust results in its Membership Services segment. Breakdown assistance remains highly relevant, as Members see it as an essential product, providing peace of mind for customers. This has been demonstrated by the low churn through both the Covid-19 pandemic and the current cost of living crisis.

RAC believes it had an approximately 1 per cent. market share of a highly fragmented UK market for motor insurance services in 2022. The motor insurance market continues to be dominated by price comparison websites, where RAC is competitive in the segments relevant to its product offerings. On price comparison websites, consumers show a tendency to choose trusted providers, like RAC, over less trusted brands that may provide a cheaper offering. In January 2022, the Financial Conduct Authority ("**FCA**") introduced the General Insurance Pricing Practices ("**GIPP**") to equalise prices between new and renewing customers. The GIPP regulations impacted RAC's motor insurance services and the wider insurance market, as consumer behaviour changed across the sector. RAC adapted its approach and the Insurance segment showed sustainable momentum and a return to growth in the second half of 2022, with 0.6 million Insurance members as at 31 December 2022.

During 2022, RAC accelerated its market expansion plans into SMR, a large and highly fragmented market valued at £13 billion. RAC offers choice, convenience, and trust through over 1,100 RAC franchised garages, the largest independent network in the UK. RAC members already spend significantly in the SMR market, and RAC is well placed to offer the convenience, affordability, and trust that smaller operators cannot. RAC believes it is in a small minority of businesses that can leverage

its existing brand, member base and technical expertise to take advantage of the SMR market opportunity.

RAC believes that Member reliance on cars has increased, with more people saying that their car is important to them, and the UK car parc is both growing and aging, ensuring demand for RAC's core products and that demand for SMR products continues to grow.

In addition, RAC believes it is a leader in the UK's EV market due to brand trust and early investment in the technology, with the majority of its Members expected to convert to EVs as ICE technology is phased out over the coming years, with the sale of new petrol and diesel cars to be banned in the UK from 2030.

Recognised market leader with differentiation-led advantage across all business segments

RAC is a leading provider of breakdown assistance in the UK measured by the number of members. Over the last 125 years, RAC has become a trusted and iconic British brand with unprompted awareness of 69.5 per cent. and prompted awareness of 82.7 per cent. as at 30 November 2022. RAC's brand position is reinforced principally through the quality of its breakdown assistance service and its reputation for expert independent advice. RAC has a competitive advantage, with distinctive products and services such as the MyRAC app and "All Wheels Up" recovery system and it continues to innovate, notably in the emerging EV sector. RAC's market-leading service drives high levels of customer satisfaction, whether it is delivered through the call centre or at the roadside through one of RAC's Patrol Specialists, who average over 11 years of experience.

RAC has been recognised by third parties and has won many awards demonstrating how well established it is in its core markets. In 2019, RAC won the Car Insurance Provider of the Year award at the 2019 Moneyfacts Consumer Awards for its car insurance products. RAC beat nine other companies for this award, following the news that RAC passed the 500,000 'policies in force' mark, making RAC Insurance a top-five car insurance broker in the UK. In 2021, (i) RAC placed first for the country's top breakdown cover provider for value for money and overall ease of using the service, (ii) RAC's mobile charging system for EVs won the Best Use of Technology Award, (iii) RAC was the winner of the Data IQ award for "Transformation with Data (Data Enablers)" for RAC's transformation for an enhanced customer experience, (iv) RAC was the winner of "EV Product Launch" at the E-Mobility Awards, and (v) RAC was the winner of the "Best use of Technology Award" at the Motor Transport Awards, again for its mobile charging system for EVs. In 2022, RAC and Renault were winners at the CCA 2022 Excellence Awards for jointly delivering customers service of a world-class standard and RAC's EV Boost technology won "Best Innovative Product" at the UK Business Awards. RAC also won the Moneyfacts Car Insurance Provider of the Year award again in 2022 and 2023. In addition to the awards that RAC has won, RAC has high reviews on Trustpilot and Glassdoor.

Recurring subscription model generating revenue visibility while delivering a critical service to loyal customers

RAC has an established and growing membership base. As at 31 December 2022, it had 12.5 million Breakdown Assistance Members, comprising 2.7 million Consumer Members and 9.8 million Partner Members. As at the same date, RAC also had 0.6 million Insurance Members, many of whom were also Breakdown Assistance Members. In total, this is an increase of approximately 38 per cent. from 2011 when RAC's membership base was approximately 9.4 million. A high proportion of the revenues earned from these Breakdown Assistance Members is recurring in nature, with the majority paying fees for membership. This recurring subscription model, coupled with strong member loyalty, provides good revenue visibility in RAC's core business. RAC believes that this cycle delivers a repeatable and winning formula.

RAC's base of Consumer Members is characterised by a high degree of loyalty. These Members sign up to either fixed term contracts or flexible monthly subscriptions and have an average membership duration of approximately nine years. They demonstrated a Churn Rate of 14.2 per cent., 14.5 per cent. and 15.0 per cent. for the years ended 31 December 2022, 2021 and 2020, respectively. This was primarily due to reducing the price differential between new and existing customers by increasing acquisition prices, improving the performance of the member call centre, enhancing payment processes and developing a member rewards programme.

By acquiring a relatively consistent number of new Consumer Members every year, and maintaining stable Churn Rates, RAC has been able to grow its overall membership base. Members staying longer increases their overall lifetime value, which in turn drives an improvement in the overall margin.

RAC's Corporate Partners typically sign up to three- to five-year contracts, providing a high degree of forward revenue visibility. The service levels and continuing investment in the member experience and innovation at roadside has driven an excellent retention rate, with no major Corporate Partner account lost since 2014. As at 31 December 2022, five of RAC's top ten Corporate Partners had relationships with RAC of ten or more years, and RAC retained all of its top 30 breakdown contracts that were due for renewal in the year ended 31 December 2022.

RAC won a number of new contracts with Corporate Partners in 2021 and 2022, including with Redde-Northgate, Stellantis, Eurotunnel, UK Power Networks and Ageas. These contract wins contributed to the File Size growth helping to partly mitigate the lower volumes in the motor manufacturing sector due to new vehicle supply shortages. In addition, RAC has recently won a number of contracts to support existing customers (such as Groupe PSA, Nissan, Kia and Mercedes-Benz) on their recall campaigns and grew its legal expenses portfolio with the addition of Atlanta and BGL. These other lines of business are not currently included in the overall Member count due to the different nature of the relationships.

Significant technology-led opportunities to drive revenue growth and future efficiencies

RAC has made significant investments in technology and use of data to improve and expand on the end-to-end customer experience, while driving significant commercial benefits. RAC is also a leading driving content provider. Collectively across the business RAC collects over 100 million data points, including extensive vehicle data from DVLA data streams. The data collected by RAC are aggregated with other resources to create commercial benefits including roadside cost efficiency, improved customer retention and better integration with Corporate Partners.

The MyRAC platform drives more member engagement, revenues and operational excellence by providing Members with a seamless digital experience. Through this platform, RAC reached 1.7 million active users in the year ended 31 December 2022, with further subscriber growth potential with the introduction of MyRAC to Corporate Partners, one of which was onboarded during 2022 and plans are in place to onboard more major Corporate Partners in 2023. RAC continues to introduce new features to the MyRAC platform and to develop personalised digital experiences, driving more and stronger customer relationships.

To support the delivery of its roadside assistance service, RAC has made significant investments in technology to train and equip its Patrol Specialists, who, on average, have over 11 years of experience with RAC. This comes parallel to improvements made to the technology architecture of its dispatch systems and the algorithms that determine allocation of resources to each job.

RAC expects that going forward, technology will continue to support its service quality and growth profile. Silver Lake brings additional technology expertise, skills and relationships to RAC. Alongside GIC and CVC, Silver Lake is supporting RAC in its goals to further improve its digital capabilities and leverage its wealth of data to provide even more innovative products and services for Members and Corporate Partners to accelerate RAC's growth.

Multiple growth levers from adjacencies and the rapidly growing EV market

RAC's vision is to become the UK's number one for Driving Services, providing complete peace of mind for all its members' driving needs. RAC has identified a number of adjacent markets which provide natural opportunities to leverage its established brand, expertise and relationships into new growth areas. These are scale opportunities in markets where RAC has a presence, that are already, and are expected to continue to, provide significant potential for growth in the future beyond the core breakdown assistance business:

- **Service, Maintenance and Repair**: In 2022 and 2021, RAC accelerated its entry into the underserved SMR market. RAC has built the UK's number one independent garage network of over 1,100 franchised garages as at 31 December 2022. In 2022 RAC further expanded its SMR offering with the launch of its brand-new Mobile Mechanics proposition, 'bringing the garage to you' on customers' drive or at their work. Following strong demand and outstanding feedback in the test market during the second half of the year, RAC is now starting national expansion. In

addition, RAC piloted a new Ministry of Transport ("**MOT**") test and Service Plan, helping members spread the cost of routine car servicing and MOTs over two years.

- **Recalls and inspections**: RAC's entry into the growing and fragmented recalls and inspections market is well underway. RAC believes that it is rapidly becoming the UK's leading provider of such services and a go-to partner of Original Equipment Manufacturers ("**OEMs**") and car dealers. It has inspections partnerships with the established British Car Auctions and London Electric Vehicle Co and online player, Cinch. RAC has also assisted existing breakdown partners Groupe PSA, Nissan, Kia and Mercedes Benz with their recall programmes. RAC undertook 942,000 vehicle inspections and recalls (approximately 79,000 per month) for the year ended 31 December 2022. RAC believes that its pace of entry into this market demonstrates the ability to quickly and effectively leverage its technical expertise and operational platforms to add value to its partners' operations while simultaneously providing new sources of revenue and data.

- **SME services**: RAC has continued to invest in the SME segment, with a focus on the fast growing, light commercial van market. As at 31 December 2022, RAC had 212,000 small business vehicles on cover, an increase of 12 per cent. compared to 31 December 2021. RAC continues to develop the SME product proposition with new features such as battery cover, tyre cover and legal expenses insurance.

- **Other adjacencies**: RAC is opening up opportunities in the broader driving services market to sustain further long-term growth. RAC had over 400,000 vehicle warranties and approximately 2.6 million legal expense policies in force as at 31 December 2022, and continues to provide B2B Partner Services/ Support such as dedicated contact centres.

RAC is a leader in the UK's EV market due to brand trust and early investment. RAC offers "Complete Peace of Mind" by delivering a range of EV services for Consumer Members and Corporate Partners including dedicated "EV Experts", EV inspections and recalls. In addition, in 2019, RAC launched two industry-leading pieces of technology: (i) "EV Boost" (a unique EV charge boost technology that has won ten industry awards), that was installed in 192 Patrol Vehicles in 2022, with another 125 being installed to new Patrol Vehicles in 2023; and (ii) a differentiated "All Wheels Up" towing capability. RAC's EV services continued to grow and more motor manufacturers, including Renault and Kia, chose RAC to support their EVs. RAC now provides on the road servicing for the British Gas EV van fleet, the first contract of its kind, and is expanding this to include Motability and other fleet partners. RAC extended Fuel Watch, an initiative that helps motorists monitor the fuel market, to include Charge Watch, a feature that monitors the average cost of charging an EV to help motorists get a fair deal.

RAC believes that the above opportunities are well-timed for it to capitalise on the acceleration of digital and consumption-based services, and to take material share in new and growing markets.

Compelling financial profile with high cash generation and medium term net leverage target of 4-4.5x

RAC believes that it has attractive financial characteristics to deliver sustainable returns.

During the periods covered by the historical financial information presented in this Base Prospectus, including the Covid-19 pandemic and more recently in 2022 against a backdrop of a challenging economic environment and a year of disruption for motorists, RAC has delivered consistently robust financial results:

- Adjusted revenue increased by 5.1 per cent. to £664 million for the year ended 31 December 2022 from £632 million for the year ended 31 December 2021, while statutory revenue increased by 4.3 per cent. to £659 million for the year ended 31 December 2022 from £632 million for the year ended 31 December 2021, which in turn represented an increase by 1.3 per cent. from £624 million for the year ended 31 December 2020;

- Adjusted EBITDA increased by 2.4 per cent. to £260 million for the year ended 31 December 2022 from £254 million for the year ended 31 December 2021, while EBITDA before exceptional items increased by 0.4 per cent. to £255 million for the year ended 31 December 2022 from £254 million for the year ended 31 December 2021, which in turn represented an increase by 5.4 per cent. from £241 million for the year ended 31 December 2020;

- Adjusted EBITDA Margin and EBITDA before exceptional items Margin remained relatively stable with the former decreasing slightly to 39.2 per cent. for the year ended 31 December 2022 from 40.2 per cent. for the year ended 31 December 2021, and the latter at 38.7 per cent., 40.2 per cent. and 38.6 per cent for the years ended 31 December 2022, 2021 and 2020, respectively; and

- Adjusted Operating Cash Conversion decreased slightly to 86.0 per cent. for the year ended 31 December 2022 from 89.0 per cent. for the year ended 31 December 2021. Operating Cash Conversion decreased to 68.2 per cent. for the year ended 31 December 2022 from 89.0 per cent. for the year ended 31 December 2021 due to the cash impact of certain adjusting items (including certain exceptional items and a one-off payment of £29 million to HMRC) and remained largely stable at 89.0 per cent and 92.1 per cent for the years ended 31 December 2021 and 2020, respectively,

see "*Selected Financial and Operating Data*".

RAC's business is highly cash generative due to strong margins, as well as limited capital investment and working capital requirements. Working capital is supported by the majority of its Consumer Members paying for services in advance and the majority of its suppliers are paid after the provision of products and services. This supports a high level of continuing investment in proposition development, customer experience improvements and expansion into adjacencies to sustain profitable growth into the future. RAC's Management and shareholders have proactively managed the capital structure and RAC expects that its strong earnings growth and positive cashflows will reduce the net leverage of the business over time. RAC has a medium-term net leverage target of between 4 and 4.5x Adjusted EBITDA.

Highly experienced management team

RAC's senior management team has a demonstrable track record of improving operational efficiency, margins and cash flows. The team has decades of collective experience in the industry and an exceptional knowledge of the markets in which RAC operates. It also has the benefit of access to the extensive expertise in the industry and relevant markets of RAC's shareholders CVC, GIC and Silver Lake. See "*Management*".

The senior management team is supported by RAC's highly experienced employee base (including 1,750 Patrol Specialists as at 31 December 2022, who have an average of over 11 years of experience with RAC) and an organisational culture of service and commitment to the Membership base.

Strategy

RAC's strategy is based around its vision, to become the UK's number one provider for Driving Services, providing "Complete Peace of Mind" for its Members' driving needs. As RAC enters the next phase of its growth strategy that will take it to 2027 and beyond, RAC is determined to build on the sustainable growth of its core Membership Services and Insurance segments by expanding and enhancing the range of driving products and services for its Members. The key focus of this growth is expected to be SMR which allows RAC to meet more of its Members' driving needs and deliver longer-term growth by leveraging the scale of its membership base and grow the lifetime value of its Members.

To deliver its strategy and achieve its vision, RAC has created three key strategic pillars: (i) Accelerate RAC's Core Business; (ii) Expand RAC's Total Addressable Market; and (iii) Membership enabled by MyRAC.

Accelerate RAC's Core Business

RAC's core offerings are breakdown assistance and motor insurance, where there remains substantial opportunity for market expansion. RAC will continue to evolve and invest in its core products and services to meet the growing needs of RAC's Members and Corporate Partners by increasing focus on member value, creating a compound benefit of increased lifetime value and stronger loyalty. To accomplish this, RAC will:

- Expand RAC's proposition to include SMR add-ons, thereby further differentiating RAC's offering in the market

- Capture and leverage more breakdown data to offer personalised products to RAC's members

- Digitalise the Member roadside experience
- Transform key areas of RAC's operations to speed up deployment and better respond to emerging breakdown demand trends
- Use RAC's proprietary insurance risk data to increase the number of Insurance members by offering highly competitive pricing for Members and expanding RAC's product offering

This, combined with MyRAC's content (see below) and convenience will allow RAC to unlock opportunities to engage with more customers, through new channels.

Expand RAC's Total Addressable Market

During 2022, RAC accelerated its SMR market expansion plans. SMR is a £13 billion market where RAC already offers choice, convenience, and trust through over 1,100 RAC affiliated franchised garages, the largest independent network in the UK. RAC expanded its SMR offering in 2022, with the launch of a brand-new Mobile Mechanics proposition, 'bringing the garage to you' on your drive or at your work. Following strong demand and outstanding feedback in RAC's test market during the second half of the year, Mobile Mechanics is beginning national expansion. In addition, RAC is piloting a new MOT and Service Plan, helping RAC's members spread the cost of routine car servicing and MOTs over 2 years.

Membership enabled by MyRAC

The MyRAC app combines leading edge digital and data technology to provide a seamless digital experience across the full driving cycle. MyRAC increasingly underpins RAC's products, services and Member interactions to ultimately drive loyalty and lifetime value. MyRAC is now used by 1.7 million Members and in 2022, RAC started the rollout to its Business Partners. This significantly expands MyRAC's potential impact and ensures RAC can connect better with the millions of Partner Members , thereby creating future revenue opportunities and generating further engagement.

During 2022, RAC's ongoing developments made the app faster and more responsive. RAC launched new features including the option to increase cover levels, book a service or MOT, provide directions to EV charge points and also made the process for logging a breakdown more efficient. Further innovations are planned throughout 2023 and beyond, ensuring MyRAC increasingly becomes the "go-to" app for all the driving needs of RAC's Members'.

The RAC Brand and Membership Base

The RAC brand

The RAC brand is one of the most trusted brands in motoring services and enjoys high levels of unprompted awareness of 69.5 per cent. and prompted awareness of 83.3 per cent. in the UK, as at 30 November 2022. The brand has been developed over the past 125 years and has an iconic status in the breakdown assistance market. Building on its core breakdown assistance offering, RAC seeks to develop a multi-product offering under the RAC brand across all sales channels.

RAC has a framework to safeguard its brand and other intellectual property and protect them from unlicensed use by others. The majority of intellectual property rights, including trademarks, in the RAC brand are held by RAC Brand Enterprises LLP which licenses the use of the RAC brand and trademarks to other RAC entities as well as third parties. RAC monitors suspected infringements of its intellectual property and takes action to stop and prevent further infringement where appropriate. This may include sending a "cease and desist" communication to the infringer and, if necessary, pursuing proceedings for an injunction and/or damages.

Membership Base

Membership Services customers

As at 31 December 2022, RAC had 12.5 million Breakdown Assistance Members, of which 2.7 million were Consumer Members (who subscribe directly) and 9.8 million were Partner Members (who enjoy the benefit of RAC's coverage via respective Corporate Partners).

Consumer Members

As at 31 December 2022, 31 December 2021 and 31 December 2020, RAC had 2.7 million, 2.6 million and 2.5 million Consumer Members, respectively. Current average tenure for Consumer Members is approximately nine years and they have historically had relatively high renewal rates, which tend to increase with tenure. The Churn Rate among Consumer Members was 14.2 per cent. in the year ended 31 December 2022 and 14.5 per cent. in the year ended 31 December 2021, as compared to 15.0 per cent. in the year ended 31 December 2020.

RAC employs a membership-based pricing model in which Consumer Members are charged a fixed annual or monthly fee for the primary roadside assistance service. As at 31 December 2022, approximately 73 per cent. of Consumer Members pay their membership fee annually in advance, while the remaining 27 per cent. pay monthly in advance.

Corporate Partners and Partner Members

As at 31 December 2022, RAC had over 300 Corporate Partners, which it offers its core roadside assistance service, as well as a range of other bespoke products and services. The latter include European cover, breakdown assistance for vehicles over 3.5 tonnes, separately branded customer contact centres (either on-site at the Corporate Partner's location or at an RAC contact centre), vehicle inspections for manufacturers' used car programmes, on-delivery of vehicles to dealerships or fleet facilities and mechanic and apprentice training (either on-site at a manufacturer's or dealership's location or at RAC's facilities). Corporate Partners accounted for approximately 40 per cent. of RAC's revenue.

- **Insurance companies**: Insurance companies provide breakdown cover as part of their offer of insurance to customers (with or without premium increase). RAC has relationships with several insurance companies, including Aviva Rescue, Hastings, BGL and NFUM. Insurance companies accounted for approximately 40 per cent. and 40 per cent. of Corporate Partner revenue for the years ended 31 December 2022 and 2021, respectively.

- **Motor manufacturers**: Many motor manufacturers provide breakdown cover to their customers as part of new or used car warranties sold by franchised dealers, others engage RAC to provide specialised training to their technicians. RAC has relationships with ten leading car manufacturers operating in the UK market, three of which have been in place for over five years and a further six of which have been in place for over ten years. RAC's well-established relationships with these car manufacturers are partly due to its ability to provide them with important statistical data such as vehicle faults and performance information. RAC currently has contracts, among others, with Groupe PSA, Nissan, Renault and Mercedes-Benz which are among the largest car manufacturers in Europe, and in 2022, RAC added Fiat, Jeep and Alfa to RAC's existing Groupe PSA relationship. Motor manufacturers accounted for approximately 28 per cent. and 28 per cent. of Corporate Partner revenue for the years ended 31 December 2022 and 2021, respectively.

- **Fleet and leasing companies**: Commercial fleet companies and leasing companies offer breakdown cover to their customers for an additional fee. Cover is also provided for companies with large fleets of vehicles. RAC has relationships with over 110 fleet and leasing companies. Fleet and leasing companies accounted for approximately 23 per cent. and 23 per cent. of Corporate Partner revenue for the years ended 31 December 2022 and 2021, respectively.

- **Banks**: RAC provides breakdown cover to customers of several banks as part of the banks' packages of benefits associated with customer accounts. RAC has exclusive relationships in this regard, with several major financial institutions in the UK, including Barclays, Tesco Bank, HSBC and The Co-Operative Bank. Banks accounted for approximately 9 per cent. and 9 per cent. of Corporate Partner revenue for the years ended 31 December 2022 and 2021, respectively.

RAC typically enters into contracts with Corporate Partners for a duration of three to five years with options to extend. Two of RAC's top ten Corporate Partner contracts were extended during the year ended 31 December 2022. RAC has a degree of concentration among its Corporate Partners, with the top ten Corporate Partners (by value) accounting for 59 per cent. and 59 per cent. of RAC's total Corporate Partner revenue for the years ended 31 December 2022 and 2021, respectively.

Contracts with Corporate Partners are individually priced on a risk-adjusted basis, taking into account anticipated usage and service delivery costs related to the contract. Contracts typically include mechanisms to allow price adjustment aligned to changes in risk profile (such as, for example, changes in usage). The pricing terms may be on a subscription basis (often with additional fees payable if usage exceeds, or rebates payable if usage falls below, specified thresholds) or on a per-use basis. As at 31 December 2022, approximately 24 per cent. of Corporate Partner contracts by value were on a monthly subscription, approximately 27 per cent. were on an annual subscription and approximately 49 per cent. were pay-on-use.

As at 31 December 2022, RAC's Corporate Partners contributed approximately 9.8 million Partner Members.

Insurance Members

As at 31 December 2022, 31 December 2021 and 31 December 2020, RAC had 0.6 million, 0.7 million and 0.7 million Insurance Members, respectively.

Products and Services

RAC offers a range of driving and mobility related services, principally breakdown assistance, for consumer and business customers, and retail motor and telematics insurance products. RAC categorises its offerings into two segments: (i) Membership Services; and (ii) Insurance, with Membership Services being the largest operating segment of its business.

Membership Services

RAC is a leading provider of roadside assistance in the UK (in terms of the number of overall roadside assistance members, as at 31 December 2022). It provides breakdown cover for motor vehicles, including cars, vans, motorcycles and motorhomes to Consumer Members and Corporate Partners. If the vehicle cannot be fixed at the roadside, it will be towed to a destination of the Member's choice, a local garage or a place of safety. In addition, this segment includes other products such as recall and inspections, accident management services, branded customer services, retail online, SMR, garage services and RAC Cars.

For the years ended 31 December 2022 and 2021, RAC generated £600 million and £559 million of revenue in the Membership Services segment, which represented 91.0 per cent. and 88.4 per cent., respectively, of its total revenue (in each case, on a post-2022 revenue restatement basis). For the year ended 31 December 2020, RAC generated £529 million of revenue in this segment, which represented 84.8 per cent. of its total revenue. See "*Presentation of Financial and Other Information—2022 Restatements*".

RAC's roadside assistance centres operate 24 hours a day, seven days a week, 365 days a year. These centres handled approximately 4.1 million calls in the year ended 31 December 2022. In the same period, Patrol Specialists attended approximately 2.4 million breakdowns, with 27 per cent. reported digitally, giving a superior service experience to members at a lower cost. Unlike some other roadside assistance providers that only offer towing services or a third party garage network, RAC's Patrol Specialists are trained to assess and repair a variety of breakdowns at the roadside. Patrol Vehicles are equipped with advanced equipment designed to enable a high roadside repair rate. RAC's Patrol Specialists successfully repaired approximately 81 per cent. of breakdowns at the roadside in the year ended 31 December 2022. RAC also provides roadside assistance to Members travelling in continental Europe through a network of contractors operated by a partner.

For Consumer Members, RAC offers single, joint and family memberships (up to five named Members in a household) on a "personal" basis where the Member is covered in any car regardless of whether as driver or passenger and regardless of ownership. Vehicle membership is also available with any driver or passenger covered in a specified vehicle (up to three vehicles). The following components of breakdown cover are offered:

- **At Home**: This service extends roadside assistance and provides cover if the vehicle breaks down at the Member's home, or within a one-quarter of a mile from the Member's home.

- **Roadside Assistance**: This service provides cover for breakdowns over a one-quarter of a mile from the Member's home, and repair or transportation up to ten miles from the location of the breakdown to a destination of the Member's choice, local garage or a place of safety.

- **National Recovery**: Instead of the ten-miles tow included in Roadside Assistance feature, the Member, up to seven passengers and the vehicle are transported to the Member's chosen destination anywhere in mainland UK.

- **Extras:**

    - **Onward Travel**: If the vehicle cannot be repaired locally, the Member is offered a choice of replacement car hire, alternative transport costs or hotel accommodation.

    - **Tyre Replace**. Entitles Members to up to five new tyres per year in the event of a puncture or malicious damage.

    - **Battery Replace**. If the battery cannot be recharged, the Member is offered a replacement.

    - **Key Replace**. If Members lose their keys, they are offered a replacement.

    - **European Rescue**: Extends breakdown cover to up to 49 European countries and is available in "Comprehensive" and "Comprehensive Plus" options and for single trip or annual cover. In the event of a mechanical breakdown, vehicles are fixed at the roadside, recovered to a local garage for repair or repatriated. Certain motor-related legal expenses incurred as a result of an incident in these countries are also covered.

These components are currently offered for sale in three packages – "Basic", "Extra" and "Complete". The key features of each package are summarised below:

- **Basic:** RAC's most affordable breakdown cover option includes Roadside Assistance and five call outs per year. If the vehicle cannot be fixed at the roadside, this package includes breakdown recovery up to ten miles to a garage or other destination.

- **Extra**: RAC's Extra package offers Roadside Assistance and five call outs per year, plus National Recovery. If the vehicle cannot be fixed, RAC will tow it to a garage or other destination anywhere in the UK, along with up to 8 passengers.

- **Complete**: As well as everything in Extra, the Member also gets the benefit of unlimited call outs, and At Home cover included.

For an additional charge, the Members can add one of the Extras to whatever package they choose. Those extras are designed to supplement RAC's core breakdown assistance offerings, including replacement auto batteries and various forms of insurance such as tyre insurance and garage and parts insurance cover.

As part of its promotion of membership, RAC has arrangements with Affinity Partners to jointly market and refer its products and services as well as to provide its Consumer Members with offers, discounts and value-added benefits. These benefits are communicated and promoted through RAC's membership communications and website. Members can access these benefits by registering and signing into the member benefits website to download vouchers, and then booking online or calling RAC to redeem the benefits.

Through its technical capabilities, RAC is also able to provide feedback and analysis on vehicle faults, trends and causes directly to manufacturers, enabling them to save costs and help protect brand advocacy by reducing breakdown incidents. The capability to provide real-time information to customer manufacturing plants differentiates RAC from contractor-based competition. Similar services are provided to fleet management companies to help them choose the most cost-effective mix of vehicles in their fleet. These systems also allow for constant technical updates to be accessed by Patrol Specialists on a specific vehicle and provide superior diagnostics to enable quicker and higher repair rates. This saves costs for Corporate Partners, particularly motor manufacturers and fleet management companies.

RAC also provides additional types of motoring services, including accident management, legal advisory services and claims handling services. These complement RAC's other products and services and address the broader requirements of motorists. The following types of motoring services are offered:

- **Accident management**: This service is offered to Consumer Members and several Corporate Partners. In the event of an accident, RAC can coordinate recovery services, provide advice and support following the accident, arrange provision of a replacement vehicle and offer RAC approved repair services covered by a three-year warranty. RAC can also provide legal advice and claims handling services where injury or other losses have been suffered.

- **Motoring claims services**: RAC administers motoring claims on behalf of several corporate customers through its subcontractor, FMG. These customers include Hitachi and Protector Insurance. The level of services ranges from first notification of loss following an accident through to repair placement and repair management. RAC administers a national network of preferred independent body shops with rebate arrangements in place in relation to vehicle repairs.

- **Legal expenses insurance**: RAC Insurance Limited underwrites legal expenses insurance, both for RAC and its Corporate Partners. Legal expenses insurance can provide cover against legal costs incurred in the pursuit of a legal claim or dispute and in the defence of a motoring prosecution. Policyholders also benefit from access to 24/7 legal advice.

- **Legal advisory services**: RAC's 'Legal Services' business provides advice and claims handling support services to its Members and RAC Legal expenses insurance policyholders, as well as a number of major Corporate Partners including BGL, Ardonagh and Atlanta Group partners, membership organisations and affiliates who promote subscriptions to RAC's roadside assistance service, and other Corporate Partners, such as Aviva and Barclays, to whom RAC provides a 24/7 legal advice helpline.

- **Warranties**: RAC also sells either directly to consumers or via its approved dealer network, a package of branded products, underwritten by Assurant, designed to protect and reassure used car buyers. This includes "RAC BuySure", which includes a vehicle inspection, three month warranty cover, a minimum of three months roadside assistance cover and accident management services.

As part of its product offering, RAC has two websites, RAC Cars (www.raccars.co.uk) and RAC Shop (www.racshop.co.uk), that provide customers with motoring products and services. RAC Cars is a website aimed at consumers searching to purchase a new or used vehicle. It works with a large number of dealerships and franchisees which list their vehicles on the RAC Cars website free of charge, allowing RAC to benefit from the cross sale of its wider products. RAC Shop is a retail website for the sale of various motoring products.

RAC also provides its SME customers with an online fleet management tool, known as RAC Business Club. This account management portal enables SME customers to manage their roadside assistance policy and fleet details online. In addition, the website provides customers with the ability to procure additional RAC products such as fuel cards and battery and tyre cover by selecting the vehicles for which they wish to obtain products.

In addition, RAC offers a telematics solution to fleet and insurance Corporate Partners. The solution involves fitting a small and unobtrusive telematics box in vehicles and provides access to a portal into which the box feeds vehicle information. The portal can monitor driving behaviour and diagnostic information from the vehicle and incorporates market leading crash detection software. The portal also offers a range of associated services in relation to (among other things) reporting, duty of care, fuel efficiency and geo-fencing. Telematics boxes have been installed with many of RAC's Corporate Partners, with approximately 29,000 boxes as at 31 December 2022. RAC has also developed a combined insurance and telematics offering. Telematics boxes have been fitted into all of RAC's own fleet of Patrol Vehicles, which has contributed to fuel efficiency savings.

Insurance

RAC offers a range of insurance products and predominately acts as an insurance intermediary. These products include car, home, motorcycle, van and other specialist broking insurance services to both Members and non-Members. The insurance policies are marketed predominantly by RAC. Most policies are administered by third parties and underwritten by a range of insurance companies. Under some of these arrangements, the RAC brand is used pursuant to licence arrangements with third party administrators and insurers.

For the years ended 31 December 2022 and 2021, RAC generated £59 million and £73 million of revenue in the Insurance segment, which represented 9.0 per cent. and 11.6 per cent., respectively, of its total revenue (in each case, on a post-2022 revenue restatement basis). For the year ended 31 December 2020, RAC generated £95 million of revenue in this segment, which represented 15.2 per cent. of its total revenue. See "*Presentation of Financial and Other Information—2022 Restatements*". Following the introduction of the new General Insurance Pricing Practices rules on 1 January 2022, like much of the sector, RAC's Insurance segment, particularly in motor insurance, has experienced lower new business volumes due to the consequent changes in consumer behaviour, where the necessity to shop around is initially reduced, driving strong renewal rates but lower new business. RAC responded to that during 2022 by refreshing its pricing model and have concluded 2022 with stronger member growth.

RAC acts as a distributor of insurance products, working with intermediary brokers on a product-by-product basis. RAC earns commission on the sale of insurance policies and revenue from the sale of insurance extras, while the intermediary broker provides all of the operations (including policy issuance and renewal and call centre services). No underwriting risk is undertaken by RAC in its insurance broking business, however, there is some, immaterial underwriting risk taken on add-on products (some components of breakdown cover and legal expenses insurance) by RAC Insurance Limited.

The main types of insurance policies distributed by RAC are as follows:

- **Motor insurance**: RAC offers car insurance (the largest product in the insurance broking segment with revenue accounting for approximately 90 per cent. of the total segment revenue for the year ended 31 December 2022) as well as various other types of motor insurance such as "Black Box" insurance for younger drivers.

- **Home insurance**: RAC offers two home insurance packages (both separately and as a package): buildings insurance and contents insurance. Buildings insurance cover includes the structure of the home, loss or damage caused by fire, smoke and other elements, a 24-hour a day home emergency helpline, alternative accommodation costs, accidental damage and a variety of other items. The contents insurance cover includes household goods and valuables and personal belongings.

- **Other insurance**: RAC sells a range of other specialist insurance policies, such as van and bike insurance, car hire excess insurance, travel insurance and temporary / learner driver insurance.

RAC operates an insurance underwriting panel business model for car, "Black Box", home, motorbike and van insurance. Insurance policies are sold predominantly through online aggregators as well as through RAC's website and contact centres. RAC's Insurance Members occupy primarily a similar demographic to its roadside assistance Consumer Members, but with limited overlap. Insurance Members often purchase RAC breakdown cover as an add-on product at the point of purchase. In the year ended 31 December 2022, 32 per cent. of new car insurance customers purchased breakdown with their insurance policy. Upon receipt of an enquiry from a potential customer, each underwriter determines its premium based on the individual's profile and the lowest premium is offered to the potential customer. This allows RAC to offer competitive prices by enabling access to a wide range of underwriters. RAC works closely with underwriters to ensure competitive pricing by supplementing the data provided by potential customers with RAC's own Consumer Member data (including breakdown experience) and other unique data variables developed in-house by the pricing team based on MOT and mileage data, as well as credit history information, identity checks and verified no claims history. This provides underwriters with a better understanding of the potential customer's risk profile, enabling them to offer RAC competitive prices to pass onto customers. This data also supports effective cross-selling of additional insurance products and insurance extras, which contribute significantly to RAC's insurance revenue.

The car insurance panel is administered by BGL Group, and the home insurance panel is administered by Europa Group. As at 31 December 2022, the car insurance panel consisted of eight underwriters and the home insurance panel consisted of six underwriters.

Data and Insight

RAC believes that its data capability is a key competitive advantage across its business segments. RAC maintains a proprietary database with information on both individuals and vehicles, which has been compiled from its own records, partner records and public information. Getting the digital offering "right" makes customers more valuable by increasing their lifetime value and decreasing the customer acquisition

cost ("**CAC**"), which reinforces the digital offering and improves the financial model. For instance, by analysing its existing data, RAC is able to better cross-sell and upsell to drive lifetime value and tailor and target its digital marketing efforts to reduce marginal CAC. Analysis of this information allows RAC to target its acquisition efforts effectively by focusing on the specific needs of particular types of potential customers. The database also enables a "next best action" feature with RAC's existing Members, identifying appropriate cross-selling opportunities and optimising pricing.

Sales Channels

RAC sells its products and services through several channels. The principal channels are as follows:

- **Online**: RAC markets its products and services through its own website as well as on aggregator sites and social networks. RAC has also expanded its online presence through initiatives such as RAC Cars, RAC Shop and MyRAC, which is a "one-stop" mobile application. Approximately 58 per cent. and 58 per cent. of Consumer Members acquired in the years ended 31 December 2022 and 2021, respectively, were attributable to this channel.

- **Affinities**: RAC has entered into arrangements to market its roadside assistance service to potential customers of Affinity Partners. For example, Tesco customers can exchange Tesco Clubcard vouchers for roadside assistance cover from RAC. Approximately 12 per cent. and 11 per cent. of Consumer Members acquired in the years ended 31 December 2022 and 2021, respectively, were attributable to this channel.

- **Contact centre**: RAC's contact centre handles calls from and to existing and potential customers. Approximately 19 per cent. and 15 per cent. of Consumer Members acquired in the years ended 31 December 2022 and 2021, respectively, were attributable to this channel:

    - **Inbound calls**: When calls are received from new and existing customers near the time of policy renewal, the objective of the contact centre is to provide a high level of customer service and professional handling of the call, to support member retention and potential up-selling or cross- selling. Certain customers are offered enhanced loyalty benefits and tiers of membership levels (see "*–The RAC Brand and Membership Base—Consumer Members*") in order to improve the likelihood of retention.

    - **Outbound calls**: RAC reaches out to existing and potential customers through proactive acquisition and retention campaigns. These campaigns use RAC's customer database to improve their effectiveness.

- **Manufacturer conversions**: RAC has the opportunity to convert Partner Members, who have complementary roadside assistance cover through motor manufacturers, to Consumer Members, who subscribe for roadside assistance with RAC directly. RAC's contact centre reaches out to such Partner Members towards the end of the period of their complimentary cover to offer them membership with RAC. Approximately 3 per cent. and 3 per cent. of Consumer Members acquired in the years ended 31 December 2022 and 2021, respectively, were attributable to this channel.

- **Direct sales agents**: RAC has moved to a digital sales support platform for its independent direct sales agents to professionalise and support continuous improvements to systems and controls enabling increased media and brand presentation. Approximately 3 per cent. and 3 per cent. of Consumer Members acquired in the years ended 31 December 2022 and 2021, respectively, were attributable to this channel.

Roadside Assistance Service Delivery

Operational excellence and quality of service are key to ensuring the long-term success of RAC's roadside assistance business and member satisfaction. RAC believes that operational excellence leads to a higher quality of service, which leads to greater customer satisfaction and, ultimately, improved profitability. This proposition is delivered through approximately 1,750 branded, highly skilled and well-equipped Patrol Specialists and recovery specialists, as well as over 800 customer service professionals who staff RAC's contact centres and provide follow up service to Members.

RAC attended approximately 2.4 million breakdowns in the year ended 31 December 2022. Breakdowns are handled by RAC's roadside assistance service in four stages: (i) receiving initial inbound reports from Members upon the occurrence of a breakdown incident using its contact centres and a range of digital services such as MyRAC and "Rescue Me"; (ii) deploying suitable resources and managing Members prior to the arrival of Patrol Vehicles or recovery specialists; (iii) attending the incident and repairing or towing the vehicle; and (iv) gathering feedback.

Initial inbound call

Roadside assistance contact centres, based in Walsall and Manchester, are responsible for receiving initial breakdown and assistance calls from Members. These two contact centres, with over 360 dedicated call centre professionals as at 31 December 2022, receive and service calls 24 hours a day, 365 days a year. Members also have the option to report their breakdown digitally, through the MyRAC app or the website, without the need to call the contact centre. On receipt of a call, the roadside assistance contact centre team requests details of the Member and the circumstances of the incident, including vehicle information, the suspected fault and the location of the incident. Through a series of non-technical questions and answers, the contact centre moves through a decision tree allowing the right resources to be allocated to deal with the issue. If the Member reports the breakdown digitally, the same information is captured on a form. In either instance, this information is fed into RAC's intelligent computer aided dispatch ("**iCAD**") system to create a breakdown job record. The iCAD system applies an initial algorithm to calculate the likely time of arrival and this is communicated to the Member with updates provided via SMS.

Deployment of resources

Once the breakdown job record is created, the iCAD system decides, based on the information in the job record, whether to automatically deploy a Patrol Vehicle or hold for manual deployment. In the year ended 31 December 2022, automatic deployment decisions were made in approximately 90 per cent. of breakdown incidents. In these circumstances, the iCAD system identifies the response solution from RAC's roadside assistance resources that is most appropriate to the Member's requirements, including (if appropriate) the deployment of RAC's fleet such as Patrol and Specialist Recovery vehicles. The resources deployed will depend upon a number of factors including vehicle type, type of fault, resource availability, geography and the specific circumstances.

RAC's customer contact centres manage communications with the Member, the Patrol Specialists or Recovery Specialists and contractors as well as undertaking any manual deployment decisions. In the event that the iCAD system holds for manual deployment, RAC's customer contact centre team makes real-time decisions as to assistance and deployment solutions, including prioritisation judgments based on factors such as the perceived level of urgency and danger of the breakdown circumstances. For example, breakdowns on a motorway are prioritised and, as a result, have a lower average time to attend.

Provision of assistance

Roadside assistance is provided by RAC's fleet which, as at 31 December 2022, comprised 1,614 RAC-branded Patrol Specialists and over 135 Specialist Recovery drivers. The fleet is deployed in geographical clusters to maximise efficiency and optimise customer service. Great Britain is divided into four regions and each region is divided into geographical clusters. Northern Ireland is managed as a separate region and cluster. The number and size of clusters varies across the regions due to differences in density of demand and geography. Each cluster is assigned a level of Patrol resource which is appropriate to these circumstances. In addition, RAC has relationships with over 300 third party contractors in the UK, and approximately 60 third party contractors in the Republic of Ireland, which supplement RAC's Patrol network during peak times or in remote locations.

In making deployment decisions, RAC seeks to maximise the proportion of breakdowns repaired at the roadside. RAC believes repairing vehicles at the roadside leads to high levels of customer satisfaction. It also drives profitability by minimising towing (which is significantly more expensive than repairing at the roadside) and other onward travel costs. RAC attended 2.4 million breakdowns at the roadside in the year ended 31 December 2022, with 82 per cent. of breakdowns attended by branded Patrol Specialists and the remainder by third party contractors.

In the year ended 31 December 2022, RAC's Patrol Specialists repaired approximately 81 per cent. of breakdown incidents at the roadside. For the remaining incidents, RAC provides repair and maintenance

services across the country through a network of over 1,100 franchised garages. RAC works with its Patrol Specialists to ensure that franchised garages are located in the appropriate geographical areas to match demand, are trusted by the Patrol Specialists and deliver a high quality of service to Members in need of garage repair. Each franchised garage must also be inspected by RAC annually. RAC also reviews its franchised garage network regularly and works with the local Patrol management team and WhoCanFixMyCar.com to identify garages to fill any gaps in the network.

Feedback and customer care

RAC asks all Members via SMS or email about their experience with RAC's roadside assistance service, including after a breakdown incident. In particular, RAC tracks its Net Promoter Score by asking Members, "How likely would you be to recommend RAC to friends or relatives?" Responses are recorded on a score from zero to ten (with ten being most likely), and the Net Promoter Score is calculated as a percentage of "promoters" (being those who responded nine or ten) less the percentage of "detractors" (being those who responded six or below). This feedback is collated by RAC to assess and improve the quality of RAC's roadside assistance service. As at 31 December 2022, RAC's Net Promoter Score was +49. In addition, RAC's customer care team responds to complaints and enquiries regarding the breakdown experience. The team deals with Consumer Members and Partner Members, and there are service level agreements in place with certain Corporate Partners providing for minimum levels of service delivery by RAC (such as average time to attend breakdowns).

European cover

Roadside assistance cover in continental Europe is provided by RAC's chosen partner, Opteven, which manages breakdown incidents until repatriation to the UK. RAC pays Opteven a fixed amount per job, with adjustments based on actual usage.

Property

RAC's head office is located in Bescot, Walsall, with its other principal operational centres in Bradley Stoke, Bristol and Stretford, Manchester.

RAC provides mechanic and apprentice training to its employees and Corporate Partners at the Bescot site, where the finance and HR teams are located. At the Bradley Stoke site, RAC houses several of its other core divisions, including its customer-facing sales and service call centre, and middle- and back-office functions, including sales and marketing, legal and finance. In Stretford, RAC has a secondary overflow contact centre for roadside assistance.

Information Technology

RAC invested approximately £40 million in upgrading its IT systems in the period from 1 January 2020 to 31 December 2022 with a further £3.5 million spent annually on smaller projects. Its key IT suppliers are as follows:

Supplier	**Services**
Getronics	Front line customer facing and core infrastructure services specifically: • contact centre telephony • business application data centre hosting • site to site networks • internet and digital cloud service provider networks • secure file transfer
SCC	Front line colleague facing operational support and security services specifically: • IT service desk • ITIL process, major incident, request, change and problem management • managed workspace and deskside engineering support and build • active directory and associated access and security workspace capabilities • site based local area networks and wifi • Microsoft 365 support

TCS	Application support and service integration for: • digital services (rac.co.uk, MyRAC, Rescue me) and Azure • a range of third-party systems including Agresso (finance) and Service Bus (integration layer) • support of Enterprise Data Store
Microsoft	• Azure for key applications • Dynamics for both Legal Services (CRM) and Recalls & Inspections (Field Services)
SSP	Policy administration system for Consumer Roadside customers, including application support, maintenance, hosting and operations
Intergraph (t/a Hexagon)	ICAD – covering support, maintenance and operations
Civica	Tranman – covering support, maintenance, hosting and operations
CACI	Support and maintenance for the marketing system (SAM)
IBM	Software support and maintenance (Service Bus, MQ)
Zafire	Drive4Business – covering support, maintenance and operations

RAC operates a number of internal and external data centres. The internal data centres are located in RAC's offices in Bescot, Bradley Stoke and Stretford. RAC has a business continuity plan in place in relation to these data centres. The business continuity plan is tested twice a year for each centre by (i) verifying that systems and data are operational and accessible and (ii) a team of call centre personnel and treasury personnel working from a backup office handling real calls and processing transactions to test business operations. The external data centres are located in the UK and the Republic of Ireland.

In addition, RAC has an environmental management system certified to ISO14001.

Employees and Pensions Obligations

RAC had 3,968; 3,831 and 3,745 full time employees as at 31 December 2022, 31 December 2021 and 31 December 2020, respectively. The following table provides a breakdown of RAC's full time employees as at the dates indicated:

	As at 31 December		
	2020	**2021**	**2022**
Membership Services	3,297	3,457	3,624
Insurance	82	20	22
Support	366	354	322
Total	**3,745**	**3,831**	**3,968**

As at 31 December 2022, all of RAC's full-time employees were located in the UK with the exception of 17 employees primarily in the roadside assistance service delivery business, who were located in the Republic of Ireland.

As at 31 December 2022, approximately 28.5 per cent. of RAC's employees were members of Unite the Union, which is the only trade union recognised by RAC. General terms of employment are regulated by a recognition agreement. RAC has not had any industrial action among its Patrol Specialists or administrative and call centres in recent years and believes that it has a positive relationship with its work force. See "*Risk Factors—Changes in employment law or disruption in RAC's workforce could materially adversely affect its business, financial condition and results of operations"*.

RAC operates a number of employee benefit schemes, as follows:

- RAC Group Personal Pension Plan ("**RAC GPP Plan**"): The RAC GPP Plan is a defined contribution pension plan open to all RAC employees which is provided by Aviva Pensions Trustees UK Limited who are authorised and regulated by the FCA.

- Unfunded Unapproved Pension Scheme ("**UUP Scheme**"): A UUP Scheme is provided on a discretionary basis for certain employees who receive benefits on a defined benefit basis (generally related to final salary). 5 pensioners were entitled to this benefit as at 31 December 2022.

- Post-Retirement Medical Benefits Scheme ("**PRMB Scheme**"): Under the PRMB Scheme, RAC provides medical benefits on a discretionary basis for certain pensioners and their dependants in the UK which is administered by Aviva Health UK Limited who are authorised and regulated by the FCA. 64 pensioners were entitled to this benefit as at 31 December 2022.

- Disability Benefit Scheme ("**DB Scheme**"): Under the DB Scheme, RAC provides disability benefits on a discretionary basis for certain former employees in the UK. Currently RAC contributes a flat rate per person to the scheme dependent on their individual circumstances.

Health and Safety

RAC continues to work hard to maintain a healthy and safe working environment for all colleagues and is committed to preventing accidents, injuries and physical or mental illness related to work. RAC has an extensive suite of Health and Safety practices and policies to help colleagues stay in good health.

RAC takes its health and safety obligations to its Members, employees and third parties seriously, regarding them as of equal importance to profitability and business ethics. Accordingly, RAC works hard to maintain a healthy and safe working environment for all colleagues, and health and safety matters are an integral part of the roles of RAC's employees. RAC is committed to the continuous improvement and development of safety standards.

RAC's "Be Safe" initiative concentrates on raising awareness of health & safety leadership, behaviours, engagement and competence of RAC's colleagues. This is implemented through a team of divisional and regional health and safety business partner, training including from external companies and rolling feedback programmes. RAC monitors standards through strong governance including a specialist Health and Safety function, policies, committees and its health and safety management system. RAC measures success with a variety of leading and lagging indicators, including Roadside audit observations, which helps the business understand the safety culture as well as where to focus tactical training and guidance efforts to drive improvement.

RAC actively encourages reporting of incidents to understand where weaknesses exist and then to resolve them, by investigating incidents, identifying root causes and interventions which feed company-wide actions for genuine continual improvement. RAC carries out annual internal audits of each patrol and uses external audit services as appropriate and in a targeted manner. In particular, RAC has used external audit services for its ISO9001 and ISO14001 certification and is working towards achieving ISO45001.

RAC's vehicle design is under constant review, and RAC regularly evaluates the latest vehicle technologies to ensure its colleagues are working in as safe an environment as RAC can provide. All RAC's vehicles now incorporate telematics and camera technology that help RAC understand driving and working behaviours, further supporting training and process development.

RAC is also committed to the continuous improvement and development of industry safety standards, and works closely with industry experts ensuring RAC's colleagues and vehicles are highly visible when working in high-risk roadside locations. RAC also works with other organisations that operate in similar environments (including the police, Highways England and other roadside assistance companies) to monitor and improve health and safety issues at an industry level. For example, RAC is a founding member of the Safe Use of Roadside Verges in Vehicular Emergencies Group (the "**SURVIVE Group**"), a public-private sector partnership that aims to improve the safety of those who provide service at the roadside and of members of the public who find themselves at risk by virtue of having been involved in incidents such as accidents and breakdowns. RAC chairs the SURVIVE Group's working group that is responsible for the UK national standard for safe working of vehicle breakdown and recovery operations (known as PAS43). A certification to this standard is required contractually by many businesses that provide roadside assistance services, and RAC requires all of its UK mainland-based contractors to have a current PAS43 certificate.

Insurance

RAC has insurance coverage under various insurance policies for, among other things, property damage, technical and office equipment and Patrol Vehicles, as well as coverage for business interruption, cyber, terrorism and directors and officers. RAC does not have insurance coverage for all interruption of operations risks because, in its view, these risks cannot be insured or can only be insured on unreasonable terms. RAC also has insurance policies covering employer and public liability, as well as for errors and omissions that may occur when broking insurance (professional indemnity, which is required under the FCA regulatory regime).

RAC believes that the existing insurance coverage, including the amounts of coverage and the conditions, provides reasonable protection, taking into account the costs for the insurance coverage and the potential risks to business operations. However, there can be no assurance that losses will not be incurred or that claims will not be filed against RAC which go beyond the type and scope of the existing insurance coverage.

Regulatory Environment

RAC operates two insurance intermediary companies in the United Kingdom, RACMS and RACFS, which are both authorised and regulated by the FCA. These intermediaries are currently subject to limited minimum capital requirements (the higher of £5,000 and 2.5 per cent. of annual income from the regulated activities of each intermediary). Both RACMS and RACFS have capital resources in excess of their minimum capital requirements.

RAC also has one authorised insurance underwriting company in the United Kingdom, RACIL. This entity had regulatory reserves of £16 million as at 31 December 2022.

For further details on the regulatory regime affecting RAC, see "*Regulatory Summary*".

REGULATORY SUMMARY

RAC's insurance intermediation and insurance underwriting businesses in the UK are subject to authorisation and regulation by the Prudential Regulation Authority (the "**PRA**") and the Financial Conduct Authority (the "**FCA**"). The majority of RAC's regulated activity is insurance intermediation, which is carried on through RAC Motoring Services ("**RACMS**") and RAC Financial Services Limited ("**RACFS**"). RAC's relatively minor direct insurance underwriting business is performed by RAC Insurance Limited ("**RACIL**").

The PRA has assessed RACIL as a "small insurer" category 5 firm, the lowest prudential category, due to its limited premium income but it is still subject to the full requirements of the Solvency II Directive as implemented in the UK and the Solvency II Chapter of the PRA Rulebook, which brings additional requirements in terms of capital requirements, governance, reporting etc.

The FCA divides financial sectors it regulates and supervises into portfolios, each made up of firms with similar business models. Portfolios are fluid and adapt as business models change. For firms operating across different sectors or markets, the FCA assigns the portfolio which reflects their main business. RACFS and RACMS are within the FCA's Personal and commercial lines insurance intermediaries portfolio and RACIL is within the Motor and Property (M&P) group of firms within the wider Smaller Insurers portfolio. The FCA analyses each portfolio and agree a strategy to address potential harms it identifies, which includes taking action on firms posing the greatest harm. The FCA utilises information from a wide range of sources, including feedback from consumers and consumer organisations, data and intelligence from firms and trade associations, insight from other regulatory organisations and information from MPs and whistleblowers. This enables the FCA to identify problems rapidly and, where necessary, intervene swiftly to address harm to consumers or markets. The FCA communicate its view of the main risks of harm, expectations and priorities on each portfolio every couple of years.

The following discussion considers the principal features of the UK financial services regulatory regimes for insurance mediation and insurance underwriting as applicable to RAC (but does not consider more general regulation which may be applicable to those businesses).

General

Regulation of the financial services industry in the UK is primarily under the FSMA. Since April 2013 the FSMA's framework has been enforced by the PRA and the FCA. The PRA is responsible for the prudential regulation of banks, insurers and some designated investment firms. The FCA is the prudential regulator for all other financial services firms and also regulates the conduct of all entities subject to the FSMA. Consequently, while the FCA is the sole regulator for insurance intermediaries, insurers are subject to regulation by both authorities.

An authorised firm must comply with the requirements of the FSMA as well as the rules made under it by the PRA and/or the FCA, as the case may be. There are a number of regulatory handbooks, but some important sources of the rules, and accompanying guidance, relevant to the insurance and insurance intermediary businesses undertaken by RAC include the FCA Prudential Sourcebook for Mortgage and Home Finance Firms and Insurance Intermediaries, the FCA Insurance Conduct of Business Sourcebook, the PRA Rulebook for Solvency II firms as well as the PRA's Fundamental Rules and FCA's Principles for Businesses.

Breakdown Insurance Exemption

RAC's core roadside assistance activity is a form of insurance. However, under Article 12 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, providers of breakdown insurance are exempt from the requirement to be authorised as insurers under the FSMA provided, broadly, that they comply with the following requirements:

a) the provider does not otherwise carry on any insurance business;

b) the cover is exclusively or primarily for the provision of benefits in kind in the event of accident or breakdown of a vehicle; and

c) the policy provides that the assistance:

   i. takes the form of repairs to or removal of the relevant vehicle;

   ii. is not available outside the UK and the Republic of Ireland, except where it is provided without the payment of additional premium by a person in the country

concerned with whom the provider has entered into a reciprocal agreement; and

iii. is provided in the UK or Republic of Ireland, in most circumstances, by the provider's own work force under its direction rather than through an outsourcing arrangement.

To ensure continued compliance any change to the services provided by RACMS would need to be reviewed with this exemption in mind.

RACMS, which is the entity responsible for the provision of RAC's roadside assistance services, is compliant with the above requirements for the elements of services that it provides (i.e. Roadside, Recovery and At Home), and therefore benefits from this exemption and is not required to be, nor is it, an authorised insurer for the purposes of the FSMA. The sale and administration of roadside assistance policies, however remains a regulated activity which is undertaken by RACFS and the provision of onward travel services and European breakdown services are underwritten by RACIL, which is an authorised insurer.

Insurance Intermediaries

Insurance intermediaries are authorised and regulated by the FCA and must comply with certain prudential requirements relating to capital and liquidity, corporate governance and risk management and controls, among others and conduct requirements relating to the conduct of their insurance mediation activities. These requirements are set out in Schedule 6 to the FSMA and further supplemented by the FCA Handbook. Due to the nature of intermediation business, lower prudential requirements apply to intermediaries than those applicable to insurers. The FCA has the power to cancel or vary a firm's permission, or to withdraw a firm's authorisation to act as an insurance intermediary, under the same regime applicable to insurers discussed below.

RAC has two insurance intermediary companies, RACMS and RACFS, which are both authorised and regulated by the FCA. Both RACMS and RACFS are subject to relatively limited minimum capital requirements (the higher of £5,000 and 2.5 per cent. of annual income from the regulated activities). Both RACMS and RACFS have capital resources in excess of those minimum requirements.

Appointed Representatives

RAC currently only has Introducer Appointed Representatives ("**IARs**") but there is a proposal being progressed for RACFS to appoint an Appointed Representative for the sale of Breakdown Insurance. The effect of these IAR appointments is that the representatives can effect introductions to RAC and publish non-real time promotions without the need to be authorised themselves and RAC is responsible for the acts and omissions of their IARs in relation to such introductions and promotions (and to ensure that they comply with the applicable FCA rules).

Consumer Credit

Each of RACMS and RACFS have, in addition to permission to carry on insurance mediation business, permission as credit brokers which enables them to provide intermediary services to customers in connection with consumer credit. The conduct of credit broking business is subject to the conduct rules in the Consumer Credit ("**CONC**") module of the FCA Handbook.

Insurers

Subject to certain exemptions, no person may carry on insurance business in the UK unless authorised to do so by the PRA (acting with the consent of the FCA). The PRA and FCA, in deciding whether to grant permission, are required to determine whether the applicant satisfies the threshold conditions set out in Schedule 6 to the FSMA to be engaged in insurance business including whether the applicant has and will continue to have appropriate resources, and that it is and will continue to be a fit and proper person having regard to the objectives of the PRA and the FCA (including whether those who manage the applicant's affairs have adequate skills and experience and have acted with probity). A permission to carry on insurance business may also be subject to such additional requirements as the PRA (with consent to the FCA) considers appropriate.

In specific circumstances, the PRA and/or the FCA may vary or cancel an insurer's permission under the FSMA to carry on a particular class or classes of business or insurance business generally. Such circumstances include a failure to meet the threshold conditions, or where such action is desirable in order to protect the interests of consumers or potential consumers.

RAC's sole authorised insurance underwriting company, RACIL, is regulated by the PRA. It is subject to minimum capital requirements under the UK rules implementing Solvency II and has capital resources in excess of those minimum requirements. The Solvency II Directive (2009/138/EC) is the prudential framework for insurance companies across the EU. To ensure a smooth transition to the new regime following Brexit, the UK used the European Union (Withdrawal) Act 2018 ("**EUWA**") to onshore EU Regulations made under the Solvency II Directive into UK law. At the same time, the UK used the EUWA and other statutory instruments (generally, "**EU Exit Regulations**") to correct deficiencies in the existing UK legislation and to make any amendments required to the onshored EU Regulations to ensure the UK Solvency II regime operates effectively post-Brexit.

Solvency II (and the UK Solvency II regime) is based on the concept of three pillars: (i) minimum capital requirements; (ii) supervisory review of firms' assessment of risk; and (iii) enhanced disclosure requirements. Solvency II covers valuations, the treatment of insurance groups, the definition of capital and the overall level of capital requirements. A key aspect of Solvency II is that the assessment of risks and capital requirements are aligned more closely with economic capital methodologies, and allows an insurer to make use of internal capital models, if approved by its regulator. It is noted that it is expected that the UK Solvency II framework for insurers is likely to be subject to change. In April 2022 HM Treasury ("**HMT**") published a consultation on proposed changes to the UK Solvency II framework, with the PRA publishing a Discussion Paper in April 2022, setting out broad support for HMT's proposals. In November 2022, HMT has published its response document to the UK Solvency II consultation, while at the same time a Feedback Statement was published by the PRA to its Discussion Paper on the risk margin and fundamental spread. Further legislation and changes to the PRA Rulebook would be required to implement any changes and as yet the timeline for that is not clear. However, the proposals would have a greater impact on life insurers and at this stage RAC does not consider that implementation of the proposals as set out would materially affect its business.

Supervision and Enforcement

The PRA and FCA have extensive powers to supervise, investigate and intervene in the affairs of an authorised person under the FSMA. For example, they can require firms to provide information or documents or prepare a "skilled person's" report (a power which has been increasingly used). The PRA and FCA have the power to take a range of disciplinary enforcement actions, including public censure, imposition of fines, withdrawing authorisation and seeking restitution orders.

The nature and extent of the PRA's supervisory relationship with a firm depends on how much of a risk the PRA considers it could pose to its statutory objectives. The PRA assigns firms to one of five "impact categories", based on its overall assessment of a firm's systemic importance, its proximity to failure, the context in which the firm operates and a bespoke selection of activities which supervisors deploy as they judge necessary. The PRA has assessed RACIL as a category 5 firm, the lowest prudential category. The PRA's supervisory interventions focus on reducing the likelihood of a firm failing and on ensuring that if it does fail, it does so in an orderly manner. The PRA uses the Proactive Intervention Framework ("**PIF**") to support early identification of risks to a firm's viability (and enable appropriate supervisory actions to be taken to address such risks if necessary) on the basis of information collected in risk assessments. A firm's position within PIF is reviewed at least annually and the PRA sends an annual letter to the firm's board, setting out the key risks on which the PRA requires action. The PRA has no set intervention programmes but may draw on a variety of tools to respond to the risks identified, including intervening at management level and setting additional capital requirements.

The FCA's supervisory approach is built around three pillars. Pillar 1 is Proactive Firm Supervision (also known as the Firm Systematic Framework) which is designed to be a forward-looking assessment of a firm's conduct risk and answer the question "Are the interests of customers and market integrity at the heart of how the firm is run?". This involves business model and strategy analysis that aims to identify the conduct risks that may be inherent in a business model, proactive engagement through meetings with senior management and the reviewing of management information, and "deep dive" reviews into certain areas of the business. Pillar 2 is Event Driven Work where the FCA reacts to what is actually happening at the firm. Pillar 3 relates to Products and Issues, where the FCA carries out thematic reviews and market studies across a particular sector or sectors. In the recent years the FCA has been increasing the number of such reviews and studies, as well as broadening their scope.

Although RACIL is regulated by the PRA, in practice the lead regulator for RAC is the FCA given its responsibility for supervision of RAC's larger insurance intermediation business (whilst the PRA is RAC's lead prudential regulator). RACIL is within the Personal and commercial lines insurers portfolio. RACFS and RACMS are within the FCA's Personal and commercial lines insurance intermediaries portfolio.

(i) Senior Managers and Certification Regime ("SM&CR")

The SM&CR has applied to RACIL since December 2018 and to RACMS and RACFS since December 2019. It is aimed at reducing harm to consumers and strengthening market integrity by creating a system that enables firms and regulators to hold people to account. This creates a greater focus on individual accountability.

Under the SM&CR, the most senior people (senior managers) who perform key roles (senior management functions) in firms will need PRA or FCA approval before starting their roles. The PRA Rulebook and FCA Handbook set out which roles are senior management functions. Every senior manager needs to have a statement of responsibilities ("**SoR**") that clearly says what they are responsible and accountable for. In addition to the responsibilities inherent in the definition of each senior management function (e.g. CEO, CFO, Head of Internal Audit), the FCA and PRA rules specify a set of prescribed responsibilities. There are some specific responsibilities that firms need to give their senior managers, known as prescribed responsibilities. This is to make sure a senior manager is accountable for the SM&CR and the key conduct and prudential risks, and reinforces the concept of individual accountability for key responsibilities. A senior manager must also be responsible for each of the firm's business functions and activities. These responsibilities are called 'overall responsibilities'. Solvency II insurers and large insurance brokers must provide "responsibilities maps" setting out the responsibilities of their senior managers, and their management and governance arrangements. It is designed to ensure there are no gaps in accountability and that there is a clear organisational structure. At least once a year, firms need to certify that senior managers are suitable to do their jobs.

(ii) Certification Regime ("CR")

The CR applies to all employees performing "certification functions" as defined by FSMA, which covers those who could pose a risk of significant harm to the firm or any of its customers. These individuals do not need to obtain regulatory approval but the firm must certify, both at the point of recruitment and annually, their fitness and propriety. RAC undertakes these checks annually and all senior managers and certified employees are provided with training upon commencement of their role and this is also updated regularly.

A function performed by a "key function holder" ("**KFH**") falls within the category of "certification functions". The term "key function holder" is defined in the PRA Rulebook as "*any person who is responsible for discharging a key function*". Such key functions include the risk management, compliance, internal audit and actuarial functions. These key function holders fall with the CR and therefore do not require regulatory pre-approval before taking up their posts.

(iii) Conduct Rules

The Conduct Rules set minimum standards of behaviour for individuals in financial services. The PRA and FCA apply their respective Conduct Rules to a very broad range of staff, with the aim of improving individual accountability and awareness of conduct issues across firms.

MANAGEMENT

The Issuer

The Issuer was incorporated under the Companies Act 2006 and registered in England and Wales on 24 March 2016 as a limited company with number 10084638. The Issuer's registered office is at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK and its telephone number is +44(0)1922 437000. The memorandum and articles of association of the Issuer may be inspected at the registered office of the Issuer.

The table below sets forth the name, age and current position of each member of the board of directors of the Issuer as at March 2023. The business address for all members of the board of directors of the Issuer is RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK.

Name	Age	Position
Joanna Baker	48	Director
Timothy Gallico	44	Director
Alexandre Levy	38	Director
Daniel Jonathan Wynne	52	Director

The following is a summary of the business experience of the current board of directors of the Issuer.

Joanna Baker is RAC's Chief Financial Officer, joining RAC in May 2018. She has an extensive background in financial services companies, starting her career as an investment banker in the sector before moving on to work at Barclays, Worldpay and Wonga in areas covering finance, strategy, sales, customer analytics and risk management.

Timothy Gallico has been a Non-Executive Director of RAC since April 2016. Timothy is a Partner of CVC, where he has worked since 2005 and has held director roles in CVC's investments at Formula One, Hozelock, Merlin Entertainments and Virgin Active. Timothy currently sits on boards in connection with CVC investments in Asplundh Tree Expert LLC, Pension Insurance Corporation Group and RiverStone International, and serves as a trustee of the United World Schools. Prior to joining CVC, Timothy worked as a consultant for Bain & Company.

Alexandre Levy re-joined as a Non-Executive Director of RAC in September 2022. He is a Senior Vice President in GIC's Direct Investments Group. He also sits on the board of Galderma and Unither Pharmaceuticals SAS.

Daniel Jonathan Wynne has been a Non-Executive Director of the Issuer since April 2017. He is currently a Director of Wilmington Trust SP Services (London) Limited. Prior to joining Wilmington in 2012, he worked at BNY Mellon, Citibank and JP Morgan.

Holdco

Holdco is a limited liability company incorporated under the Companies Act 2006 and registered in England and Wales on 22 September 2014 with number 09229824. Holdco's registered office is at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, United Kingdom and its telephone number is +44(0)1922 437000. The memorandum and articles of association of Holdco may be inspected at the registered office of Holdco.

The Board of Directors of Holdco (the "**Board of Directors**") is responsible for principal operational decisions within RAC. The business address for all members of the Board of Directors is RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, United Kingdom. The table below sets forth the name, age and current position of each member of the board of directors of Holdco as at March 2023.

Name	Age	Position
Robert Templeman	65	Chairman
David Hobday	54	Executive Director/Chief Executive Officer

Joanna Baker	48	Executive Director/Chief Financial Officer
Mark Wood	69	Non-Executive Director
Alexandre Levy	38	Non-Executive Director
Pev Hooper	49	Non-Executive Director
Timothy Gallico	44	Non-Executive Director
Tesula Mohindra	56	Non-Executive Director/ Chair of Risk, Audit and Compliance Committee
Jonathan Galore	46	Non-Executive Director
Simon Patterson	49	Non-Executive Director

The following is a summary of the business experience of the current Board of Directors, other than those directors listed above under "—The Issuer".

Robert Templeman is Chairman of the Board of Directors. He joined RAC in September 2011. His previous roles include Chairman of Gala Coral, Chief Executive Officer of Debenhams, Chief Executive Officer and Chairman of Halfords, Chief Executive Officer of Homebase and Harveys Furnishing Group and Chairman of the British Retail Consortium. Robert also has a number of charitable interests.

David Hobday is RAC's Chief Executive Officer. He joined RAC in February 2017 from Worldpay UK, a payments company where he was Managing Director for five years. He has previously worked at BT, Telewest, HBOS and Procter & Gamble in areas covering operations, customer service, marketing, sales and technology.

Mark Wood joined RAC in September 2011. His prior roles include Managing Director for Financial Services at the AA, Chief Executive Officer of AXA UK, Chief Executive Officer of Prudential UK and Europe and Chief Executive Officer of Paternoster Pension Investment Company. Mark also previously served as Chairman of the Trustees of the National Society for the Prevention of Cruelty to Children.

Pev Hooper has been a Non-Executive Director since April 2016. Pev is a Managing Partner at CVC Capital Partners, and currently sits on the boards of Domestic & General and Premiership Rugby. He was also responsible for CVC's prior investments in Saga, Merlin Entertainments and Virgin Active. He joined CVC in 2003 after working in mergers and acquisitions at Citigroup and Schroders.

Tesula Mohindra joined RAC in September 2022 as an Independent Non-Executive Director (iNED) and is Chairman of the Board of Director's Audit and Risk Committee. Tesula qualified as a chartered accountant with PricewaterhouseCoopers and held managing director roles at JP Morgan and UBS specialising in corporate finance for financial institutions and pension fund risk management. She was also a founding member of the management team at Paternoster, the specialist bulk annuity insurer. Tesula's current iNED portfolio includes Close Brothers Group plc and NHBC (National House-Building Council).

Jonathan Galore joined Silver Lake in 2015 and is an Operating Partner. Prior to Silver Lake, he held a number of senior executive roles in technology businesses, most recently as Chief Technology Officer at Wonga Group, a global online finance company, and co-founded a number of online financial services companies, including Trussle.com, the UK's first online mortgage advisor, and Wealthfront.com, a leading US automated investment service.

Simon Patterson joined Silver Lake in 2005 and is a Managing Director and co-head of the firm's activities in Europe, the Middle East, and Africa. He is currently a board member of Dell Technologies, IVC Evidensia, New Zealand Rugby Commercial, and ZPG, and previously served on the boards of Skype, Cegid, Intelsat, FlixBus, MultiPlan, and Gerson Lehrman Group. Prior to joining Silver Lake, he was a member of the founding management team of the logistics software company GF-X (acquired by Descartes) and worked in various management roles at the Financial Times. He is a Trustee and Vice Chairman of The Royal Foundation of the Prince and Princess of Wales, and previously served as a Trustee of the Natural History Museum in London and Non-Executive Director of Tesco PLC.

Senior Management Team

RAC's current senior management, in addition to the members of the Board of Directors, who are Executive Directors listed above, is as follows:

Name	Age	Position
Alex Heath	46	Chief People, Customer & Marketing Officer
David Buxton	42	Managing Director, Insurance
Andy Baker	50	Managing Director, Consumer Roadside
Paul Coward	40	Managing Director, Service Maintenance and Repair
Phil Ryan	58	Managing Director, Business Roadside
Paul Coulton	40	Operations Director
Chris Astall	51	Chief Product and Technology Officer

Alex Heath joined RAC in 2011 and has held a number of customer, product and marketing roles across the consumer business. Alex was appointed to the Executive Committee in 2018 as Chief Marketing Officer, and later his accountability was expanded to include group customer experience leadership and group strategy development. In 2022, Alex was also asked to assume the role of Chief People Officer. Prior to joining RAC, Alex held marketing, CRM and customer experience roles at T-Mobile and EE.

David Buxton joined RAC in January 2023 as Managing Director of Insurance and has 22 years experience in running Financial Services businesses. Prior to joining RAC, David has held senior roles at RBS, Virgin Money, Sainsbury's retail bank and Currys.

Andy Baker joined RAC in 2021 as the MD of the Consumer Roadside Division. Prior to joining RAC, Andy was CEO of telecoms provider Plusnet for 6 years. Prior to that he held executive roles across the BT Group leading high growth consumer facing operating units. Andy's early career included consulting, start-up environments and began in retail with Dixons Stores Group.

Paul Coward joined RAC in 2014 and has held numerous analytical and strategic roles across the business, including Group Strategy Director and running the Insurance business. Prior to RAC, Paul started his career as an automotive engineer at Bentley before moving into analytical and customer strategy roles at Capital One, Lloyds Bank, and then as a consultant for Deloitte.

Phil Ryan joined RAC in 2004 and prior to becoming Managing Director, Business Roadside, has held roles as Director of Technical, Head of Roadside Operations, Head of Call Centres and Head of Service Development. Before joining RAC, Phil was Sales and Marketing Director for Kingston Communications.

Paul Coulton joined RAC in 2020 initially leading the Membership Sales and Retention Operations before moving across to Group Operations in 2021 and has been Group Operations Director since January 2022. Prior to joining RAC, Paul has spent the last decade leading large scale, customer service and technical operations for organisations such as Plusnet and BT.

Chris Astall joined RAC in 2022 as Chief Product and Technology Officer. Chris has 20 years of digital experience and joined RAC from Photobox, Europe's largest photo printing company, where he has the role of Vice President of Architecture & Data. Prior to that, Chris was at MetaPack and Bookacourse.

Corporate Governance

RAC's performance is supervised by the following committees of the Board of Directors:

Audit and Risk Committee

RAC's Audit and Risk Committee has responsibility for the monitoring of the integrity of the financial statements of RAC and the involvement of the auditors in that process as well as reviewing RAC's internal control and risk management systems. It focuses in particular on compliance with accounting policies and ensuring that an effective system of internal financial control is maintained. This committee is chaired by

Tesula Mohindra, Independent Non-Executive Director. Members of RAC's senior management team attend the committee's meetings as needed.

ESG Committee

RAC's ESG Committee has responsibility for oversight of its Environmental, Social and Governance ('**ESG'**) strategy and compliance with relevant legal and regulatory requirements, including applicable rules and principles of corporate governance, and relevant industry standards to ensure the long-term sustainability of the business. The environmental aspect of the Committee's work covers RAC's impact on the natural environment and its response to the challenge of climate change including (but not limited to): reducing carbon emissions; responsible energy consumption; generation and use of renewable energy; protection of biodiversity and habitat; negative impact on water resources and of deforestation; pollution; efficient use of resources; the responsible reduction and management of waste; and the environmental impact of RAC's supply chain. The social aspect of the committee deals with engagement with colleagues, members, suppliers and other stakeholders and the communities in which it operates, and the role of RAC in the community, including (but not limited to): workplace policies (e.g. employee relations and engagement, diversity, non-discrimination and equality of treatment, health and safety and well-being); ethical/responsible sourcing and social aspects and labour standards of the supply chain (including child labour and modern slavery); and engagement with and contribution to the broader community through social initiatives and charitable donations. The governance element of the committee refers to the ethical conduct of RAC's business including its corporate governance framework, business ethics, policies, and codes of conduct, (e.g. relating to bribery, corruption, and money laundering) and the transparency of reporting. Through the implementation of the ESG Strategy, RAC aims to transform its car fleet to electric and hybrid, reduce travel through tech and hybrid working, switch to renewable energy, improve its "EcoVadis" rating and continue to drive standards through the ESG Working Group and dedicated board ESG Committee. RAC is aiming to be net zero by 2050 at the latest.

Remuneration Committee

The Remuneration Committee is responsible for reviewing RAC's remuneration policy and overseeing any major changes in employee benefit structures throughout RAC. The Remuneration Committee is also responsible for approving individual remuneration packages for each executive director and the senior executives of the RAC's subsidiaries, the chief executive officer of RAC, the Chairman, the company secretary and other senior management of RAC. This committee includes RAC's Chief Executive Officer, as well as all Non-Executive Directors, and is currently chaired by Rob Templeman.

Executive Compensation and Indemnity

For the year ended 31 December 2022, the aggregate compensation paid to the members of the Board of Directors and senior managers (in each case, including cash compensation for salary, bonuses, pensions and other benefits) was £4.3 million (2021: £4.3 million, 2020: £5.5 million). In addition, certain indemnities have been granted to the members of the Board of Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006.

Management Employment Contracts

All members of RAC's senior management team have permanent employment contracts of indefinite terms, terminable on six to 12 months' notice by the employer and six to 12 months' notice by the relevant employee. The contracts include a standard commitment not to compete during their employment as well as a six or 12- month non-compete post-contractual restrictive covenant. There are further six or 12-month non-solicit post-contractual restrictive covenants in relation to employees and suppliers.

Share Ownership

For information on the share ownership of RAC's directors and other members of senior management, please see "*Principal Shareholders*".

THE ISSUER

General

The Issuer was incorporated under the Companies Act 2006 and registered in England and Wales on 24 March 2016 as a limited company with number 10084638. The Issuer's registered office is at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK and its telephone number is +44(0)1922 437000. The memorandum and articles of association of the Issuer may be inspected at the registered office of the Issuer.

Principal Activities

The Issuer is organised as a special purpose company and its principal activities are the acquiring, holding and managing of its rights and assets under the Class B2 IBLA and the Class A IBLA along with borrowing under the Liquidity Facility, entering into the Issuer Hedging Agreements, and other activities incidental to the issuance of Class A Notes and the Class B2 Notes.

On or around the Class A Issue Date, the Issuer will enter into the Issuer Transaction Documents for the purpose of making a profit. The Issuer has no subsidiaries or employees.

Directors and Company Secretary

The directors and company secretary of the Issuer and their respective business addresses and positions are set out below.

Name	Business Address	Position
Joanna Baker	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Director
Timothy Gallico	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Director
Alexandre Levy	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Director
Daniel Jonathan Wynne	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Director
Lisa Griffiths	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Secretary

The directors of the Issuer (other than Mr. Wynne, who is a fully independent director) receive no remuneration from the Issuer for their services. The directors of the Issuer may engage in other activities and have other directorships.

None of the directors of the Issuer has any actual or potential conflict between their duties to the Issuer and their private interest or other duties as listed above.

The Issuer Corporate Officer Provider has agreed, pursuant to the terms of the Issuer Corporate Officer Agreement, to provide administration services to the Issuer including providing a registered office and company secretary.

Management and Control

The Issuer is managed and controlled in the UK.

Share Capital

The Issuer is a wholly owned subsidiary of Holdco and its issued share capital is £50,000, fully paid up, divided into 50,000 ordinary shares of £1.00.

Since the date of incorporation of the Issuer, no options to acquire shares have been issued or authorised. Since its incorporation up to the date of this Base Prospectus, the Issuer has not paid any dividends. There

are measures in place in the Transaction Documents, including certain negative covenants, which ensure that the control of the Issuer by Holdco is not abused.

Auditors

The auditor of the Issuer is Deloitte LLP with a registered office at Four Brindleyplace, Birmingham, B1 2HZ, UK. Deloitte LLP is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales.

Financials

The most recent audited financial statements of the Issuer (the "**Issuer Financials**"), which are for the year ended 31 December 2022, are available to be inspected and obtained at the Issuer's registered office at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK. The Issuer Financials are incorporated by reference into this Base Prospectus.

THE BORROWER

General

The Borrower was incorporated under the Companies Act 2006 and registered in England and Wales on 10 June 2011 as a private limited company with number 07665596. The Borrower's registered office is at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK and its telephone number is +44(0)1922 437000. The memorandum and articles of association of the Borrower may be inspected at the registered office of the Borrower.

Principal Activities

The Borrower was established as a private limited company and its principal activities are acting as, and in connection with being, a holding company.

Directors and Company Secretary

The directors and company secretary of the Borrower and their respective business addresses and positions are set out below.

Name	Business Address	Position
Joanna Baker	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Director
David Hobday	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Director
Robert Templeman	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Director
Mark Wood	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Director
Tesula Mohindra	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Director
Lisa Griffiths	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK	Secretary

None of the directors of the Borrower has any actual or potential conflict between their duties to the company and their private interests or other duties.

Management and Control

The Borrower is managed and controlled in the UK.

Share Capital

The Borrower is a subsidiary of Holdco and its issued share capital is £78,651.13. There are measures in place in the Transaction Documents, including certain negative covenants, which ensure that the control of the Borrower by Holdco is not abused. See "*Description of Certain Financing Arrangements*".

Auditors

The auditor of the Borrower is Deloitte LLP with a registered office at Four Brindleyplace, Birmingham, B1 2HZ, UK.

Deloitte LLP is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales.

HOLDCO

Holdco was incorporated under the Companies Act 2006 and registered in England and Wales on 22 September 2014 as a private limited company with number 09229824. Holdco's registered office is at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK and its telephone number is +44(0)1922 437000. The memorandum and articles of association of Holdco may be inspected at the registered office of Holdco.

Principal Activities

Holdco was established as a private limited company and its principal activities are acting as, and in connection with being, a holding company.

Directors and Company Secretary

The directors and company secretary of Holdco and their respective business addresses and positions are set out below.

Name	Business Address	Position
Joanna Baker	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Timothy Gallico	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Jonathan Galore	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
David Hobday	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Robin Peveril Hooper	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Alexandre Levy	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Tesula Mohindra	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Simon Patterson	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Robert Templeman	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Gregory Mark Wood	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Lisa Griffiths	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Secretary

None of the directors of Holdco has any actual or potential conflict between their duties to the company and their private interests or other duties.

Management and Control

Holdco is managed and controlled in the UK.

Share Capital

Holdco is a wholly owned subsidiary of Topco and its issued share capital as at the date of this Base Prospectus was £339,131,773, divided into £1.00 ordinary shares.

Auditors

The auditor of Holdco is Deloitte LLP with a registered office at Four Brindleyplace, Birmingham, B1 2HZ, UK.

Deloitte LLP is a registered auditor and is authorised by the Institute of Chartered Accountants in England and Wales to practise in England and Wales.

TOPCO

General

Topco was incorporated under the Companies Act 2006 and registered in England and Wales on 22 September 2014 as a private limited company with number 09229775. Topco's registered office is at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, UK and its telephone number is +44(0)1922 437000. The memorandum and articles of association of Topco may be inspected at the registered office of Topco.

Principal Activities

Topco was established as a private limited company and its principal activities are acting as, and in connection with being, a holding company.

Directors and Company Secretary

The directors and company secretary of Topco and their respective business addresses and positions are set out below.

Name	Business Address	Position
Joanna Baker	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Timothy Gallico	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Jonathan Galore	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
David Hobday	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Robin Peveril Hooper	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Alexandre Levy	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Tesula Mohindra	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Simon Patterson	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Robert Templeman	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Gregory Mark Wood	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Director
Lisa Griffiths	RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW	Secretary

None of the directors of Topco has any actual or potential conflict between their duties to the company and their private interests or other duties.

Management and Control

Topco is managed and controlled in the UK.

Share Capital

Topco is a wholly owned subsidiary of RAC Midco Limited and its issued share capital as at the date of this Base Prospectus was £339,131,773, subdivided into ordinary shares of £1.00.

Auditors

The auditor of Topco is Deloitte LLP with a registered office at Four Brindleyplace, Birmingham, B1 2HZ, UK.

Deloitte LLP is a registered auditor and is authorised by the Institute of Chartered Accountants in England and Wales to practise in England and Wales.

DESCRIPTION OF THE COMMON DOCUMENTS

The following is a summary of certain provisions of the principal documents relating to the transactions described in this Base Prospectus.

Summary

The Senior Finance Parties (which includes the Issuer) all benefit from common terms set out in the CTA under their relevant debt instrument. The Senior Finance Parties benefit from a common security package granted by the Borrower, Holdco and certain of Holdco's subsidiaries (as Obligors under the CTA). It is a requirement of the CTA that any future provider of a Class A Authorised Credit Facility must accede to and be bound by the terms of the CTA (see "*Common Terms Agreement*" below). Any future provider of any Authorised Credit Facility must also accede to the intercreditor arrangements contained in the STID (see "*Security Trust and Intercreditor Deed*" below). The Issuer, as provider of each loan to the Borrower corresponding to the proceeds of an issuance of Class A Notes or Class B Notes, will also be party to and be bound by the CTA (in respect of the Class A Notes only) and the STID.

The CTA sets out the common terms applicable to each Class A IBLA and each other Class A Authorised Credit Facility (other than each Liquidity Facility and each Borrower Hedging Agreement) into which the Borrower enters. Save for certain limited exceptions, no Senior Finance Party can have additional representations, covenants, trigger events or loan events of default beyond the common terms deemed to be incorporated by reference into their Class A Authorised Credit Facilities through their execution of, or accession to, the CTA.

The STID regulates among other things: (i) the claims of the Obligor Secured Creditors; (ii) the exercise and enforcement of rights by the Obligor Secured Creditors; and (iii) the giving of instructions, consents and waivers and, in particular, the basis on which votes of the Obligor Secured Creditors will be counted.

All agreements listed below and non-contractual obligations arising out of or in connection with them are governed by and construed in accordance with English law and subject to the exclusive jurisdiction of the English courts.

Common Terms Agreement

General

The Obligor Security Trustee, the Issuer Security Trustee, the Class A Note Trustee, the Issuer, Holdco, the Borrower, the Holdco Group Agent, the Cash Manager, and the Borrower Account Bank, among others, entered into the CTA on 6 May 2016. The CTA sets out the representations, covenants (positive, negative and financial), Trigger Events and CTA Events of Default that apply to each Class A Authorised Credit Facility (including for the avoidance of doubt each Class A IBLA and any other document entered into in connection with a Class A Authorised Credit Facility, but excluding any Hedging Agreement), which are all further described below.

It is a term of the CTA that any representation, covenant, Trigger Event or CTA Event of Default contained in any Class A Authorised Credit Facility (other than any Liquidity Facility Agreement or Hedging Agreement) which is in addition to those in the CTA will be unenforceable (save for limited exceptions which, among other things, include representations made under any Liquidity Facility Agreement and representations as to group structure, financial projections, information memoranda, and/or base case models, anti-bribery, anti-corruption, anti-money laundering and/or sanctions, tax representations, covenants made under any Liquidity Facility Agreement and covenants relating to “know your customer” checks, the delivery of documents to allow payments to be made without deduction of Tax, the purpose of the relevant facility, provisions as to illegality, information undertakings, indemnities, covenants to pay, voluntary prepayments, cash sweep, equity cure rights, mandatory prepayments or mandatory "clean-down" provisions (other than upon or following the occurrence of any event of default howsoever worded in a Class A Authorised Credit Facility) and covenants relating to the delivery of corporate authorisations approving entry into a Class A Authorised Credit Facility, remuneration, costs and expenses, anti-bribery, anti-money laundering and sanctions) unless they are also offered to all of the parties to the CTA on the same basis and for the duration of the relevant facility. In addition, subject to certain conditions, further representations, covenants, Trigger Events and CTA Events of Default may be included where they are extended to all of the Senior Finance Parties including the Issuer.

It is a requirement of the CTA that future providers of Class A Authorised Credit Facilities and other Finance Parties accede to the CTA, the Master Definitions Agreement and the STID.

The CTA contains certain indemnities of the Obligors to the Finance Parties in respect of losses caused, *inter alia*, by CTA Events of Default.

To the extent that any provision of the CTA is inconsistent with any provision of the STID, the provision in the STID shall prevail.

A summary of the representations, covenants, Trigger Events and CTA Events of Default included in the CTA is set out below.

Representations

On the date on which any Class A Authorised Credit Facility (including any future Class A IBLA) is entered into, each Obligor will make a number of representations to the Issuer and each Finance Party. These representations include (subject, in some cases, to agreed exceptions and qualifications as to materiality and reservations of law) representations as to:

(a) its due incorporation, valid existence, power and authority to own its assets and carry on its business as it is being conducted;

(b) power to enter into, deliver and perform the Senior Finance Documents and the Common Documents to which it is party;

(c) all Authorisations required to enable it to enter into, exercise its rights and perform its obligations under the Common Documents and the Senior Finance Documents to which it is party and make them admissible in evidence in certain relevant proceedings are in effect or will be obtained before the Closing Date and all Authorisations required for the conduct of its and its Subsidiaries' business including the Permitted Business have been obtained or effected and are in full force and effect, where failure to obtain or effect those Authorisations would or is reasonably likely to have a Material Adverse Effect;

(d) its obligations under each Senior Finance Document and Common Document to which it is party are legal, valid, binding and enforceable;

(e) each Obligor Security Document to which it is a party creates the Security Interests which that Obligor Security Document purports to create and those Security Interests are valid and effective;

(f) no conflict with (i) any laws or regulations, (ii) any regulatory or governmental clearances, or any licences, (iii) its constitutional documents or (iv) any agreement or instrument binding upon it, other than in respect of (iii) to the extent that such conflict would or is reasonably likely to have a Material Adverse Effect;

(g) (i) ownership or licensing of material Intellectual Property that is material in the context of its business and is required for its business, (ii) no infringement, in carrying on its businesses, of any Intellectual Property of any third party in any respect which would or is reasonably likely to have a Material Adverse Effect; and (iii) the taking of all formal and procedural action required to maintain Intellectual Property owned by it;

(h) matters relating to insurances;

(i) good, valid and marketable title and valid leases or licences and Authorisations to use the assets necessary to carry on their business including the Permitted Business as presently conducted, the absence of which would or is likely to have a Material Adverse Effect;

(j) absence of Insolvency Events;

(k) absence of CTA Event of Defaults or Trigger Events under any Common Document or Senior Finance Document;

(l) matters relating to Taxes which would or are reasonably likely to have a Material Adverse Effect;

(m) the accuracy of its financial statements and the absence of any contingent liabilities or commitments not disclosed in relevant financial statements;

(n) matters relating to pensions including that all occupational pension schemes are funded in accordance with applicable law and no warning notice, contribution notice or financial support direction has been made;

(o) the composition of the Holdco Group;

(p) choice of governing law to govern the Senior Finance Documents and the Common Documents and enforcement of judgments;

(q) matters relating to centre of main interest;

(r) matters relating to compliance with laws, regulations, licences including environmental compliance and sanctions compliance and compliance with ERISA, Margin Regulations and the Investment Company Act, and absence of circumstances which would prevent such compliances in a manner or to an extent which would or is reasonably likely to have a Material Adverse Effect;

(s) absence of litigation, arbitration, administrative proceedings, investigations or environmental claims which, if adversely determined, would or are reasonably likely to have a Material Adverse Effect;

(t) ranking of claims;

(u) no security over assets of any member of the Holdco Group other than Permitted Security and no financial indebtedness other than Permitted Financial Indebtedness;

(v) the shares of any member of the Holdco Group subject to security are fully paid and not subject to any option to purchase or similar rights;

(w) the security granted by the Obligor Security Documents has the ranking expressed in those documents and is not subject to any prior ranking or pari passu ranking;

(x) matters relating to Holding Companies;

(y) the status of Material Companies as Obligors and compliance with the Obligor Coverage Test; and

(z) matters relating to Regulatory Requirements.

On each Payment Date, on each date of a request for a borrowing and, on the first date on which any Utilisation is made, after the Closing Date, each Obligor shall make certain repeating representations (the "**Repeated Representations**"). An Obligor acceding to a Class A Authorised Credit Facility shall make the Repeated Representations on the date of such accession.

Covenants

The CTA contains certain covenants from each of the Obligors. A summary of the covenants is set out below.

Information Covenants

Financial Statements

(a) The Holdco Group Agent must supply to the Obligor Security Trustee, the Issuer Security Trustee, and any Facility Agent, the Borrower Hedge Counterparties, the Rating Agency and the Class A Note Trustee and, if requested by the Obligor Security Trustee, in sufficient copies for all Obligor Senior Secured Creditors:

(i) audited consolidated Annual Financial Statements of Holdco prepared as if the members of the Holdco Group and the Issuer constituted a statutory group for consolidation purposes and related accountants' reports, as soon as they are available but in any event within 180 days after the end of each Financial Year;

(ii) unaudited consolidated Semi-Annual Financial Statements of Holdco prepared as if the member of the Holdco Group and the Issuer constituted a statutory group for consolidation purposes for the first financial half year in each Financial Year, as soon as they are available but in any event within 90 days after the end of such financial half year;

(iii) annual Financial Statements of each member of the Holdco Group representing 5 per cent. or more of the EBITDA of the Holdco Group (audited to the extent available), as soon as they are available but in any event within 180 days after the end of each Financial Year; and

(b) The Holdco Group Agent must ensure that:

(i) each set of Financial Statements supplied by it is prepared in accordance with the then current accounting principles and accounting practices and includes a statement of cash flows, an income statement and a statement of financial position and gives a true and fair view of or, in the case of any unaudited consolidated Semi-Annual Financial Statement, fairly presents its financial condition (consolidated or otherwise) as at the date to which those Financial Statements were drawn up and of the results of its operations during such period;

(ii) it notifies the Obligor Security Trustee of any material change to the basis on which the audited consolidated Annual Financial Statements and the unaudited consolidated Semi-Annual Financial Statements of Holdco are prepared (including a change of the accounting principles or the accounting practices) and deliver a description of any change necessary to be made for those financial statements to reflect the Accounting Principles or accounting practices upon which the Original Financial Statements were prepared and sufficient information to determine the calculation of the financial ratios and Excess Cashflow in respect of any relevant period and to make an accurate comparison between the determination of the Class A FCF DSCR, the ratio of Total Net Debt to EBITDA, the ratio of Total Class A Net Debt to EBITDA and Excess Cashflow in accordance with the then current accounting principles and accounting practices and the determination of the Class A FCF DSCR, the ratio of Total Net Debt to EBITDA, the ratio of Total Class A Net Debt to EBITDA and Excess Cashflow in accordance with the then current accounting principles and accounting practices after giving effect to the change notified to the Obligor Security Trustee under this paragraph (ii);

(iii) in respect of the calculation of Class A FCF DSCR, the ratio of Total Net Debt to EBITDA, the ratio of Total Class A Net Debt to EBITDA and Excess Cashflow if the change under paragraph (ii) above is expected to result in a deviation from the result of the calculation of the relevant financial ratio or Excess Cashflow, the Holdco Group Agent may or if such deviation is of 5 per cent. or more from the result of the calculation of the relevant financial ratio or Excess Cashflow, the Holdco Group Agent shall, appoint an international firm of auditors to determine the amendments required to be made to the relevant financial ratios and associated definitions. Prior to the Holdco Group Agent appointing such auditors, the Obligor Security Trustee shall, if directed in accordance with the STID, enter into discussions with a view to agreeing any amendments required to be made to the financial ratios and associated definitions and the definition of "**Excess Cashflow**" to place the Holdco Group and the Obligor Security Trustee in a comparable position.

Notification of a CTA Default or Trigger Event

(c) Unless the Obligor Security Trustee has already been so notified by another Obligor, each Obligor (or the Holdco Group Agent on its behalf) must notify the Obligor Security Trustee of any CTA Default or Trigger Event relating to it (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

Compliance Certificate

(d) The Holdco Group Agent shall supply to the Obligor Security Trustee, the Issuer Security Trustee, and any Facility Agent, the Issuer, the Hedge Counterparties and the Rating Agency a Compliance Certificate (i) with effect from 31 December 2016 with each set of Financial Statements of Holdco;

(ii) not less than 5 Business Days prior to Holdco Group entering into an Authorised Credit Facility referred to in the definition of "**Additional Financial Indebtedness**" and (iii) upon the satisfaction of the conditions set out in the definition of Qualifying Public Offering.

(e) Such Compliance Certificate shall include:

(i) the Class A FCF DSCR and calculations thereof in reasonable detail and provide a copy of the computations made in respect of the calculation of such ratio to permit recalculation of such ratios back to the related financial statements;

(ii) in respect of any Additional Financial Indebtedness proposed to be incurred, the Class A FCF DSCR and (if required by paragraph (b) of the definition of Additional Financial Indebtedness) the ratio of Total Class A Net Debt to EBITDA (in each case calculated on a pro forma basis as provided for in that definition) and calculations thereof in reasonable detail confirming that the requirements of that definition are met (including a copy of the computations made in respect of the calculation of such ratio to permit recalculation of such ratios back to the related financial statements);

(iii) on the first Test Date after a Public Offering on which the ratio in paragraph (i) of the definition of Qualifying Public Offering is satisfied, that ratio and calculations thereof in reasonable detail (including a copy of the computations made in respect of the calculation of such ratio to permit recalculation of such ratios back to the related financial statements);

(iv) with each set of Annual Financial Statements, the amount and calculations in reasonable detail of the Excess Cashflow for the applicable Financial Year and provide a copy of the computations made in respect of the calculation of Excess Cashflow to permit reconciliation of such calculation back to the related financial statements;

(v) with each set of Annual Financial Statements:

(A) the Holdco Group's compliance with the Obligor Coverage Test;

(B) A list of the Material Companies;

(vi) with each set of Financial Statements, the amount of Retained Excess Cashflow as at the date of the relevant Compliance Certificate;

(vii) details of any payments made out of Retained Excess Cashflow in the period since the date of the most recent Compliance Certificate delivered with a set of Financial Statements and used to fund: (i) any Permitted Acquisition under paragraph (d) of the definition of Permitted Acquisition; (ii) any Permitted Joint Venture Investment; (iii) any other amounts referenced in paragraphs (b) to (m) of the definition of Excess Cashflow to the extent funded from Retained Excess Cashflow (and not already separately reported in the relevant Compliance Certificate); (iv) payments made pursuant to paragraphs (a) or (b) of the definition of Permitted Payment; (v) any payment made pursuant to paragraph (c) of the definition of Permitted Payment; and (vi) any loan made pursuant to paragraph (l) of the definition of Permitted Loan, in each case to be set out separately and in the aggregate;

(viii) with each set of Financial Statements summary details of any acquisition or disposal of Subsidiaries, Subsidiary Undertakings or interest in any Joint Venture by any member of the Holdco Group and of any company or business or material asset disposals by any member of the Holdco Group, in each case since the previously delivered Compliance Certificate (or, if none, the Closing Date);

(ix) with each set of Financial Statements, confirmation that the Holdco Group is in compliance with the clean down provisions in any Working Capital Facility insofar as such provisions required a clean down during the relevant period;

(x) confirmation that the statements in such Compliance Certificate is accurate in all material respects;

(xi) confirmation that no CTA Default or Trigger Event has occurred or is continuing, or if a CTA Default or Trigger Event, has occurred and is continuing, the steps (which shall be specified) being taken to remedy such CTA Default or Trigger Event; and

(xii) confirmation that the Holdco Group is in compliance with the Hedging Policy.

The Obligor Security Trustee shall, within 15 Business Days of receipt of a Compliance Certificate have the right, acting on the written instructions of the Qualifying Obligor Senior Creditors holding an aggregate Outstanding Principal Amount of at least 20 per cent. of the aggregate Outstanding Principal Amount of all Qualifying Obligor Senior Secured Liabilities then outstanding, to challenge a statement(s), calculation(s) or ratio(s) in a Compliance Certificate and call for other substantiating evidence. An independent expert may be appointed by the Obligor Security Trustee (in consultation with the Holdco Group Agent) to investigate the statement(s), calculation(s) or ratio(s) challenged. No Obligor may make a Permitted Payment under paragraph (b) of the definition thereof during the period starting on (and including) the date on which a Compliance Certificate is delivered and ending on (and excluding) the date falling 15 Business Days from such date; and in the event that the Compliance Certificate is challenged by the Obligor Security Trustee in accordance with the provisions above, the period starting on (and including) the date of the challenge until the earlier of: (A) the date on which investigations in respect of the challenge are completed to the reasonable satisfaction of the Obligor Security Trustee; (B) the date on which the independent expert appointed to investigate such statement(s), calculation(s) or ratio(s) announces its conclusions that the relevant statement(s) or calculation(s) or ratio(s) that were the subject of the challenge were not materially inaccurate or misleading in a manner that resulted in there being no subsistence of a Trigger Event; and (C) two Business Days after a re-stated Compliance Certificate which is accurate in all material respects (taking into account the findings of the independent expert (if applicable)) has been delivered.

Investor Report

(f) The Holdco Group Agent (on behalf of each Obligor) must supply, at the same time as a Compliance Certificate is provided, to the Obligor Security Trustee, the Issuer Security Trustee, any Facility Agent, the Issuer, the Borrower Hedge Counterparties, the Rating Agency and the Class A Note Trustee, and if requested by the Obligor Security Trustee, in sufficient copies for all of the relevant Obligor Senior Secured Creditors and Issuer Secured Creditor (or, in the case of any Noteholders, the relevant Secured Creditor Representative of such Noteholders), an Investor Report.

(g) Each Investor Report must include:

(i) the Class A FCF DSCR and calculations thereof in reasonable detail and provide a copy of the computations made in respect of the calculation of such ratio to permit recalculation of such ratios back to the related financial statements;

(ii) if any Additional Financial Indebtedness was incurred since the date of the immediately preceding Investor Report (or, if none, since the Closing Date), the Class A FCF DSCR and (if required by paragraph (b) of the definition of Additional Financial Indebtedness) the ratio of Total Class A Net Debt to EBITDA in each case calculated on a pro forma basis as provided for in the definition of "Additional Financial Indebtedness" and calculations thereof in reasonable detail confirming that the requirements of that definition were met (including a copy of the computations made in respect of the calculation of such ratio to permit recalculation of such ratios back to the related financial statements);

(iii) on the first Test Date after a Public Offering on which the ratio in paragraph (a) of the definition of Qualifying Public Offering is satisfied, that ratio and calculations thereof in reasonable detail and provide a copy of the computations made in respect of the calculation of such ratio to permit recalculation of such ratios back to the related financial statements;

(iv) when delivered with each set of Annual Financial Statements, the amount and calculation in reasonable detail of Excess Cashflow for the applicable Financial Year and provide a copy of the computations made in respect of the calculation of Excess Cashflow to permit reconciliation of such calculation back to the related financial;

(v) when delivered with each set of Financial Statements, the amount of Retained Excess Cashflow as at the date of the relevant Investor Report;

(vi) when delivered at the same time as the Annual Financial Statements:

(A) a confirmation of the Holdco Group's compliance with the Obligor Coverage Test;

(B) a list of the Material Companies; and

(vii) when delivered with each set of Financial Statements a general update of the following including narrative and details of any key changes: (A) a general overview of the Permitted Business; (B) details of any material regulatory changes and business developments; (C) details of any Capital Expenditure (excluding Maintenance Capital Expenditure) in an amount exceeding £7,500,000 (Indexed) (or equivalent in other currency or currencies); (D) details of the current financing position; (E) summary details of any acquisitions or disposals in each case in an amount exceeding £5,000,000 (Indexed) (or equivalent in other currency or currencies); and (F) summary of the current hedging position; and

(viii) confirmation that (A) the contents of the Investor Report is accurate in all material respects; (B) no CTA Default or Trigger Event has occurred and is continuing, or if a CTA Default or Trigger Event has occurred and is continuing, the steps (which shall be specified) being taken to remedy such CTA Default or Trigger Event; and (C) the Holdco Group is in compliance with the Hedging Policy.

Calculation and Determination of the Financial Ratios

(h) The Obligors shall in each Investor Report in which it is required to confirm any of the Class A FCF DSCR, the ratio of Total Net Debt to EBITDA, the ratio of Total Class A Net Debt to EBITDA and the Excess Cashflow confirm that such amounts or ratios have been calculated for the relevant Test Period in reasonable detail (based on the type of Financial Statements provided with the relevant Compliance Certificate), set out the results of such calculations and provide a copy of the computations made in respect of the calculation of such ratio to permit recalculation of such ratios back to the related Financial Statements provided.

(i) The Class A FCF DSCR the ratio of Total Net Debt to EBITDA, the ratio of Total Class A Net Debt to EBITDA and the Excess Cashflow shall be calculated in accordance with the then current accounting principles and practices and tested by reference to the audited consolidated Annual Financial Statements (or unaudited consolidated Semi-Annual Financial Statements of Holdco or management accounts of Holdco if audited consolidated Annual Financial Statements of Holdco are not available on such date) delivered together with the relevant Compliance Certificate; provided that if the Holdco Group Agent notifies the Obligor Security Trustee of a change to the basis on which the audited consolidated Annual Financial Statements and the unaudited consolidated Semi-Annual Financial Statements of Holdco are prepared (including a change of the accounting principles or the accounting practices) under paragraph (b)(ii) above, thereafter and for so long as the Obligor Security Trustee and the Holdco Group Agent have not agreed amendments to the relevant terms as set out in paragraph (b)(iii) above, any reference to the Financial Statements of any Obligor in any of the Common Documents or the Senior Finance Documents (other than the reference in paragraph (i) under ("*—Common Terms Agreement— Covenants—General Covenants—Taxation*")) shall be construed as a reference to the most recent financial statements of the relevant Obligor for the relevant period as adjusted to reflect the Accounting Principles or accounting practices upon which the Original Financial Statements were prepared and the calculation and determination of the Class A FCF DSCR, the ratio of Total Net Debt to EBITDA, the ratio of Total Class A Net Debt to EBITDA and of Excess Cashflow shall be made by reference to such adjusted financial statements.

Annual Presentation

(j) The Holdco Group Agent must hold annually:

(i) an open one-way investor update conference call with the Obligor Secured Creditors and Class A Noteholders for the purpose of senior management addressing the information contained in the most recent Investor Report; or

(ii) a presentation on the ongoing business and financial performance of the Holdco Group made by at least one director of the Holdco Group Agent to the Obligor Secured Creditors and Class A Noteholders.

Obligor Information

(k) Subject to any duty of confidentiality, and any applicable legal or regulatory restrictions, each Obligor must supply to the Obligor Security Trustee and any Facility Agent:

(i) all documents despatched by it to its creditors generally or any class of them at the same time as they are dispatched;

(ii) as soon as reasonably practicable after becoming aware of the same, details of any litigation, arbitration or administrative proceedings which are current or threatened in writing against any Obligor, where such proceedings are reasonably likely to be adversely determined and, if so determined, would or are reasonably likely to have a Material Adverse Effect;

(iii) as soon as reasonably practicable after becoming aware of the same, details of any insurance claims in respect of a loss that exceeds £5,000,000 (Indexed) (or its equivalent in other currencies);

(iv) as soon as reasonably practicable after becoming aware of the same, details of any investigation or proceeding with, from or involving any regulator or other governmental authority into the activities of the Holdco Group which, are reasonably likely to be adversely determined and, if so determined, would or are reasonably likely to have a Material Adverse Effect;

(v) such material information about the business and financial condition of the Holdco Group and the Issuer which can be requested by the Obligor Security Trustee on the instructions of Qualifying Obligor Senior Creditors (acting reasonably) holding at least 20 per cent. by value of the Qualifying Obligor Secured Liabilities, provided that, at any time when no CTA Event of Default or Trigger Event has occurred and is subsisting, a maximum of one such request for information may be made, in any 12 month period save that nothing shall oblige any Obligor to disclose any information which in its reasonable opinion is commercially sensitive information;

(vi) as soon as reasonably practicable after becoming aware thereof details of any material risk to the preservation and maintenance of the Intellectual Property in accordance with the CTA;

(vii) as soon as reasonably practicable upon being so requested, provide any further information in relation to "Know Your Customer" checks which is necessary following: (i) the introduction of or change to any law or regulation; (ii) any change in the status of an Obligor or the composition of shareholders of an Obligor;

(viii) any proposed amendments to the Senior Finance Documents which are subject to the amendment regime set out in the STID; and

(ix) as soon as reasonably practicable after becoming aware thereof details of:

(A) any downgrade action by the Rating Agency in respect of the Class A Notes;

(B) the Rating Agency placing the Class A Notes on credit watch negative; or

(C) the Rating Agency ceasing to rate the Class A Notes.

(l) If any duty of confidentiality would preclude disclosure of the relevant details to the Obligor Security Trustee, the Issuer Security Trustee, the Class A Note Trustee, the Issuer and any Facility Agent, the Borrower Hedge Counterparties, the Rating Agency, the Holdco Group Agent shall use its reasonable endeavours to obtain the consent (where relevant) of the applicable third party to such disclosure on the basis that such information shall be kept confidential by each such recipient

and shall not be disclosed by any such recipient for so long as such information remains confidential.

(m) In addition, the Holdco Group Agent shall maintain an open access investor website (the "**Designated Website**") on which the Financial Statements and Investor Reports to be provided pursuant to the CTA to the Obligor Secured Creditors and the Issuer Senior Secured Creditors shall be published. Notwithstanding the foregoing the Holdco Group Agent may designate a third party to operate and manage the Designated Website on its behalf. The Holdco Group Agent must promptly upon becoming aware of its occurrence, notify the Obligor Security Trustee and the Note Trustees if the Designated Website cannot be accessed or the Designated Website or any information on it is infected for a period of five Business Days, in which case the Obligors must supply the Obligor Security Trustee and the Class A Note Trustee with all information required under the CTA in paper form with copies as requested by any Senior Finance Party or any Issuer Secured Creditor.

(n) Each Obligor shall promptly upon request supply any Class A Authorised Credit Provider with information necessary to comply with "know your customer" or similar identification procedures where the information is not already available to it.

General Covenants

Pursuant to the CTA, the Obligors have given covenants which are customary for a financing of this type (with customary carve-outs, thresholds and caveats) including in relation to compliance with laws, conduct of business and maintenance of licences and authorisations. In particular, the Obligors have given the following covenants:

Authorisations

(a) to obtain, comply with and do all that is necessary to maintain in full force and effect, any material Authorisation required under any law or regulation of a Relevant Jurisdiction to enable it to perform its obligations under the Common Documents and the Senior Finance Documents and ensure, subject to the Reservations, the legality, validity, enforceability or admissibility in evidence of any Common Documents and the Senior Finance Document and to obtain, comply with and do (and Holdco shall procure that each other member of the Holdco Group obtains, complies and does) all that is necessary to maintain in full force and effect, any Authorisation required under any law or regulation of a Relevant Jurisdiction to carry on its and its Subsidiaries' business where (other than in the case of the Common Documents or Senior Finance Documents) failure to do so would or is reasonably likely to have a Material Adverse Effect, and supply certified copies of any such Authorisation to the Obligor Security Trustee upon request;

Compliance with Laws

(b) to comply (and Holdco shall procure that each member of the Holdco Group will comply) in all respects with all laws to which it may be subject, if failure so to comply would or is reasonably likely to have a Material Adverse Effect;

Environmental Compliance and Claims

(c) to comply (and Holdco shall procure that each other member of the Holdco Group will comply) with all Environmental Laws and obtain and ensure compliance with all requisite Environmental Permits where failure to do so would or is reasonably likely to have a Material Adverse Effect;

(d) promptly upon becoming aware to inform (and Holdco shall procure that each other member of the Holdco Group will inform) the Obligor Security Trustee in writing of any Environmental Claim against any member of the Holdco Group which is current, pending or threatened in writing where the claim, if determined against that member of the Holdco Group, would or is reasonably likely to have a Material Adverse Effect;

Anti-Money Laundering Laws, Anti-bribery Laws and Sanctions

(e) to maintain in effect and enforce policies and procedures designed to ensure compliance by each Obligor, their Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws;

(f) to maintain in effect and enforce policies and procedures designed to ensure compliance by each Obligor and their Subsidiaries with applicable anti-money laundering laws and applicable Sanctions;

(g) to conduct (and Holdco shall procure that each member of the Holdco Group will conduct) its operations at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the applicable Money Laundering Laws;

(h) not to (and Holdco shall procure that each member of the Holdco Group will not) use the proceeds of the Obligor Senior Secured Liabilities to make any unlawful payments which would breach any Anti-Corruption Laws in any material respect and shall institute and maintain policies and procedures designed to ensure continued compliance with applicable Money Laundering Laws and anti–bribery laws;

(i) not to (and Holdco shall procure that no other member of the Holdco Group will):

(i) knowingly engage in any transactions or business with any individual or entity that is a Restricted Person in violation of any applicable Sanctions;

(ii) knowingly use any revenue or benefit directly derived from any activity or dealing with a Restricted Person to be used in discharging any obligation due or owing to an Obligor Secured Creditor, and will not use any product or services offered to it by an Obligor Secured Creditor in a manner which is reasonably likely to cause such Obligor Secured Creditor to be in breach of Sanctions;

(iii) directly or indirectly use, lend or contribute, all or any part of the proceeds of the Obligor Senior Secured Liabilities or lend, contribute or otherwise make available all or any part of such proceeds to any Subsidiary, Joint Venture, partner or other person (a) in furtherance of an offer, payment, promise to pay, or authorisation of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws and applicable Money Laundering Laws, (b) to finance or facilitate any trade, business or other activities involving, or for the benefit of any Restricted Person, or in any Sanctioned Country or (c) in any other manner that would result in a violation by any person of any Sanction or such person becoming a Restricted Person;

(j) to ensure that (and Holdco will procure that any other member of the Holdco Group) to the extent permitted by law shall promptly upon becoming aware of them supply to the Obligor Security Trustee details of any claim, action, suit, formal notice, proceedings or investigation against it with respect to Sanctions by any Sanctions Authority, and will comply in all material respects with all applicable Sanctions;

Taxation

(k) to (and Holdco shall procure that each other member of the Holdco Group will) pay and discharge all Taxes imposed upon it or its assets within the time period allowed without incurring penalties unless and only to the extent that: (i) such payment is being contested in good faith and adequate reserves are being maintained for those Taxes and the costs required to contest them which have (to the extent required in accordance with the then current accounting principles and accounting practices) been disclosed in its latest Financial Statements delivered to the Obligor Security Trustee; and/or (ii) failure to pay those Taxes would not or is not reasonably likely to have a Material Adverse Effect;

(l) not to change its residence for Tax purposes;

Merger

(m) not to (and Holdco shall procure that no other member of the Holdco Group will) enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction other than a Permitted Transaction;

Change of Business

(n) to (and Holdco undertakes to procure that each other member of the Holdco Group will) carry on only Permitted Business. This paragraph (l) does not apply to:

(i) a Permitted Acquisition;

(ii) a Permitted Disposal; or

(iii) a Permitted Transaction.

Acquisitions

(o) not to (and Holdco shall procure that no other member of the Holdco Group will) acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them), or incorporate a company other than an acquisition of a company, of shares, securities or a business or undertaking (or, in each case, any interest in any of them) or the incorporation of a company which is a Permitted Acquisition or a Permitted Transaction;

Joint Ventures

(p) not to (and Holdco shall procure that no other member of the Holdco Group will) enter into, invest in or acquire (or agree to acquire) any shares, stocks, securities or other interest in any Joint Venture or transfer any assets or lend to or guarantee or give an indemnity for or give any Security Interest for the obligations of a Joint Venture or maintain the solvency of or provide working capital to any Joint Venture (or agree to do any of the foregoing) other than any acquisition of (or agreement to acquire) any interest in a Joint Venture or transfer of assets (or agreement to transfer assets) to a Joint Venture or loan made to a Joint Venture that is a Permitted Joint Venture Investment;

Holding Companies

(q) None of Holdco Intermediate Holdco and the Borrower shall trade, carry on any business, own any assets or incur any liabilities except for:

(i) the provision of administrative services (other than treasury services) to other members of the Holdco Group of a type customarily provided by a holding company to its Subsidiaries;

(ii) ownership of the shares in Subsidiaries or any other shares acquired in connection with a Permitted Acquisition or a Permitted Joint Venture Investment;

(iii) credit balances in bank accounts, cash and Cash Equivalent Investments;

(iv) intra-Holdco Group debit and credit balances;

(v) any assets and liabilities and performing obligations under the Transaction Documents to which it is a party and professional fees and administration costs in connection therewith and otherwise in the ordinary course of business as a holding company;

(vi) any trade, business, assets, or liabilities undertaken prior to or existing on the Closing Date;

(vii) any activities entered into in respect of a Permitted Transaction or a Permitted Payment; and

(viii) incurring liability to pay Tax and paying the Tax,

Holdco, Intermediate Holdco and the Borrower shall not at any time own shares in any person that is a member of the Holdco Group other than the member of the Holdco Group that is its direct

subsidiaries on the Closing Date or, in the case of the Borrower, a wholly-owned Subsidiary established for the purpose of issuing PP Notes;

Preservation of assets and Minimum Capital Maintenance Spend Amount

(r) to (and shall procure that each other member of the Holdco Group will) maintain in good working order and condition (ordinary wear and tear excepted) all of its assets necessary or desirable in the conduct of its business where failure to do so would or is reasonably likely to have a Material Adverse Effect;

(s) to ensure that:

(i) the Holdco Group shall use reasonable endeavours to spend the Minimum Capital Maintenance Spend Amount annually on Maintenance Capital Expenditure for the maintenance and preservation of the assets of the Holdco Group necessary or desirable in the conduct of its business constituting Permitted Business;

(ii) at the end of each Financial Year, to the extent that the Obligors have not spent an amount equal to the Minimum Capital Maintenance Spend Amount during such Financial Year, the Borrower shall procure that an amount equal to the difference between the Minimum Capital Maintenance Spend Amount and the amount of Maintenance Capital Expenditure actually spent by the Obligors for such Financial Year (such difference, the "**Unused Capital Maintenance Spend Amount**") is transferred to the Maintenance Capex Reserve Account;

(iii) any amounts standing to the credit of the Maintenance Capex Reserve Account may only be utilised by the Obligors in connection with a payment of expenditure incurred in respect of Maintenance Capital Expenditure in respect of future Financial Years, provided that any such amounts spent under this paragraph (q)(iii) shall not count towards the Minimum Capital Maintenance Spend Amount for the Financial Year in which it is spent;

(iv) after every consecutive period of five Financial Years (with effect from the end of the Financial Year ending 31 December 2021), the Holdco Group Agent shall determine a new Minimum Capital Maintenance Spend Amount to apply for the following five Financial Years. Provided such new Minimum Capital Maintenance Spend Amount is approved by an independent expert appointed by the Holdco Group Agent as being a reasonable estimate of the likely minimum capital expenditure requirements of the Holdco Group for the following five Financial Years (such independent expert having had regard, amongst others, to the reasonableness of the assumptions contained in the business plan on which such determination was based) the new Minimum Capital Maintenance Spend Amount as determined by the Holdco Group Agent will apply from the next Financial Year for the following five Financial Years. If the independent expert does not approve the determination of the Holdco Group Agent then the amount determined by the independent expert after consultation with the Holdco Group Agent as being a reasonable pre-estimate of the likely minimum capital expenditure requirements of the Holdco Group for the following five Financial Years will apply instead. In the event that the amount standing on the Maintenance Capex Reserve Account is in excess of the new minimum amount of Maintenance Capital Expenditure so determined by the independent expert the Obligors shall not be permitted to release any such excess from the Maintenance Capex Reserve Account and all amounts (including, for the avoidance of doubt, such excess) standing to the Maintenance Capex Reserve Account must be spent on Maintenance Capital Expenditure.

Pari passu ranking

(t) to ensure that at all times any unsecured and unsubordinated claims of an Obligor Secured Creditor against it under the Senior Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies;

Negative Pledge

(u) not to (and Holdco shall procure that no other member of the Holdco Group will):

(i) create or permit to subsist any Security Interest over any of its assets;

(ii) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re acquired by an Obligor;

(iii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(iv) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set off or made subject to a combination of accounts; or

(v) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset, other than any Security Interest or quasi-security which is Permitted Security, a Permitted Disposal or a Permitted Transaction;

Disposals

(v) not to (and Holdco shall procure that no other member of the Holdco Group will) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset other than any sale, lease, transfer or other disposal which is a Permitted Disposal, a Permitted Transaction or a Permitted Payment or disposal giving effect to a Liabilities Acquisition which is permitted by the STID;

Arm's length basis

(w) not to (and Holdco shall procure that no other member of the Holdco Group will) enter into any transaction with any person, except on arm's length terms:

(i) Investor Funding Loans and any loans made pursuant to paragraphs (e), (f), (g), (i) or (l) of the definition of Permitted Loans;

(ii) fees, costs and expenses payable under the Transaction Documents in the amounts set out in the Transaction Documents (as applicable);

(iii) a Permitted Transaction (other than Permitted Reorganisations described in a structure memorandum dated on or about 6 May 2016 by the tax advisers to the Holdco Group);

(iv) transactions between members of the Holdco Group which are not otherwise prohibited by the terms of the Common Documents or the Senior Finance Documents; and

(v) any charitable or pro bono activities of the Holdco Group materially consistent with such activities as at the Closing Date, subject to a maximum of £1,000,000 (Indexed) (or equivalent in other currencies) in any consecutive 12 month period;

Loans or Credit

(x) not to (and Holdco shall procure that no other member of the Holdco Group will) be a creditor in respect of any Financial Indebtedness other than a Permitted Loan or a Permitted Transaction;

No Guarantees or Indemnities

(y) not to (and Holdco shall procure that no other member of the Holdco Group will) incur or allow to remain outstanding any guarantee in respect of any obligation of any person other than a guarantee which is a Permitted Guarantee or a Permitted Transaction;

Restricted Payments

(z) not to (and Holdco shall procure that no other member of the Holdco Group will) make a Restricted Payment unless such payment is a Permitted Payment or a Permitted Transaction;

Restricted Transactions

(aa) except as permitted under paragraph (z) below, no Obligor shall (and Holdco shall procure that no other member of the Holdco Group will) enter into a Restricted Transaction;

(bb) paragraph (y) above does not apply to any Restricted Transaction funded or, in the case of a Permitted Guarantee, collateralised by the proceeds of any New Shareholder Injections, Investor Funding Loans or Retained Excess Cashflow.

Financial Indebtedness

(cc) not to (and Holdco shall procure that no other member of the Holdco Group will) incur or allow to remain outstanding any Financial Indebtedness other than Permitted Financial Indebtedness or a Permitted Transaction;

Share Capital

(dd) not to (and Holdco shall procure that no other member of the Holdco Group will) issue any shares except pursuant to a Permitted Share Issue or a Permitted Transaction;

Insurance

(ee) shall (and Holdco shall procure that each other member of the Holdco Group will) maintain insurances on and in relation to its business and assets against those risks and to the extent as is commercially prudent in accordance with good industry practice for such assets for companies carrying on the same or a substantially similar business with reputable independent insurance companies or underwriters;

(ff) to take all reasonable and practicable steps to preserve and enforce its rights and remedies under or in respect of its insurance policies and contracts;

(gg) to supply to the Obligor Security Trustee on request copies of each insurance policy and contract together with the current applicable premium receipts; and

(hh) to ensure that each of the Obligors is jointly insured on all relevant insurance policies and that the interest of the Obligor Security Trustee is noted on all relevant insurance policies;

Pensions

(ii) the Holdco Group Agent shall ensure that no action or omission (save as required by law) is taken by any member of the Holdco Group in relation to the RAC Pension Schemes and/or the Auto Windscreens Pension Scheme which would or is reasonably likely to have a Material Adverse Effect;

(jj) except for the RAC Unfunded Unapproved Pension Plan and the Auto Windscreens Pension Scheme, the Holdco Group Agent shall ensure that no member of the Holdco Group is or becomes at any time an employer as defined in section 318 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pension Schemes Act 1993) without the prior written consent of the Obligor Security Trustee;

(kk) each Obligor shall immediately notify the Obligor Security Trustee of any investigation or investigation threatened in writing by the Pensions Regulator which may lead to the issue of a Financial Support Direction or a Contribution Notice to any member of the Holdco Group;

(ll) each Obligor shall immediately notify the Obligor Security Trustee if it or any other member of the Holdco Group receives a warning notice or Financial Support Direction or a Contribution Notice from the Pensions Regulator or if it or any other member of the Holdco Group enters into any settlement (however described) with the Pensions Regulator;

Access

(mm) If a CTA Default is continuing or the Obligor Security Trustee reasonably suspects a such a CTA Default is continuing, to (and Holdco shall procure that each other member of the Holdco Group will) permit the Obligor Security Trustee and/or accountants or other professional advisers and contractors of the Obligor Security Trustee free access at all reasonable times and on reasonable notice at the risk and cost of such member of the Holdco Group to (a) the premises, assets, books, accounts and records of each member of the Holdco Group and (b) meet and discuss matters with senior management of the Holdco Group;

Intellectual Property

(nn) to (and Holdco shall procure that each other member of the Holdco Group will):

(i) preserve and maintain the subsistence and validity of the Secured Intellectual Property necessary for the business of the relevant member of the Holdco Group;

(ii) use reasonable endeavours to prevent any infringement of the Secured Intellectual Property;

(iii) make registrations and pay all registration fees and taxes necessary to maintain the Secured Intellectual Property in full force and effect and record its interest in that Intellectual Property;

(iv) not use or permit the Secured Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Secured Intellectual Property which may materially and adversely affect the existence or value of that Secured Intellectual Property or imperil the right of any member of the Holdco Group to use such Intellectual Property;

(v) not discontinue the use of any registered trademarks owned by each Obligor or any other member of the Holdco Group;

(vi) ensure that all material Intellectual Property required to run the Permitted Business as conducted on the date of this Agreement is legally owned by an Obligor or licensed from a non-Holdco Group member by an Obligor,

where failure to do so or such use, permission to use, omission or discontinuation, would or is reasonably likely to have a Material Adverse Effect;

(oo) not to (and shall procure that no other member of the Holdco Group will) licence or permit the use of Intellectual Property used in the Permitted Business outside the Holdco Group other than on an arm's length basis;

Amendments to Common Documents and Senior Finance Documents

(pp) not to amend, vary, novate, supplement, supersede, waive or terminate any term of a Common Document or a Senior Finance Document, except in accordance with the provisions of the STID and its own terms;

Amendments to Constitutional Documents

(qq) not amend any provision of its constitutional documents relating to transferability of its shares without the prior written consent of the Obligor Security Trustee;

(rr) may amend, subject to paragraph (mm) above, any other provision of its constitutional documents without the prior written consent of the Obligor Security Trustee, only if such amendment would not or is not reasonably likely to have a Material Adverse Effect;

Treasury Transactions

(ss) not to (and Holdco shall procure that no other member of the Holdco Group will) enter into any Treasury Transaction, other than:

(i) the Hedging Transactions documented by the Hedging Agreements in accordance with the Hedging Policy; and

(ii) Treasury Transactions entered into for the purpose of hedging risks arising in the ordinary course of trading (including offsetting, operational and foreign exchange hedging transactions which at the discretion of the Obligors may or may not be cash collateralised) provided that they are (i) not for speculative purposes and (ii) do not contain any indexation accretion;

Centre of Main Interest

(tt) not to do anything to change the location of its centre of main interests, for the purposes of Council Regulation (EC) No 1346/2000 of 29 May 2000 on insolvency proceedings (the "**Regulation**") or to maintain an 'establishment' (as that term is used in Article 2(h) of the Regulation) in any jurisdiction other than its jurisdiction of incorporation;

Further Assurance

(uu) promptly to do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Obligor Security Trustee may reasonably specify (and in such form as the Obligor Security Trustee may reasonably require in favour of the Obligor Security Trustee or any of its nominees):

(i) to perfect the Security Interest created or intended to be created under or evidenced by the Common Documents and/or the Senior Finance Documents (which may include the execution of a mortgage, charge, assignment or other Security Interest over all or any of the assets which are, or are intended to be, the subject of any Obligor Security Document) or for the exercise of any rights, powers and remedies of the Obligor Security Trustee or the Obligor Secured Creditors provided by or pursuant to the Common Documents, the Senior Finance Documents or by law;

(ii) to confer on the Obligor Security Trustee or confer on the Obligor Secured Creditors Security Interests over any property and assets of that Obligor (as applicable) located in any jurisdiction equivalent or similar to the Security Interest intended to be conferred by or pursuant to any Obligor Security Document; and/or

(iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of any Obligor Security Document;

(vv) to take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security Interest conferred or intended to be conferred on the Obligor Security Trustee or the Obligor Secured Creditors by or pursuant to the Common Documents or the Senior Finance Documents;

Credit Rating

(ww) to use reasonable endeavours to maintain, for as long as there are Class A Notes outstanding, a credit rating from the Rating Agency for the Class A Notes issued by the Issuer and to co-operate with the Rating Agency in connection with any reasonable request for information in respect of the maintenance of a rating and with any review of its business which may be undertaken by the Rating Agency after the Closing Date;

Accounting Reference Date

(xx) not to (and Holdco shall procure that no other member of the Holdco Group will) change its Accounting Reference Date unless each of the following conditions have been met:

(i) the Holdco Group Agent delivers to the Obligor Security Trustee:

(A) written notice of the proposed change to the Accounting Reference Date;

(B) a certificate describing such change and the effect on and consequences for:

(1) the calculation of the Class A FCF DSCR (including, the definitions used therein and as applied in the Senior Finance Documents and the Common Documents);

(2) the calculation of the ratio of Total Net Debt to EBITDA and the ratio of Total Class A Net Debt to EBITDA (including the definitions used therein and as applied in the Senior Finance Documents and the Common Documents);

(3) the delivery of Compliance Certificates;

(4) the making of Permitted Payments;

(5) the making of a mandatory prepayment from Excess Cashflow; and

(6) the effect on the provisions of the Senior Finance Documents and/or the Common Documents; (the "**Relevant Matters**"); and

(ii) the Obligor Security Trustee has received, at the cost and expense of the Obligors, such certificates of the Obligors (signed by two directors of the relevant Obligors) and such accounting and/or legal advice as it reasonably deems necessary to determine, amongst other things, the Relevant Matters;

(iii) the Obligors make such changes (if any) as required by the Obligor Security Trustee (acting reasonably) to the Common Documents or the Senior Finance Documents to reflect the consequential changes required as a result of the change of the Accounting Reference Date (and the Obligor Security Trustee is hereby authorised and directed by the Obligor Secured Creditors and the Issuer Secured Creditors to make such changes to the Common Documents or the Senior Finance Documents) and to execute any documents required to be entered into in order to make such change;

(iv) if, as a result of any change in the Accounting Reference Date, a Compliance Certificate need not be delivered (pursuant to the provisions of the CTA) within the period which it would have been delivered had such change in the Accounting Reference Date not occurred (the "**Original Period**") then the Obligors shall:

(A) procure that such Financial Statements are prepared so as to allow a Compliance Certificate to be delivered as if the change to Accounting Reference Date had not occurred, and such Compliance Certificate shall be delivered in accordance with the provisions of the Information Covenants ("*—Common Terms Agreement—Covenants—Information Covenants*"); or

(B) deliver a Compliance Certificate (based on the Financial Statements prepared in respect of the changed Accounting Reference Date) within the Original Period in accordance with the provisions of the Information Covenants ("*—Common Terms Agreement—Covenants—Information Covenants*");

(v) the Accounting Reference Date has not been changed in the previous five years, unless:

(A) a change in control of an Obligor has occurred and the Accounting Reference Date is changed within 12 months of the effective date of such change of control;

(B) a change in applicable accounting practice has occurred, as a result of which it is necessary or desirable to change the Accounting Reference Date and such change is made within 12 months of the effective date of the change in applicable accounting practice; or

(C) a change in applicable tax law (or in the application or official interpretation of applicable tax law) has occurred, as a result of which it is necessary or desirable to change the Accounting Reference Date and such change is made within 12 months of the effective date of the change in applicable tax law (or in the application or official interpretation of applicable tax law);

(vi) each Obligor has the same Accounting Reference Date;

Auditors

(yy) to retain reputable auditors at all times;

(zz) as soon as reasonably practicable, to inform the Obligor Security Trustee of any change to its auditors;

Purchase of Notes or Authorised Credit Facilities

(aaa) not to (and procure that no other member of Holdco Group will) (i) enter into any Debt Purchase Transaction other than in accordance with the other provisions of this paragraph and paragraphs (ccc) to (lll) ("*—Common Terms Agreement—Covenants—General Covenants—Purchase of Notes or Authorised Credit Facilities*") below; or (ii) other than in respect of the Issuer or any other finance company established in the RAC Group for the purpose of providing finance to the Holdco Group, beneficially own all or any part of the share capital of a company that is an Authorised Credit Provider or a party to a Debt Purchase Transaction of the type referred to in paragraphs (b) or (c) of the definition of "**Debt Purchase Transaction**";

(bbb) a member of the Holdco Group may enter into a Debt Purchase Transaction pursuant to and in accordance with the method of transfer set out in the relevant Senior Finance Documents and/or Issuer Transaction Documents (or, subject to the other provisions of the CTA, purchase an interest in a person referred to in paragraph (ccc) above) provided that such Debt Purchase Transaction is funded from:

(i) Disposal Proceeds or Insurance Proceeds;

(ii) a New Shareholder Injection;

(iii) an Investor Funding Loan;

(iv) Retained Excess Cashflow; or

(v) any amounts credited to the Defeasance Account which are referable to the Authorised Credit Facility which is subject to such Debt Purchase Transaction provided that in respect of any such transaction that is a Defeased Cash Note Purchase (A) such purchase must be made following a public tender offer (on a pro rata basis) to all Class A Noteholders of the Class or Sub-Class of Notes referable to the Class A IBLA Advance(s) so defeased; (B) the purchase price paid by the Borrower in respect of the principal amount of any such Class A Notes must not exceed the Principal Amount Outstanding of such Class or Sub-Class of Class A Notes (excluding accrued but unpaid interest); (C) the relevant amounts standing to the credit of the Defeasance Account to be applied towards such purchase price and the payment of any accrued but unpaid interest may not be withdrawn from the Defeasance Account to be applied towards such purchase price or payment of accrued but unpaid interest until such time as is reasonably required to settle the purchase of such Class A Notes; and (D) immediately upon the completion of any such purchase either: (I) the amounts outstanding under the relevant Class A Notes shall be set-off against the amounts outstanding under the relevant Class A IBLA Advance which corresponds to the relevant Class or Sub-Class of Class A Notes and the amounts so set-off shall each be treated as having been paid or pre-paid on such date; or (II) the amounts outstanding under the relevant Class or Sub-Class of Class A Notes and the corresponding portion of the Class A IBLA Advance shall be waived, provided that in either case the Borrower shall surrender the purchased notes to the Issuer for cancellation immediately thereafter;

(ccc) in relation to any Debt Purchase Transaction relating to any Authorised Credit Facility entered into pursuant to the terms of the CTA or the other Common Documents or the Senior Finance Documents:

(i) on completion of the relevant transfer, the portions of the acquired commitments to which it relates shall be extinguished and such Debt Purchase Transaction and the related

extinguishment shall not constitute a prepayment of the relevant Authorised Credit Facility;

(ii) the relevant member of the Holdco Group which is the assignee or transferee shall be deemed to be an entity which fulfils the requirements for an Authorised Credit Provider's assignee or transferee under the relevant Authorised Credit Facility;

(iii) no member of the Holdco Group shall be deemed to be in breach of any provision of the Covenants ("*—Common Terms Agreement—Covenants—Information Covenants*" and "*—Common Terms Agreement—Covenants—General Covenants*") solely by reason of such Debt Purchase Transaction;

(iv) any provisions relating to sharing among the Authorised Credit Providers under the relevant Authorised Credit Facility shall not be applicable to the consideration paid under such Debt Purchase Transaction; and

(v) for the avoidance of doubt, any extinguishment of any part of the acquired commitments shall not affect any amendment or waiver which prior to such extinguishment had been approved by or on behalf of the requisite Authorised Credit Providers under the relevant Authorised Credit Facility;

(ddd) subject to paragraph (xx)(v) above, upon the purchase of any Notes by a member of the Holdco Group, such member of the Holdco Group may:

(i) procure that:

(A) the amounts outstanding under the relevant Notes shall be set-off against the amounts outstanding under the relevant IBLA Advance which corresponds to the relevant Notes and the amounts so set-off shall each be treated as having been paid or pre-paid on such date; or

(B) the amounts outstanding under the relevant Notes and the corresponding portion of the IBLA Advance shall be waived and released,

provided that in either such case such member of the Holdco Group shall surrender the Class A Notes to the Issuer for cancellation immediately thereafter;

(ii) hold the Class A Notes for such time as it may in its discretion determine; or

(iii) at any time, sell the Class A Notes to any person.

(eee) any Commitments under any Authorised Credit Facility in respect of which a member of the Holdco Group acquires an interest pursuant to a Debt Purchase Transaction or held by a person referred to in paragraph (ccc) ("*Description of the Common Documents—Common Terms Agreement—Covenants— General Covenants—Purchase of Notes or Authorised Credit Facilities*") above, that becomes a member of the Holdco Group must be cancelled or extinguished;

(fff) for the purposes of calculating Class A FCF DSCR, the ratio of Total Net Debt to EBITDA and the ratio of Total Class A Net Debt to EBITDA, any Notes or commitments under any Authorised Credit Facility held by members of the Holdco Group that are cancelled will be taken into account at their face value;

(ggg) for so long as a Permitted Debt Purchase Party (i) beneficially owns a Note or commitment or (ii) has entered into a sub participation agreement relating to a commitment or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated:

(i) in ascertaining any requisite majority in relation to any request for a consent, waiver, amendment or other vote under any relevant Common Document or Senior Finance Document or whether any given percentage of votes (including, for the avoidance of doubt, unanimity) has been obtained to approve any request for a consent, waiver, amendment or

other vote under any relevant Common Document or Senior Finance Document such Notes or commitment (as applicable) shall be deemed to be zero; and

(ii) such Permitted Debt Purchase Party or the person with whom it has entered into such sub-participation, other agreement or arrangement shall be deemed not to be a Noteholder or Authorised Credit Provider (unless in the case of a person not being a Permitted Debt Purchase Party it is a Noteholder or Authorised Credit Provider by virtue otherwise than by beneficially owning the relevant Notes or commitment).

(hhh) unless such Debt Purchase Transaction is an assignment or transfer under an Authorised Credit Facility ranking pari passu with any Authorised Credit Facility, each Obligor shall promptly notify the Obligor Security Trustee in writing if it or any other member of the Holdco Group knowingly enters (and, to the extent it is aware, that a Permitted Debt Purchase Party other than a member of the Holdco Group enters) into a Debt Purchase Transaction as a Permitted Debt Purchase Party (a "**Notifiable Debt Purchase Transaction**");

(iii) each Obligor shall promptly notify the Obligor Security Trustee if a Notifiable Debt Purchase Transaction to which it or any other member of the Holdco Group (and, to the extent it is aware, any Permitted Debt Purchase Party other than a member of the Holdco Group) is a party (i) is terminated; or (ii) ceases to be with a Permitted Debt Purchase Party;

(jjj) each Obligor and each Permitted Debt Purchase Party that is a Party in any capacity to the CTA agrees (and Holdco shall procure that any other member of the Holdco Group that it is a Noteholder or Authorised Credit Provider will agree) that:

(i) in relation to any meeting or conference call to which all of the Obligor Secured Creditors or the Issuer Secured Creditors are invited to attend or participate, it or such other Permitted Debt Purchase Party shall not attend or participate in the same if so requested by the Obligor Security Trustee or the Issuer Security Trustee respectively or, unless the Obligor Security Trustee or the Issuer Security Trustee otherwise agrees, be entitled to receive the agenda or any minutes of the same; and

(ii) in its capacity as an Obligor Secured Creditor or an Issuer Secured Creditor, unless the Obligor Security Trustee or the Issuer Security Trustee otherwise agrees, it or such other Permitted Debt Purchase Party shall not be entitled to receive any report or other document prepared at the behest of, or on the instructions of, the Obligor Security Trustee or the Issuer Security Trustee or one or more of the Obligor Secured Creditors and Issuer Secured Creditors.

Cash Management

(kkk) that the Cash Manager shall provide the cash management services set out under "Cash Management" below;

Liquidity Arrangements

(lll) to use their reasonable endeavours to ensure that, for so long as any Class A Notes, the Initial STF Facility or any Class A Authorised Credit Facility refinancing the Initial STF Facility remain outstanding, the Borrower and Issuer have available to them either the Initial Liquidity Facility Agreement with one or more Liquidity Facility Providers with at least the Requisite Rating (or with respect to any new Liquidity Facility Provider under any new Liquidity Facility Agreement entered into after the Closing Date, with a rating for its long term unsecured non-credit enhanced debt obligations of BBB+ or higher by S&P at the time at which such new Liquidity Facility Agreement is entered into or when a new Liquidity Facility Provider becomes a party to any such new Liquidity Facility Agreement) substantially on the same terms as the Initial Liquidity Facility Agreement entered into on the Closing Date (with the exception of the tenor, margin, commitment, commissions, fees or any other term the absence of which or modification to is consistent with prevailing market practice for such facilities from time to time) and/or a funded liquidity reserve in the Debt Service Reserve Account in an aggregate amount which is not less than the Liquidity Required Amount determined on each Test Date to be utilised by the Borrower and/or Issuer in order to make payments in respect of the Class A Notes, the Initial STF Facility or any Class A

Authorised Credit Facility refinancing the Initial STF Facility (taking into account the impact of any related Borrower Hedging Agreements or Issuer Hedging Agreements). If the Holdco Group Agent certifies to the Obligor Security Trustee that it has: (i) informed the Rating Agency that the Liquidity Facility has been withdrawn or reduced; and (ii) received a Rating Agency confirmation that such withdrawal of or reduction in the availability of a Liquidity Facility will not lead to a downgrade, withdrawal or the public placement on review for possible downgrade of, the then current ratings of the Class A Notes then the Obligors will not be required to use such reasonable endeavours to enable the Borrower and the Issuer to maintain a Liquidity Facility on the terms of the Initial Liquidity Facility Agreement (or to have available to them a funded liquidity reserve in the Debt Service Reserve Account), but will instead be obliged to use their reasonable endeavours to maintain such other liquidity facility or reserve in respect of which such Rating Agency confirmation is then given;

Obligors

(mmm) to ensure that after the Closing Date and tested on each Test Date by reference to the most recent Annual Financial Statements delivered for each Test Period ending on an Accounting Reference Date, the aggregate earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of the Obligors (calculated on an unconsolidated basis and excluding all intra-group items and investments in Subsidiaries of any member of the Holdco Group) for the Test Period ending on the Test Date represents not less than 90 per cent. of the EBITDA of the Holdco Group for that Test Period (the "**Obligor Coverage Test**"). If at any time, a Compliance Certificate demonstrates that the Obligor Coverage Test is not met, Holdco shall procure that such members of the Holdco Group become Obligors as may be required so that the Obligor Coverage Test is then met within 45 days of the date of the relevant Compliance Certificate;

(nnn) Holdco shall procure that any other member of the Holdco Group which is a Material Company shall, as soon as possible after becoming a Material Company and in any event within 45 days of becoming a Material Company, become an Obligor and grant a Security Interest on equivalent terms to the Security Interest granted by the Obligors pursuant to the Obligor Security Documents and shall accede to the STID;

(ooo) Holdco shall procure that within 30 days from completion of any Permitted Acquisition under paragraph (d) of the definition of Permitted Acquisition or any Permitted Disposal under paragraph (m) of the definition of Permitted Disposal shall deliver a certificate confirming:

(i) that the Obligor Coverage Test (calculated on a pro forma basis taking into account the relevant acquisition or disposal) continues to be met or, if the Obligor Coverage Test is no longer met, procure that such members of the Holdco Group become Obligors as may be required so that the Obligor Coverage Test is then met within 45 days of the date of such certificate; and

(ii) whether the acquired entity or the member of the Holdco Group which has acquired the business or undertaking has become as a result of the Permitted Acquisition a Material Company in which case Holdco shall procure that such acquired entity or member of the Holdco Group shall, as soon as possible after completion of such Permitted Acquisition and in any event within 45 days of the date of such certificate, become an Obligor and grant a Security Interest on equivalent terms to the Security Interest granted by the Obligors pursuant to the Obligor Security Documents and shall accede to the STID;

Mandatory Prepayments

(ppp) unless this Agreement or the STID otherwise requires, where more than one Class A Authorised Credit Facility (other than a Liquidity Facility) requires an amount to be applied in mandatory prepayment then such amount shall be applied pro rata in prepayment of the Obligor Senior Secured Liabilities under such Class A Authorised Credit Facilities (including any related swap termination amounts under any Hedging Agreement, break costs and redemption premia payable by the Obligors);

Cancellations of Working Capital Facilities

(qqq) each Borrower shall ensure that any notice of cancellation of any available commitments (other than as a result of illegality, change of control or other provisions requiring mandatory prepayment) under any Working Capital Facility delivered at any time while amounts under any other Class A Authorised Credit Facility (other than a Liquidity Facility) remain outstanding and/or other commitments remain uncancelled must be accompanied by a certificate from the Borrower that it will have sufficient working capital facilities available to it following such cancellation.

Floating Charge

(rrr) each Obligor party to an English law governed Obligor Security Document shall ensure that the floating charge it has created or purported to create pursuant to that Obligor Security Document is at all times a floating charge which together with the fixed security granted by such Obligor pursuant to that Obligor Security Document relates to the whole or substantially the whole of such Obligor's property; and

Required Sweep Percentages

(sss) the Borrower shall ensure that the aggregate Required Sweep Percentages applicable to any Bank Debt Sweep Period shall not exceed 100 per cent. at any time.

Trigger Events

The CTA also sets out certain Trigger Events. The specific Trigger Events and the consequences which flow from the occurrence of those events are set out below.

Trigger Events

The occurrence of any of the following events will be a "**Trigger Event**".

Liquidity Required Amount

(a) The sum of the amount of commitments under any Liquidity Facility Agreement at any time and/or the amount credited to the Debt Service Reserve Account is in aggregate less than the Liquidity Required Amount.

Financial Ratio

(b) On any Test Date, the Class A FCF DSCR for the Test Period ending on that Test Date falls below the Trigger Event Ratio Level. In calculating Class A FCF DSCR for these purposes (but not for the purposes of determining whether a CTA Event of Default has occurred) Class A FCF DSCR shall be calculated assuming that any Relevant Class A Debt Transaction that took place during a Relevant Period took place at the beginning of that Relevant Period. For these purposes, "**Relevant Class A Debt Transaction**" means (i) any permanent voluntary prepayment of amounts outstanding under any Class A Authorised Credit Facility that is not a Class A IBLA or a Liquidity Facility; and (ii) any purchase and cancellation or permanent prepayment of any Class A Notes (pursuant to or involving an actual or deemed prepayment of amounts outstanding under any Class A IBLA as applicable); and "**Relevant Period**" means the period beginning on the first day of the relevant Test Period and ending on the date of delivery of the Compliance Certificate in respect of that Test Period.

Drawdown of Liquidity Facility

(c) The Borrower or the Issuer draws down under a Liquidity Facility (excluding any drawing or repayment of any Standby Drawing) or withdraws sums credited to a Debt Service Reserve Account or a Liquidity Facility Standby Account, other than for the purpose of repaying any Standby Drawing, respectively, if the withdrawal of such amount is for the purposes of making scheduled debt service payments on the Obligor Senior Secured Liabilities or the Issuer Senior Secured Liabilities.

CTA Event of Default

(a) Subject to the expiry of any applicable grace or remedy period, a CTA Event of Default has occurred and is continuing.

Failure to deliver a Compliance Certificate

(b) There is a failure to deliver a Compliance Certificate for a relevant period within the periods prescribed in the CTA. See section "*—Common Terms Agreement—Information Covenants—Compliance Certificate*".

Trigger Event Consequences

Following the occurrence of a Trigger Event and at any time until such Trigger Event has been waived by the Obligor Security Trustee or remedied in accordance with the Trigger Event Remedies (see "*Trigger Event Remedies*" below) the following provisions ("**Trigger Event Consequences**") will apply.

No Restricted Payments

(a) No member of the Holdco Group may make a Restricted Payment except as provided under paragraph (b) and, to the extent that payment is in relation to an intra-group arrangement or a Permitted Tax Transaction, paragraph (gg)(i) below under ("*—Common Terms Agreement—Covenants—General Covenants—Restricted Payments*").

Class B Authorised Credit Facility

(b) No payments may be made in respect of any Class B Authorised Credit Facility other than Permitted Payments.

Voluntary Prepayment

(c) If while a Trigger Event is continuing the Borrower wishes to:

(i) make any permanent voluntary prepayment of amounts outstanding under any Class A Authorised Credit Facility that is not a Class A IBLA or a Liquidity Facility; or

(ii) make any purchase of Class A Notes or prepayment or defeasance of any Class A IBLA Advance (pursuant to or involving an actual or deemed prepayment of amounts outstanding under any Class A IBLA Advance);

in each case, other than to the extent funded by the proceeds of a Class B Authorised Credit Facility, a New Shareholder Injection, an Investor Funding Loan, Retained Excess Cashflow, Disposal Proceeds, Insurance Proceeds or any amounts standing to the credit of the Defeasance Account referable to the Class A Authorised Credit Facilities, it shall apply the relevant amount to be used to fund such transactions pro rata in or towards:

(A) repaying or prepaying on a pro rata basis the outstanding principal amount under each Class A Authorised Credit Facility (excluding any Liquidity Facility and any Hedging Agreement) which bears interest at a floating rate, less an amount which is required to pay any related swap termination amounts, break costs and any redemption premia (which amount shall be applied in satisfaction of such termination amounts, break costs and redemption premia); and

(B) on a *pro rata* basis repaying, prepaying and/or defeasing (by way of credit to the Defeasance Account) on a *pro rata* basis the outstanding principal amount under each other Class A Authorised Credit Facility (excluding any Liquidity Facility and any Hedging Agreement) which bears interest at a fixed rate and/or purchasing (at a price not exceeding the Principal Amount Outstanding (excluding accrued but unpaid interest) pursuant to a public tender offer on a *pro rata* basis) Class A Notes less an amount which is required to pay any interest rate swap termination amounts and any redemption premia (which amounts shall be applied in satisfaction of such termination amounts and redemption premia).

Once the Trigger Event is no longer continuing any amount credited to the Defeasance Account pursuant to this paragraph (c) shall be credited to such Obligor Operating Account as the Cash Manager may elect for application by the Holdco Group in accordance with the Common Documents and Senior Finance Documents.

Priority of Payments

(d) If a Trigger Event is subsisting on a Loan Interest Payment Date then amounts standing to the credit of the Excess Cashflow Account on that date will be applied in accordance with the Obligor Pre-Acceleration Priority of Payments.

Further Information

(e) The Holdco Group must provide such information as to the relevant Trigger Event (including its causes and effects) as may be requested by the Obligor Security Trustee acting on the instructions of 20 per cent. or more by value of the Qualifying Obligor Senior Secured Creditors.

Trigger Event Remedies

At any time when an Obligor believes that a Trigger Event has been remedied by virtue of any of the following, it must serve notice on the Obligor Security Trustee to that effect. The Obligor Security Trustee must respond within 10 days (or such longer period as it may reasonably agree with the relevant Obligor (as the case may be)) confirming that the relevant Trigger Event has, in its reasonable opinion, been remedied or setting out its reasons for believing that such Trigger Event has not been remedied (in which case, such event will continue to be a Trigger Event until such time as the Obligor Security Trustee is reasonably satisfied that the Trigger Event has been remedied).

The following shall constitute remedies to the Trigger Events (the "**Trigger Event Remedies**"):

Liquidity Required Amount

(a) The occurrence of the Trigger Event pursuant to this paragraph (a) ("*—Liquidity Required Amount*") above, will be remedied if an Obligor provides the Obligor Security Trustee with documentation evidencing the availability of Liquidity Facilities and/or cash credited to the Debt Service Reserve Account up to the Liquidity Required Amount.

Financial Ratio

(b) The occurrence of a Trigger Event pursuant to this paragraph (b) ("*—Financial Ratio*"), above, will be remedied if as at a subsequent Test Date the Class A FCF DSCR is not lower than the Trigger Event Ratio Level as stated in the relevant Compliance Certificate (subject to any final determination or dispute procedure in accordance with the terms of the CTA).

Drawdown on Liquidity Facility

(c) The occurrence of a Trigger Event pursuant to this paragraph (c) ("*—Drawdown on Liquidity Facility*") above, will be remedied if the aggregate balance drawn down (other than by way of Standby Drawings) under the Liquidity Facility is restored to zero and an amount equal to any sums withdrawn from the Debt Service Reserve Account is deposited into the Debt Service Reserve Account.

CTA Event of Default or failure to deliver a Compliance Certificate

(d) The occurrence of a Trigger Event referred to in this paragraph (d) ("*CTA Event of Default or failure to deliver a Compliance Certificate*") above, will be remedied if the CTA Event of Default or the failure to deliver a Compliance Certificate is waived in accordance with the STID or is remedied to the satisfaction of the Obligor Security Trustee.

CTA Events of Default

The CTA contains the following events of default which will constitute the "**CTA Events of Default**" under each Senior Finance Document other than any Liquidity Facility Agreement and any Borrower Hedging Agreement, each one being a "**CTA Event of Default**":

(a) Non-payment

An Obligor does not pay on the due date any amount payable pursuant to a Senior Finance Document in the manner required under such Senior Finance Document unless its failure to pay is caused by (i) administrative or technical error or (ii) a Disruption Event, and in each case, payment is made within five Business Days of the due date.

(b) Breach of Financial Covenant and Equity Cure

(i) Subject to paragraph (ii) below, the Class A FCF DSCR falls below the Class A Default Ratio Level.

(ii) If:

(A) a Compliance Certificate delivered to the Obligor Security Trustee for any period shows that as at a Test Date (each, an "**EC Test Date**"), the Class A FCF DSCR is less than the Class A Default Ratio Level;

(B) within the period of 30 days after the date of a Compliance Certificate showing the non-compliance with the requirements of (i) above, a New Shareholder Injection or Investor Funding Loan is made and the Borrower applies the amount of such New Shareholder Injection or Investor Funding Loan (the "**Equity Cure Amount**")

(1) if a CTA Event of Default other than a CTA Event of Default under paragraph (b)(i) above is subsisting at that time, pro rata as provided for in sub-paragraphs (A) and (B) of the *Voluntary Prepayments* paragraph in ("*—Common Terms Agreement—Trigger Events—Trigger Event Consequences*") above; or

(2) if the only CTA Event of Default subsisting at that time is a CTA Event of Default under paragraph (b)(i) above, at the discretion of the Borrower to permanently repay, prepay, defease (by way of credit to the Defeasance Account) or purchase any Class A Notes and/or any amounts outstanding under any Class A Authorised Credit Facility (excluding any Liquidity Facility and any Hedging Agreement) and to pay any related swap termination amounts under any Hedging Agreements, break costs and redemption premia payable in connection therewith; and

(C) the Class A FCF DSCR for the relevant Test Period, recalculated assuming the application of the Equity Cure Amount had taken place at the beginning of the relevant Test Period, is not less than the Class A Default Ratio Level,

then for all purposes thereafter (including, without limitation, as to any determination of the occurrence of a CTA Event of Default) the Class A FCF DSCR as at the relevant EC Test Date shall be deemed to have been the same as the Recalculated Class A FCF DSCR (the "**Equity Cure**"). For this purpose "**Recalculated Class A FCF DSCR**" means the Class A FCF DSCR for the relevant Test Period calculated assuming that the transactions funded by the relevant Equity Cure Amount referred to in this paragraph took place at the beginning of the relevant Test Period.

(iii) The Obligor Security Trustee must, as soon as is reasonably practicable after being so requested but in any event not earlier than the Business Day immediately following the relevant Test Date, consent to the release of funds from the Defeasance Account (deposited in the Defeasance Account pursuant to paragraph (ii)(B)(II) above) if and to the extent, following such release, the Class A FCF DSCR (disregarding the Equity Cure Amount (if any), requested to be so released) remains at or greater than the Class A Default

Ratio Level (as certified by the Holdco Group Agent in the Compliance Certificate to be provided in connection with such relevant Test Date)

(iv) No more than three Equity Cures may occur in any rolling period of five Financial Years ending after the Closing Date and no Equity Cures may be made in respect of any consecutive Test Periods.

(c) Failure to Deliver Financial Statements

Any Financial Statements and related Compliance Certificates are not delivered in accordance with paragraph (a) ("*—Common Terms Agreement—Covenants—Information Covenants–Financial Statements*").

(d) Breach of other obligations

An Obligor does not comply with any provision of the Common Documents or the Senior Finance Documents (other than those referred to in paragraph (a) ("*—Common Terms Agreement—CTA Event of Default—Non-Payment*"), paragraph (b) ("*Description of the Common Documents—Common Terms Agreement—CTA Events of Default—Breach of Financial Covenant and Equity Cure*"), paragraph (c) ("*—Common Terms Agreement—CTA Events of Default—Failure to Deliver Financial Statements*") and the Tax Deed of Covenant) unless (i) the failure to comply is capable of remedy; and (ii) is remedied within 21 days of the earlier of (A) the Issuer or the Obligor Security Trustee giving notice of the failure to comply to the Holdco Group Agent or relevant Obligor and (B) the Holdco Group Agent or an Obligor becoming aware of the failure to comply.

(e) Misrepresentation

Any representation or statement made, deemed to be made or repeated by an Obligor in the Common Documents or the Senior Finance Documents (other than the Tax Deed of Covenant) or any other document delivered by or on behalf of any Obligor under or in connection with any Common Document or Senior Finance Document is or proves to have been incorrect or misleading in any material respect when made, deemed to be made or repeated unless (i) the circumstances giving rise to the breach are capable of remedy; and (ii) the breach is remedied within 21 days of the earlier of (A) the Issuer or the Obligor Security Trustee giving notice of the misrepresentation or the breach of warranty to the Holdco Group Agent or relevant Obligor and (ii) the Holdco Group Agent or an Obligor becoming aware of the misrepresentation or breach of warranty.

(f) Cross Default

(i) Any Financial Indebtedness of any Obligor is not paid when due nor within any originally applicable grace period.

(ii) Any Financial Indebtedness of any Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).

(iii) Any commitment for any Financial Indebtedness of any Obligor is cancelled or suspended by a creditor of such Obligor as a result of an event of default (however described).

(iv) Any creditor of any Obligor becomes entitled to declare any Financial Indebtedness of such Obligor due and payable prior to its specified maturity as a result of an event of default (however described).

(v) No CTA Event of Default will occur under this paragraph (f) ("*Cross Default*") (i) in respect of any Financial Indebtedness under any Class B IBLA or other Class B Authorised Credit Facility, or (ii) in respect of any Financial Indebtedness which is expressly subordinated to the Class A Authorised Credit Facilities pursuant to the terms of the STID or (iii) if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraph (i) above at any time is less than £10,000,000 (Indexed) (or equivalent in any other currency or currencies) and falling within paragraphs (ii) to (iv) above at any time is less than £25,000,000 (Indexed) (or equivalent in any other currency or currencies).

(g) Insolvency

(i) An Obligor:

(A) is unable or admits inability to pay its debts as they fall due;

(B) is deemed to, or is declared to, be unable to pay its debts under applicable law;

(C) suspends or threatens to suspend making payments on any of its debts; or

(D) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness, provided that no CTA Event of Default will occur under this sub-paragraph where such negotiations are:

(1) in respect of any Financial Indebtedness under any Class B IBLA or any other Class B Authorised Credit Facility; or

(2) in respect of any Financial Indebtedness which is expressly subordinated to the Class A Authorised Credit Facilities pursuant to the terms of the STID.

(ii) A moratorium is declared in respect of any indebtedness of an Obligor. If a moratorium occurs, the ending of the moratorium will not remedy any CTA Event of Default caused by that moratorium.

(h) Insolvency proceedings

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Obligor;

(ii) a composition, compromise, assignment or arrangement with any creditor of any Obligor;

(iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Obligor or any Material Company of its assets; or

(iv) enforcement of any Security Interest over any assets of any Obligor over which a Security Interest has been granted in favour of the Obligor Security Trustee under the Obligor Security Documents having an aggregate value of £25,000,000 (Indexed) (or equivalent in other currency or currencies),

or any analogous procedure or step is taken in any jurisdiction, in each case other than any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement, or any step or procedure contemplated by paragraph (a) of the definition of "Permitted Transaction".

(i) Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Obligor having an aggregate value of £25,000,000 (Indexed) (or equivalent in other currencies) and is not discharged within 21 days.

(j) Unlawfulness and invalidity

(i) It is or becomes unlawful for an Obligor or any other member of the Holdco Group that is a party to the STID to perform any of its obligations under the Common Documents or the Senior Finance Documents;

(ii) Any Security Interest created or expressed to be created or evidenced by an Obligor Security Document ceases to be in full force and effect or, subject to the Reservations to the extent such Reservations are in regard to the re-characterisation of a Security Interest, an Obligor Security Document does not create the Security Interest it purports to create where such cessation or failure (as applicable) would or is reasonably likely to have a Material Adverse Effect;

(iii) Subject to the Reservations, any obligation or obligations of any Obligor under any Common Document or any Senior Finance Document (or any other member of the Holdco Group under the STID) are not or cease to be legal, valid, binding or enforceable;

(iv) Any Security Interest created under the Obligor Security Documents ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than a Senior Finance Party) to be ineffective where such cessation or ineffectiveness (as applicable) would is reasonably likely to have a Material Adverse Effect; or

(v) Any subordination created under the STID ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than a Senior Finance Party) to be ineffective.

(k) Repudiation and rescission of agreements

An Obligor (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate a Common Document or a Senior Finance Document or any Security Interest created under the Obligor Security Documents or evidences an intention to rescind or repudiate a Common Document or a Senior Finance Document or any Security Interest created under the Obligor Security Documents.

(l) Expropriation

All or a substantial part of the assets of a member of the Holdco Group are seized, nationalised, expropriated or compulsorily purchased or an order from the relevant authority has been issued to that effect which, taking into account the amount and timing of any compensation payable for such seizure, nationalisation, expropriation or compulsorily purchase, it would or is reasonably likely to have a Material Adverse Effect.

(m) Cessation of business

An Obligor suspends or ceases, or threatens or proposes to cease, to carry on all or a material part of its business except as a result of any Permitted Disposal or where such cessation (or potential cessation) would not or is reasonably likely not to have a Material Adverse Effect.

(n) Litigation

Any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened against any member of the Holdco Group or its material assets which, in each case, would be likely to be adversely determined to it and which, if so adversely determined, would or are reasonably likely to have a Material Adverse Effect.

(o) Pensions

The Pensions Regulator issues, in respect of one or more members of the Holdco Group, a Financial Support Direction or a Contribution Notice which would or is reasonably likely to have a Material Adverse Effect.

(p) Intellectual Property

Any Intellectual Property ceases to be owned by a member of the Holdco Group and such termination would or is reasonably likely to have a Material Adverse Effect.

(q) Tax Deed of Covenant

A TDC Breach occurs and is continuing.

(r) Non-compliance with STID

Any party to the STID (other than a Senior Finance Party, an Administrative Party or an Obligor) fails to comply with the provisions of, or does not perform its obligations under, the STID or a representation or warranty given by that party in the STID is incorrect in any material respect unless (i) the non-compliance or circumstances giving rise to the misrepresentation are capable of remedy; and (ii) it is remedied within 21 days of the earlier of (A) the Issuer or the Obligor Security Trustee giving notice of the failure to comply to that party and (B) that party becoming aware of the failure to comply or misrepresentation.

(s) Change of ownership

(i) Except in connection with any Permitted Disposal, a Permitted Share Issue or a Permitted Transaction, an Obligor (other than Holdco) ceases to be, directly or indirectly, a wholly-owned Subsidiary of Holdco;

(ii) Any of Holdco or the Borrower ceases to own 100 per cent. of the shares in the member of the Holdco Group that is its direct Subsidiary on the Closing Date.

(t) Class A Note Event of Default

A Class A Note Event of Default occurs and is continuing.

CTA Events of Default Consequences

If a CTA Event of Default occurs and is continuing, it will:

(a) constitute a Trigger Event;

(b) entitle each Qualifying Obligor Senior Creditor to instruct the Obligor Security Trustee, subject to the provisions of the relevant Class A Authorised Credit Facility to which it is a party and subject to the provisions of the STID to:

(i) cancel the total commitments under any Class A Authorised Credit Facilities (other than Liquidity Facilities) whereupon they shall immediately be cancelled;

(ii) declare that all or part of the Utilisations under any Class A Authorised Credit Facilities (other than Liquidity Facilities), together with accrued interest and all other amounts accrued or outstanding under the Senior Finance Documents be immediately due and payable at which time they shall become immediately due and payable;

(iii) declare that all or part of the Utilisations under any Class A Authorised Credit Facilities (other than Liquidity Facilities) be payable on demand, at which time they shall immediately become payable on demand from the relevant Facility Agent, the Issuer or the relevant majority lenders;

(iv) take any other Enforcement Action other than those required to be taken by the Obligor Security Trustee in accordance with the STID;

(v) take any action permitted by the terms of the Hedging Agreements; and/or

(vi) exercise or direct the relevant Secured Creditor Representative or Obligor Security Trustee to exercise any or all of its rights, remedies, powers or discretions under the Senior Finance Documents; and

(c) entitle the Obligor Security Trustee (at its discretion or on the instructions of the Qualifying Obligor Senior Creditors) to deliver a Loan Enforcement Notice. At any time after the delivery of a Loan Enforcement Notice the Obligor Security Trustee may, and shall if it is instructed to do so in accordance with the STID, exercise any rights under the STID and the Obligor Security Documents.

Cash Management

The CTA contains the following rules regarding the cash management of the Holdco Group.

General

(a) Each Obligor shall open and maintain such Obligor Operating Accounts with an Acceptable Bank as it determines from time to time, acting reasonably, are required for the Permitted Business provided that RAC Motoring Services may open and maintain Obligor Operating Accounts with a reputable bank in Ireland whether or not it meets the rating requirements in the definition of Acceptable Bank.

(b) The Borrower shall comply with the provisions of the Borrower Account Bank Agreement and the provisions of the CTA that apply to the Designated Accounts maintained by it from time to time. Each other Obligor shall comply with the provisions of the CTA that apply to the Designated Accounts and any Obligor Operating Accounts maintained by it from time to time.

(c) Each Obligor shall ensure that all of its revenue (other than amounts required to be paid into a Designated Account) will be paid into an Obligor Operating Account in its name or the name of another Obligor.

(d) The Obligor Operating Accounts shall be the sole current accounts of the Obligors through which all operating expenditure (including, for the avoidance of doubt, any Pensions Liabilities) and Capital Expenditure or any Taxes incurred by the Obligors and any other payment not prohibited pursuant to the Common Documents and/or the Senior Finance Documents shall be cleared.

(e) The Cash Manager for the Borrower and the Issuer shall be the Holdco Group Agent and it will act as Cash Manager in respect of the accounts held by the Borrower and the Issuer. At all times prior to the delivery of any Loan Enforcement Notice, the Cash Manager shall be authorised by the Borrower and the Issuer and the Obligor Security Trustee to operate all such accounts in accordance with the Obligor Pre-Acceleration Priority of Payments under the STID.

(f) Following the delivery of a Loan Enforcement Notice, the Cash Manager may only act on the instructions of the Obligor Security Trustee in respect of any accounts maintained by any member of the Holdco Group.

(g) Following the delivery of a Loan Acceleration Notice by the Obligor Security Trustee any amounts standing to the credit of (i) the Obligor Operating Accounts and the Designated Accounts (other than the Mandatory Prepayment Account, the Defeasance Account and any Liquidity Facility Standby Account and, for the avoidance of doubt, any Borrower Hedge Replacement Premium in respect of a Hedging Transaction) may only be applied in accordance with the Obligor Post-Acceleration Priority of Payments under the STID; (ii) the Mandatory Prepayment Account or the Defeasance Account may only be applied by the Borrower (or the Cash Manager on its behalf), the Obligor Security trustee or any Receiver (as appropriate) in or towards repayment of the relevant Authorised Credit Facility to which they relate in respect of which such amounts were credited in accordance with the CTA and any Authorised Credit Facility; and (iii) any Liquidity Facility Standby Account shall be repaid to the relevant Liquidity Facility Provider in accordance with the STID.

(h) The Obligors (other than Holdco, Intermediate Holdco and the Borrower) may open accounts outside the United Kingdom and Ireland provided that (i) prior to £5,000,000 (or equivalent in the relevant local currency) being on deposit in such account, such Obligor grants a Security Interest over such account in form and substance substantially equivalent to the Security Interests granted over Obligor Operating Accounts in the United Kingdom (but taking into account the requirements and limitations of security interests over accounts in the relevant local jurisdiction); and (ii) on a weekly basis, all amounts in excess of £1,000,000 (or equivalent amount in the relevant local currency) standing to the credit of such account are transferred to an Obligor in the United Kingdom.

(i) None of Holdco, Intermediate Holdco or the Borrower may open any bank accounts other than (in the case of the Borrower) the Designated Accounts required to be maintained by it pursuant to this section ("*—Common Terms Agreement—Cash Management*").

(j) Each Obligor shall promptly following the request of the Obligor Security Trustee deliver to it an updated list of the accounts (with details thereof) maintained by it.

(k) Subject to paragraphs (a) above and (l) and (m) below of this section ("*—Common Terms Agreement—Cash Management—General*"), the Borrower and each other Obligor are required to procure that the Obligor Operating Accounts and the Designated Accounts are maintained with an Acceptable Bank. The Borrower may from time to time, appoint more than one account bank as a Borrower Account Bank on the terms of and subject to a Borrower Account Bank Agreement.

(l) If an entity which is the Borrower Account Bank or the account bank in respect of any Designated Account or any Obligor Operating Account (other than any such entity in Ireland) ceases to have a credit rating for its long term unsecured and non-credit enhanced debt obligations of BBB+ or higher by S&P, then the Cash Manager, Borrower or other relevant Obligor must use reasonable endeavours to transfer the affected Obligor Operating Accounts or Designated Accounts to another entity which is an Acceptable Bank, subject to and in accordance with the terms of the Borrower Account Bank Agreement and/or the CTA (as applicable).

(m) A transfer of a Designated Account only becomes effective when:

(i) with respect to any Designated Account maintained by the Borrower, the proposed new Acceptable Bank enters into an agreement substantially on the same terms as the Borrower Account Bank Agreement;

(ii) the relevant new account is open and operational; and

(iii) a Security Interest satisfactory to the Obligor Security Trustee has been granted over such new Designated Account.

(n) Prior to the delivery by the Obligor Security Trustee of a Loan Enforcement Notice, the Holdco Group shall be entitled to operate a cash-sweep or cash-pooling system as between the Obligor Operating Accounts in accordance with the Senior Finance Documents and the Common Documents.

Designated Accounts

(a) The Borrower shall maintain the following bank accounts in its name, in each case (other than in respect of any Liquidity Facility Standby Accounts) with the Borrower Account Bank:

(i) from no later than immediately prior to the Closing Date, as account designated the "**Debt Service Payment Account**";

(ii) from a date no later than five Business Days prior to the date on which the first payment is required under the Senior Finance Documents to be made into such account, an account designated the "**Excess Cashflow Account**";

(iii) from a date no later than five Business Days prior to the date on which the first payment is required under the Senior Finance Documents to be made into such account, an account designated the "**Defeasance Account**";

(iv) from a date no later than five Business Days prior to the date on which any mandatory prepayment is required to be applied in prepayment of any Authorised Credit Facility, an account designated the "**Mandatory Prepayment Account**";

(v) from no later than immediately prior to the date of any utilisation of any Liquidity Facility, an account designated a "**Liquidity Facility Standby Account**" in respect of each person that is a Liquidity Facility Provider under the relevant Liquidity Facility;

(vi) from a date at the Borrower's discretion, an account designated the "Financing Proceeds Account"; and

(vii) from a date at the Borrower's discretion, an account designated the "**Borrower Debt Service Reserve Account**",

on the terms set out in the Borrower Account Bank Agreement, and

(b) Holdco shall procure that from no late that immediately prior to the Closing Date an account designated the "**Maintenance Capex Reserve Account**" is maintained with an Acceptable Bank in the name of an Obligor that is an English Subsidiary of the Borrower,

and each account under paragraphs (a) and (b) above, a "**Designated Account**".

(c) No amount may be credited to or debited from a Designated Account other than as expressly provided in the CTA and the STID.

(d) The Cash Manager, the Borrower and each other relevant Obligor (as applicable) must ensure that no Designated Account goes into overdraft.

Debt Service Payment Account

Prior to the delivery of a Loan Acceleration Notice by the Obligor Security Trustee, the Obligors undertake to credit the Debt Service Payment Account three Business Days prior to any Loan Interest Payment Date or, if applicable, any other interest payment date provided for in any Class A Authorised Credit Facility, with sufficient funds to enable the Borrower to make any required payments under the Finance Documents due on such Loan Interest Payment Date or, if different, such other interest payment date provided for in a Class A Authorised Credit Facility in accordance with the Obligor Pre-Acceleration Priority of Payments. If there are insufficient amounts standing to the credit of the Debt Service Payment Account on the relevant date to pay all amounts due under the Finance Documents, such unpaid amounts shall be paid from any of the Obligor Operating Accounts.

Excess Cashflow Account

(a) Unless a Qualifying Public Offering has occurred or paragraph (b)(ii) below applies, the Borrower shall deposit into the Excess Cashflow Account within five Business Days after the earlier of (i) the date of delivery of the audited consolidated Annual Financial Statements of Holdco (and related Compliance Certificate) for that Financial Year and (ii) the required date of delivery of the audited consolidated Annual Financial Statements of Holdco (and related Compliance Certificate) for that Financial Year (where relevant net of any amount credited to the Excess Cashflow Account pursuant to paragraph (b)(i) below in respect of the first six months of the relevant Financial Year) 100 per cent. of the Excess Cashflow for each Financial Year that is a Bank Debt Sweep Period.

(b) If a Trigger Event is continuing as evidenced by the most recent Compliance Certificate delivered with any Financial Statements, the Borrower shall be required to deposit into the Excess Cashflow Account within five Business Days after the date of required delivery of the relevant Compliance Certificate:

(i) 100 per cent. of Excess Cashflow for the six month period ending on the last day of the Test Period to which that Compliance Certificate relates if that Compliance Certificate is delivered with any Semi-Annual Financial Statements; and

(ii) 100 per cent. of Excess Cashflow for the 12 month period ending on the last day of the Test Period to which that Compliance Certificate relates if that Compliance Certificate is delivered with any Annual Financial Statements (where relevant net of any amount credited to the Excess Cashflow Account pursuant to paragraph (b)(i) above in respect of the first six months of the relevant Financial Year).

(c) Prior to the delivery of a Loan Acceleration Notice by the Obligor Security Trustee, any amounts standing to the credit of the Excess Cashflow Account shall be applied in accordance with the Obligor Pre- Acceleration Priority of Payments under the STID.

Maintenance Capex Reserve Account

(a) The Maintenance Capex Reserve Account shall be credited by the Obligors with any Unused Capital Maintenance Spend Amount within 30 days from the end of each Financial Year.

(b) Prior to the delivery of a Loan Acceleration Notice by the Obligor Security Trustee any amounts standing to the credit of the Maintenance Capex Reserve Account may only be utilised by the Obligors to fund a payment of Maintenance Capital Expenditure.

Defeasance Account

(a) The Borrower:

(i) shall, if a Trigger Event is subsisting at the relevant time, credit to the Defeasance Account any amount of Excess Cashflow standing to the credit of the Excess Cashflow Account required to be credited into the Defeasance Account in accordance with the Obligor Pre-Acceleration Priority of Payments under the STID. Once the Trigger Event is no longer continuing any amount credited to the Defeasance Account pursuant to this paragraph shall be released from the Defeasance Account and applied by the Cash Manager in accordance with the Obligor Pre-Acceleration Priority of Payments under the STID in the order in which it would have been applied had a Trigger Event not occurred and any excess amounts shall be credited to such Obligor Operating Account as the Cash Manager may elect and applied in accordance with the Senior Finance Documents;

(ii) may at its discretion pay any Equity Cure amounts into the Defeasance Account. Such amounts may only be released in accordance with such paragraph (e) below;

(iii) shall credit any amounts required to be paid into the Defeasance Account in accordance with paragraph (c) ("*—Common Terms Agreement—Trigger Events— Class A Trigger Event Consequences—Voluntary Prepayment*") above. Any such amounts standing to the credit of the Defeasance Account may be:

(A) applied to refinance the relevant Class A Authorised Credit Facility; and/or

(B) applied in accordance with paragraph (ccc) ("*—Common Terms Agreement—Covenants—General Covenants–Purchase of Notes or Authorised Credit Facilities*") above; and

(iv) prior to the occurrence of a Trigger Event, (with respect to any amounts it wishes to use for the defeasance of any Class A IBLA in respect of any Class A Notes) may or, following the occurrence of any Trigger Event, shall, deposit the proceeds of any Disposal Proceeds or Insurance Proceeds in the Defeasance Account in accordance with "*—Common Terms Agreement—Cash Management—Disposals Proceeds Account*" and "*Mandatory Prepayment from Disposal Proceeds*" below. Any Disposal Proceeds or Insurance Proceeds standing to the credit of the Defeasance Account may be released and applied only in accordance with paragraph (d) ("*—Common Terms Agreement—Cash Management—Disposals Proceeds Account*" and "*Mandatory Prepayment/Defeasance from Disposal Proceeds and/or Insurance Proceeds*") below.

(b) Pending application, amounts credited to the Defeasance Account shall be held for the benefit of the Class A Authorised Credit Providers under the fixed rate Class A Authorised Credit Facility in respect of which the relevant amounts were credited.

(c) The Cash Manager shall maintain appropriate entries in respect of the Defeasance Account and any amounts credited to or debited from it which identify the fixed rate Class A Authorised Credit Facilities in respect of which those debits and credits are made. In the absence of manifest error such entries are conclusive evidence of the matters to which they relate.

(d) On or following any Expected Maturity Date in respect of any Sub-Class of Class A Notes any amounts credited to the Defeasance Account in respect of the corresponding Class A IBLA Advance must be applied towards prepayment of such Class A IBLA Advance (including any redemption premia payable by the Obligors).

(e) Following an Equity Cure, the Obligor Security Trustee must, as soon as is reasonably practicable after being so requested by the Borrower but in any event not earlier than the Business Day immediately following the relevant Test Date, consent to the release of funds from the Defeasance Account (deposited in the Defeasance Account pursuant to paragraph (b)(ii) ("*—Common Terms*

Agreement—CTA Events of Default—Breach of Financial Covenant and Equity Cure")) if and to the extent that, following such release, the Class A FCF DSCR (disregarding the Equity Cure Amount (if any), requested to be so released) remains at or greater than the Class A Default Ratio Level (as certified by the Holdco Group Agent in the Compliance Certificate to be provided in connection with such relevant Test Date).

Mandatory Prepayment Account

(a) Any amount (other than Excess Cashflow) required to be applied in prepayment of any Class A Authorised Credit Facility that bears interest at a floating rate may, if permitted under the relevant Class A Authorised Credit Facility, be credited to the Mandatory Prepayment Account for application in prepayment of amounts outstanding under that Class A Authorised Credit Facility at the time provided for in the relevant Class A Authorised Credit Facility (and pending such application shall be held for the benefit of the Class A Authorised Credit Providers under the Class A Authorised Credit Facility in respect of which the relevant amount was credited).

(b) Subject to the terms of the STID, the proceeds of any Additional Financial Indebtedness which have been raised for the purpose of refinancing any Class A Authorised Credit Facility and are required to be applied in prepayment of such Class A Authorised Credit Facility may, if permitted under the terms of such Additional Financial Indebtedness, be credited to the Mandatory Prepayment Account (or such other account as the new Authorised Credit Providers require for the holding of the proceeds pending their application for repayment of the relevant Class A Authorised Credit Facility) and held in it until such time as the Borrower elects to prepay or repay such Class A Authorised Credit Facility to be refinanced with such proceeds.

(c) The Cash Manager shall maintain appropriate entries in respect of the Mandatory Prepayment Account and any amounts credited to or debited from it which identify the Class A Authorised Credit Facility in respect of which those debits and credits are made. In the absence of manifest error such entries are conclusive evidence of the matters to which they relate.

Liquidity Facility Standby Account

Subject to the terms of the STID and any Liquidity Facility Agreement, the Borrower shall pay the proceeds of any Standby Drawing into the Liquidity Facility Standby Account with the relevant Liquidity Facility Provider unless such Standby Drawing is made as a result of a downgrade of such Liquidity Facility Provider below the Requisite Rating in which case the proceeds of any Standby Drawing shall be paid into a Liquidity Facility Standby Account with the Borrower Account Bank.

Borrower Debt Service Reserve Account

(a) Any member of the Holdco Group may credit the Borrower Debt Service Reserve Account with funds which shall be utilised by the Borrower to fund any Liquidity Shortfall.

(b) No amount may be withdrawn from the Borrower Debt Service Reserve Account unless (i) the proceeds of such withdrawal will be applied for the purposes of reducing any Borrower Liquidity Shortfall Amount on any Loan Interest Payment Date or (ii) such withdrawal would not cause a Trigger Event in accordance with paragraph (a) ("*—Common Terms Agreement—Trigger Events—Trigger Event Remedies—Liquidity Required Amount*") above to occur.

Cash Pooling

Each Obligor shall (and Holdco shall procure that each other member of the Holdco Group will) ensure that any netting and set off arrangements entered into by members of the Holdco Group in the ordinary course of its banking arrangements for the purposes of netting debit and credit balances of Obligor Operating Accounts of members of the Holdco Group shall only be netted in an account in the name of an Obligor and to the extent permitted by paragraph (c) of the definition of "Permitted Security".

Prepayment/Defeasance from Disposal Proceeds and/or Insurance Proceeds

(a) Subject to any mandatory prepayment provisions in respect of Disposal Proceeds or Insurance Proceeds in any Class A Authorised Credit Facility any Disposal Proceeds and/or Insurance Proceeds required to be applied in payment of the Obligor Senior Secured Liabilities may be

applied, at the Borrower's discretion to permanently repay, prepay, defease (by way of credit to the Defeasance Account) or purchase an Class A Notes and/or any amounts outstanding under any Class A Authorised Credit Facility (excluding any Liquidity Facility and any Hedging Agreement) and to pay any related swap termination amounts under any Hedging Agreement, break costs and redemption premia payable in connection therewith.

Financing Proceeds Account

The proceeds of any Additional Financial Indebtedness which have been raised for the purpose of refinancing any Authorised Credit Facility may be credited to the Financing Proceeds Account and held in it until such time as the Borrower elects to apply such proceeds to prepay or repay any Authorised Credit Facility.

Hedging Policy

Risks arising in the ordinary course of Business

(a) The Borrower and each other member of the Holdco Group may enter into unsecured Treasury Transactions for the purposes of hedging risks arising in the ordinary course of the Holdco Group's business, including, amongst others, risks deriving from exposures to fluctuations in interest rates, currency exchange rates and fuel prices. The Issuer shall not enter into Treasury Transactions other than Hedging Transactions.

(b) Treasury Transactions may be entered into with one or more counterparties. No member of the Holdco Group, the Borrower or the Issuer may enter into Treasury Transactions for the purpose of speculation. For the avoidance of doubt, any Treasury Transaction that is entered into and which is designated as hedging for hedge accounting purposes in the accounts of Holdco Group, the Borrower or the Issuer shall not be deemed to be entered into for the purpose of speculation.

(c) No member of the Holdco Group, the Borrower or the Issuer may enter into Treasury Transactions that are inflation swaps.

Risks arising in connection with the Relevant Debt

(a) The Borrower and the Issuer may enter into Hedging Transactions for the purpose of hedging risks deriving from exposures to fluctuation in, inter alia, interest rates and currency exchange rates arising in connection with the Relevant Debt. Hedging Agreements and Hedging Transactions may be entered into with one or more Hedge Counterparties, subject to paragraph (a) under "*—Common Terms Agreement—Hedging Policy—Principles Relating to Hedge Counterparties*" below.

(b) The Borrower and the Issuer may execute forward-starting hedging arrangements to mitigate interest rate and currency exchange rate risks associated with the incurrence (including expected future incurrence) of the Relevant Debt.

(c) The aim of the Hedging Policy is to ensure that the Borrower's and the Issuer's economic exposure in respect of (i) the currency exchange rate risk in respect of the principal and interest payments in respect of Relevant Debt denominated in a Foreign Currency is fully hedged into Sterling, and (ii) the majority of the interest rate exposure in respect of Relevant Debt (including any Relevant Debt denominated in a Foreign Currency which has been hedged into effective Sterling debt) is, or is hedged into a fixed rate, in each case when determined by reference to the future interest periods and the maturity dates of the Relevant Debt. Overhedging may not exceed 5 per cent. in respect of interest rate hedging and 10 per cent. in respect of currency exchange rate hedging, in each case determined after taking into account any Overlay Transactions or Offsetting Transactions and disregarding any forward-starting hedging arrangements in respect of which (x) the "Effective Date" specified therein has not yet occurred and (y) the expected future debt it is intended to hedge has not yet been incurred.

(d) In the event the Issuer enters into any Hedging Transactions under an Issuer Hedging Agreement, the economic effect of such Hedging Transactions shall be passed on to the Borrower either through the Class A IBLA or by way of back-to-back hedge agreements between the Borrower and the Issuer.

(e) The Hedging Policy will be reviewed from time to time by the Borrower and the Issuer and may be amended as appropriate in line with market practice, regulatory developments and good industry practice in accordance with the provisions of the STID.

(f) Subject to paragraph (g) under "*—Common Terms Agreement—Hedging Policy—Risks Arising in Connection with the Relevant Debt*" below, no amendment, waiver, modification or termination (in whole or part) of any Hedging Agreement or Hedging Transaction will require the consent of any party other than the parties to such Hedging Agreement provided that such amendment, waiver, modification or termination (as the case may be) does not result in any breach of the Hedging Policy, in which case such amendment, waiver, modification or termination will be subject to the provisions of the STID.

(g) No amendment, waiver, modification or termination (in whole or in part) of any Hedging Transaction or Hedging Agreement required to meet the criteria published by any Rating Agency from time to time will require the consent of any party other than the parties to the relevant Hedging Agreement.

(h) For the purpose of determining compliance with the currency exchange rate risk principles under paragraphs (a) and (b) of "*—Common Terms Agreement—Hedging Policy—Currency Risk Principles*" below and the interest rate risk principles under paragraphs (a), (b) and (c) of "*—Common Terms Agreement—Hedging Policy—Interest Rate Risk Principles*" below, (i) the notional amount and/or currency amount of a Hedging Transaction on any date shall be reduced by the notional amount and/or currency amount of a Hedging Transaction that is an Offsetting Transaction or an Overlay Transaction with respect thereto (as applicable) on that date, and (ii) the notional amount and/or currency amount of any forward-starting Hedging Transaction in respect of which (x) the "Effective Date" specified therein has not yet occurred and (y) the expected future debt it is intended to hedge has not yet been incurred, shall be disregarded, (together the "**Hedging Reduction Amounts**").

Currency Risk Principles

(a) The Borrower and the Issuer (taken together) hedge currency exchange rate risk, in respect of the interest payable and the repayment of principal in relation to the total outstanding Relevant Debt which is denominated in a currency other than GBP (a "**Foreign Currency**") to ensure that on any day, the net economic effect of such hedging for the Borrower and the Issuer (taken together), determined by reference to the future interest periods and the maturity dates of the outstanding Relevant Debt on such day, is that:

(i) a minimum of 100 per cent. of the currency exchange rate risk in respect of the total outstanding Relevant Debt denominated in such Foreign Currency is hedged into GBP pursuant to one or more XCCY Hedging Transactions, with each such XCCY Hedging Transaction having, when entered into, a term no less than the shorter of (x) the average maturity of the Relevant Debt denominated in a Foreign Currency; and (y) three years; and

(ii) not more than 110 per cent. of the currency exchange rate risk in respect of the total outstanding Relevant Debt denominated in such Foreign Currency that would otherwise have been hedged (disregarding, for these purposes, any applicable Hedging Reduction Amounts), is hedged pursuant to XCCY Hedging Transactions.

(b) With respect to each Foreign Currency, in the event that on any day, the net economic effect for the Borrower and the Issuer (taken together) of the XCCY Hedging Transactions denominated in such Foreign Currency on such day is that more than 110 per cent. of the currency exchange rate risk in respect of the total outstanding Relevant Debt denominated in such Foreign Currency that would otherwise have been hedged (disregarding, for the purposes of making this determination, any Hedging Reduction Amounts) is hedged pursuant to such XCCY Hedging Transactions (a "**XCCY Overhedged Position**"), then the Borrower or the Issuer shall notify the relevant Borrower Hedge Counterparties or the relevant Issuer Hedge Counterparties (as applicable) of the XCCY Overhedged Position promptly upon becoming aware of the XCCY Overhedged Position and must, within 30 calendar days of becoming aware of the XCCY Overhedged Position, reduce the aggregate notional amount of the XCCY Hedging Transactions (which may be achieved by

terminating one or more XCCY Hedging Transactions (in whole or in part), including reducing the aggregate notional amount thereof with effect from a future date) at the discretion of the Borrower or the Issuer (as applicable) and/or entering into Offsetting Transactions and/or Overlay Transactions so that it is in compliance with the parameters in paragraph (a) under "*—Common Terms Agreement—Hedging Policy—Currency Risk Principles*" above.

(c) Currency exchange rate risk will be hedged through derivative instruments including but not limited to swaps, caps, options and collars in order to comply with paragraph (a) under "*—Common Terms Agreement—Hedging Policy—Currency Risk Principles*" above, **provided that**, the applicable exchange rate or strike in any such transactions is not more than 5 per cent. higher or lower than the prevailing market rate exchange rate for the relevant currency pair at the time such transaction is entered into.

Interest Rate Risk Principles

(a) Subject to paragraph (b) below, the Borrower and the Issuer (taken together) hedge the interest rate risk in relation to the total outstanding Relevant Debt to ensure that, on any day, the net economic effect of such hedging for the Borrower and the Issuer (taken together), determined by reference to the future interest periods and the maturity dates of the outstanding Relevant Debt on such day, is that:

(i) a minimum of 75 per cent. of the interest rate risk in respect of the total outstanding Relevant Debt either

(A) bears a fixed rate of interest; or

(B) is hedged pursuant to one or more Interest Rate Hedging Transactions having when entered into a term no less than the shorter of (A) the average maturity of the Relevant Debt; and (B) three years; and

(ii) not more than 105 per cent. of interest rate risk in respect of the total outstanding Relevant Debt that would otherwise have been hedged (disregarding, for these purposes, any applicable Hedging Reduction Amounts), is hedged pursuant to Interest Rate Hedging Transactions.

(b) Notwithstanding paragraph (b) under "*—Common Terms Agreement—Hedging Policy—Currency Risk Principles*" above, with effect as of the Closing Date, the Borrower shall hedge the interest rate risk in relation to the Initial STF Facility to ensure that on any day, the net economic effect of such hedging for the Borrower, determined by reference to the future interest periods and the maturity date of the Initial STF Facility, is that a minimum of 100 per cent. of the interest rate risk in respect of the total amount outstanding under the Initial STF Facility is hedged pursuant to Interest Rate Hedging Transactions.

(c) In the event that, on any day, the net economic effect for the Borrower and the Issuer (taken together) of the Interest Rate Hedging Transactions on such day is that more than 105 per cent. of the interest rate risk in respect of the total outstanding Relevant Debt that would otherwise have been hedged (disregarding, for the purposes of making this determination, any Hedging Reduction Amounts) is hedged pursuant to such Interest Rate Hedging Transactions (an "**Overhedged Position**"), then the Borrower or the Issuer shall notify the relevant Borrower Hedge Counterparties or the relevant Issuer Hedge Counterparties (as applicable) of the Overhedged Position promptly upon becoming aware of the Overhedged Position and must, within 30 calendar days of becoming aware of the Overhedged Position, reduce the aggregate notional amount of the Interest Rate Hedging Transactions (which may be achieved by terminating one or more Interest Rate Hedging Transactions (in whole or in part), including reducing the aggregate notional amount thereof with effect from a future date) at the discretion of the Borrower or the Issuer (as applicable) and/or entering into Offsetting Transactions and/or Overlay Transactions so that it is in compliance with the parameters in (a) of "*—Common Terms Agreement—Hedging Policy—Interest Rate Risk Principles*" above.

(d) Interest rate risk on floating rate liabilities will be hedged through derivative instruments including but not limited to swaps, caps, options and collars in order to comply with paragraph (a) of "*—Common Terms Agreement—Hedging Policy—Interest Rate Risk Principles*" above.

Principles Relating To Hedge Counterparties

(a) The Borrower and the Issuer may only enter into Hedging Transactions with counterparties whose unsecured and unsubordinated debt obligations are assigned a rating by the Rating Agency which is no less than the Minimum Long Term Rating, or where a guarantee is provided by an institution which meets the requisite criteria of its Rating Agency with respect to its guarantees.

(b) The counterparty principles under paragraph (a) above are to be tested only on the entry into each Hedging Transaction and, for the avoidance of doubt, shall not apply to any amendment, modification or waiver made in respect of such Hedging Transaction. Without prejudice to either the Borrower's or the Issuer's (as applicable) obligations to comply with the counterparty principles on entry into each Hedging Transaction, neither will have any obligation to take any action (or to cease to take any action) if a Hedge Counterparty subsequently ceases to satisfy the criteria set out in paragraph (a) above.

Principles Relating To Hedging Agreements

All Hedging Agreements must be entered into (whether by way of novation or otherwise) in the form, as amended by the parties thereto, of the 2002 ISDA Master Agreement or any successor thereto published by ISDA (an "**ISDA Master Agreement**") unless otherwise agreed by the Obligor Security Trustee acting in accordance with the STID.

Notwithstanding any provision to the contrary in any Hedging Agreement the Borrower and/or the Issuer (as applicable) and each Hedge Counterparty are required to agree that:

(a) the Hedge Counterparty may only designate an Early Termination Date (as defined in the relevant ISDA Master Agreement) in respect of a Hedging Transaction if one or more of the following events has occurred and is continuing:

(i) with respect to any Borrower Hedging Agreements:

(A) a non-payment Event of Default (as defined in the relevant ISDA Master Agreement), if it relates to non-payment under any Borrower Hedging Agreement provided that at least five (5) Business Days have elapsed following the due date for such payment;

(B) a CTA Event of Default in respect of which a Loan Acceleration Notice is delivered;

(C) all Relevant Debt is irrevocably and unconditionally repaid, prepaid or cancelled in full, provided that the Hedge Counterparty shall not have the right to designate an "Early Termination Date" in these circumstances if the relevant payment, prepayment, repayment or discharge is as a result of, in contemplation of, or otherwise in connection with any prepayment, repayment or refinancing of Relevant Debt by any Permitted Financial Indebtedness which results in the incurring of new Relevant Debt by the Borrower; or

(D) any event outlined in Section 5(a)(vii) (Bankruptcy) of the Borrower Hedging Agreement (as amended by the relevant schedule to such Borrower Hedging Agreement to disapply, with respect to the Borrower, (i) section 5(a)(vii)(2), (7) and (9) of the standard ISDA Master Agreement, (ii) section 5(a)(vii)(3) of the standard ISDA Master Agreement to the extent that it refers to any assignment, arrangement or composition that is effected by any Senior Finance Document, (iii) section 5(a)(vii)(4) of the standard ISDA Master Agreement to the extent that it refers to any proceedings or petitions instituted or presented by any Borrower Hedge Counterparty or any Affiliate (as defined in the relevant Borrower Hedging Agreement) thereof, (iv) section 5(a)(vii)(6) of the standard ISDA Master Agreement to the extent that it refers to (1) any appointment that is contemplated

or effected by any document to which the relevant Borrower Hedge Counterparty is a party in connection with the transactions contemplated by the Common Documents or (2) any such appointment to which the Borrower has not yet become subject and (v) section 5(a)(vii)(8) of the standard ISDA Master Agreement to the extent that it applies to the provisions of section 5(a)(vii)(2), (3), (4), (6) and (7) of the standard ISDA Master Agreement which have been disapplied with respect to the Borrower) if it relates to an event that has occurred in relation to the Borrower;

(ii) with respect to the Issuer Hedging Agreements:

(A) a non-payment Event of Default (as defined in the relevant ISDA Master Agreement), if it relates to non-payment under any Issuer Hedging Agreement provided that at least five Business Days have elapsed following the due date for such payment;

(B) a Class A Note Event of Default in respect of which a Class A Note Acceleration Notice is delivered; or

(C) all Relevant Debt is irrevocably and unconditionally repaid, prepaid or cancelled in full, provided that the Hedge Counterparty shall not have the right to designate an "Early Termination Date" in these circumstances if the relevant payment, prepayment, repayment or discharge is as a result of, in contemplation of, or otherwise in connection with any prepayment, repayment or refinancing of Relevant Debt by Permitted Loan or a Permitted Transaction which results in the incurring of new Relevant Debt by the Issuer; or

(D) any event outlined in section 5(a)(vii) (*Bankruptcy*) of the Issuer Hedging Agreement (as amended by the relevant schedule to such Issuer Hedging Agreement to disapply, with respect to the Issuer, (i) section 5(a)(vii)(2), (7) and (9) of the standard ISDA Master Agreement, (ii) section 5(a)(vii)(3) of the standard ISDA Master Agreement to the extent that it refers to any assignment, arrangement or composition that is effected by any Issuer Transaction Document, (iii) section 5(a)(vii)(4) of the standard ISDA Master Agreement to the extent that it refers to any proceedings or petitions instituted or presented by any Issuer Hedge Counterparty or any Affiliate (as defined in the relevant Issuer Hedging Agreement) thereof, (iv) section 5(a)(vii)(6) of the standard ISDA Master Agreement to the extent that it refers to (1) any appointment that is contemplated or effected by any document to which the relevant Issuer Hedge Counterparty is a party in connection with the transactions contemplated by the Note Trust Deed or (2) any such appointment to which the Issuer has not yet become subject and (v) section 5(a)(vii)(8) of the standard ISDA Master Agreement to the extent that it applies to the provisions of section 5(a)(vii)(2), (3), (4), (6) and (7) which have been disapplied with respect to the Issuer) if it relates to an event that has occurred in relation to the Issuer;

(iii) a Hedging Transaction is entered into which does not comply with the Hedging Policy ("*—Common Terms Agreement—Hedging Policy*") on the date such Hedging Transaction is entered into, provided that the Hedge Counterparty to such Hedging Transaction may only designate an Early Termination Date in respect of such Hedging Transaction;

(iv) an ISDA Distressed Disposal Event occurs, provided that the Hedge Counterparty to such Hedging Transaction may only designate an Early Termination Date in respect of the relevant portion of such Hedging Transaction equal to the proportion that the amount of the Obligor Senior Secured Liabilities which are automatically accelerated or deemed accelerated pursuant to Clause 12.5, Clause 30.14, Clause 30.15 or Clause 30.18 of the STID (as applicable) bears to the total outstanding amount of the Obligor Senior Secured Liabilities (excluding the obligations of the Borrower under the Borrower Hedging Agreements);

(v) an XCCY Overhedged Position exists, provided such XCCY Overhedged Position has continued to exist for a period of 30 consecutive calendar days from the date on which the Borrower or the Issuer (as applicable) became aware of such XCCY Overhedged Position, and provided further that the Hedge Counterparty to such Hedging Transaction may only designate an Early Termination Date in respect of the relevant portion of such Hedging Transaction which, when terminated, would cause the Borrower or the Issuer (as applicable) to be in compliance with the parameters set out in paragraph (a) under "*—Common Terms Agreement—Hedging Policy—Currency Risk Principles*" above;

(vi) an Overhedged Position exists, provided such Overhedged Position has continued to exist for a period of 30 consecutive calendar days from the date on which the Borrower or the Issuer (as applicable) became aware of such Overhedged Position, and provided further that the Hedge Counterparty to such Hedging Transaction may only designate an Early Termination Date in respect of the relevant portion of such Hedging Transaction which, when terminated, would cause the Borrower or the Issuer (as applicable) to be in compliance with the parameters set out in paragraphs (a) and (b) under "*—Common Terms Agreement—Hedging Policy—Interest Risk Principles*" above;

(vii) an Additional Termination Event (as defined in the relevant ISDA Master Agreement) outlined in paragraph (iii)(2) of the EMIR NFC Representation Protocol and the Borrower or the Issuer (as applicable) is the sole Affected Party (as defined in the relevant ISDA Master Agreement);

(viii) an event outlined in section 5(b)(i) (Illegality) of the Issuer Hedging Agreement or the Borrower Hedging Agreement (as applicable);

(ix) an event outlined in section 5(b)(ii) (Force Majeure Event) of the Issuer Hedging Agreement or the Borrower Hedging Agreement (as applicable);

(x) an event outlined in section 5(b)(iii) (Tax Event) of the Issuer Hedging Agreement or the Borrower Hedging Agreement (as applicable); and

(xi) an event outlined in section 5(b)(iv) (Tax Event upon Merger) of the Issuer Hedging Agreement or the Borrower Hedging Agreement (as applicable).

(b) If rights of "**Optional Early Termination**" or "**Mandatory Early Termination**" (each as defined in the 2006 ISDA Master Definitions or any replacement thereof) are included in a Hedging Transaction, the Issuer or the Borrower (as applicable) and the relevant Hedge Counterparty shall specify that "Cash Settlement" (as defined in the applicable Hedging Transaction incorporating the 2006 ISDA Definitions or any replacement thereof) shall be applicable.

(c) Save as set out in paragraph (a) above, no other Event of Default (as defined in the ISDA Master Agreement) shall apply in relation to the Issuer or the Borrower or any member of the Holdco Group and no other Termination Event (as defined in the ISDA Master Agreement) in respect of which the Hedge Counterparty would have a right to terminate the relevant Hedging Agreement shall apply.

(d) Each Hedge Counterparty is required to acknowledge in the relevant Hedging Agreement that such Hedging Agreement is subject to the provisions of the CTA, the STID and the Issuer Deed of Charge, as the case may be and that all amounts payable or expressed to be payable by the Issuer or the Borrower (as the case may be) under or in connection with such Hedging Agreement shall only be recoverable (and all rights of the relevant Hedge Counterparty under such Hedging Agreement shall only be exercisable) subject to and in accordance with the STID, the CTA, the Issuer Cash Management Agreement or the Issuer Deed of Charge as applicable.

(e) The Issuer or the Borrower (as applicable) certified upon entry into each Hedging Transaction that such transaction complies with "*Common Terms Agreement—Hedging Policy*".

Tax

(a) The Issuer and the Borrower may only enter into Treasury Transactions with counterparties who represent as an additional representation for the purposes of section 3 (Representations) of the

Issuer Hedging Agreement or Borrower Hedging Agreement (as applicable) that they are party to such transactions otherwise than as agent or nominee of another person and either:

(i) are and will remain a company resident for tax purposes in (and only in) the United Kingdom; or

(ii) be and remain a party to the contract comprising the relevant Treasury Transaction solely for the purposes of a trade or part of a trade carried on by it in the United Kingdom through (in the case of a company) a permanent establishment or (otherwise) a branch or agency; or

(iii) are and will remain resident for tax purposes in a jurisdiction with which the United Kingdom has a double taxation convention which makes provision, whether for relief or otherwise, in relation to interest.

(b) Each Hedge Counterparty and the Issuer or the Borrower are obliged to make payments under the Hedging Agreements without any withholding or deduction of Taxes, unless required by law.

(c) Notwithstanding the definition of "Indemnifiable Tax" in section 14 of each Hedging Agreement, in relation to any payments made by a Hedge Counterparty, subject to paragraph (e) below, any Tax shall be an Indemnifiable Tax, and in relation to payments by the Issuer or the Borrower, no Tax shall be an Indemnifiable Tax.

(d) If a withholding or deduction is required due to any action by a Tax Authority or brought in a court of competent jurisdiction or change in Tax law after the date on which a Treasury Transaction is entered into, and such withholding or deduction cannot be avoided in accordance with the relevant Hedging Agreement then:

(i) the Hedge Counterparty if required to make such withholding or deduction; or

(ii) where a payment made under the relevant Hedging Agreement is not grossed-up to compensate for such withholding or deduction, the Issuer or the Borrower (as applicable) or the Hedge Counterparty (as the case may be) to whom such payment is made,

may, subject to and to the extent provided in the terms and conditions of the relevant Hedging Agreement, terminate the relevant Treasury Transaction.

(e) "**Tax**" as used in part 2(a) of the Schedule (Payer Tax Representation) to each Hedging Agreement and "**Indemnifiable Tax**" as defined in section 14 of each Hedging Agreement shall not include any U.S. federal withholding tax imposed or collected pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code (a "**FATCA Withholding Tax**"). For the avoidance of doubt, a FATCA Withholding Tax is a Tax the deduction or withholding of which is required by applicable law for the purposes of section 2(d) of each Hedging Agreement.

Security Trust and Intercreditor Deed

General

The intercreditor arrangements in respect of the Holdco Group, the Obligor Secured Creditors (including the Issuer), Topco and the Topco Secured Creditors (the "**Intercreditor Arrangements**") are contained in the STID entered into on 6 May 2016. The Intercreditor Arrangements bind each of the Obligor Secured Creditors (including the Issuer), each of the Obligors, Topco and the Topco Secured Creditors.

The Obligor Secured Creditors include all providers of Obligor Secured Liabilities that enter into or accede to the STID. Any new Authorised Credit Provider will be required to accede to the STID, the Master Definitions Agreement and, in the case of a Class A Authorised Credit Provider, the CTA. The STID also contains provisions regulating the rights of Subordinated Intragroup Creditors and Subordinated Investors. No member of the Holdco Group (which is not an Obligor) may provide Financial Indebtedness in an amount exceeding £5.0 million (determined on a net basis after taking into account any Permitted Loans

made by the relevant Obligor to the relevant member of the Holdco Group) to any Obligor unless such person has first acceded to the STID as a Subordinated Intragroup Creditor.

The purpose of the Intercreditor Arrangements is to regulate, among other things (a) the claims of the Obligor Secured Creditors against the Obligors; (b) the exercise of rights by the Obligor Secured Creditors, including in relation to any enforcement and acceleration of the Obligor Secured Liabilities and the Obligor Security; (c) the rights of the Obligor Secured Creditors to instruct the Obligor Security Trustee; (d) the exercise and enforcement of rights by the Topco Secured Creditors in relation to the Topco Security; (e) the Entrenched Rights and the Reserved Matters of the Obligor Secured Creditors; and (f) the giving of consents and waivers and the making of modifications to the Common Documents, the Senior Finance Documents, the Junior Finance Documents, and the Topco Transaction Documents.

The Intercreditor Arrangements also provide for the ranking in point of payment of the claims of the Obligor Secured Creditors, both before and after the delivery of a Loan Acceleration Notice and for the subordination of all claims of Subordinated Intragroup Creditors and Subordinated Investors to the claims of the Obligor Secured Creditors in respect of the Obligor Secured Liabilities. Each Obligor Secured Creditor, each Obligor, each Subordinated Intragroup Creditor and each Subordinated Investor give certain undertakings in the STID, which serve to maintain the integrity of these arrangements. The STID also provides for the application of proceeds of the enforcement of the Topco Security. For further information on the ranking in point of payment of the claims of the Issuer Secured Creditors see the section "*Description of the Issuer Transaction Documents—Issuer Cash Management Agreement*" and "*Description of the Issuer Transaction Documents—Issuer Deed of Charge*".

Guarantee

Pursuant to the terms of the STID, each Obligor irrevocably and unconditionally:

(a) guarantees to the Obligor Security Trustee (for itself and on behalf of the other Obligor Secured Creditors) the punctual performance and observation by each other Obligor of the Obligor Secured Liabilities;

(b) undertakes with the Obligor Security Trustee (for itself and on behalf of the other Obligor Secured Creditors) that whenever an Obligor does not pay any Obligor Secured Liabilities when due under or in connection with any Common Document or Finance Document, the Obligor shall immediately on demand by the Obligor Security Trustee pay that amount as if it was the principal obligor; and

(c) agrees with the Obligor Security Trustee (for itself and on behalf of the other Obligor Secured Creditors) that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Obligor Secured Creditors immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Common Document or Finance Document on the date when it would have been due. The amount payable by the Obligor under this indemnity will not exceed the amount it would have had to pay under the guarantee if the amount claimed had been recoverable on the basis of a guarantee.

If the shares in an Obligor are disposed of pursuant to a Permitted Disposal which is not otherwise restricted by the Finance Documents or pursuant to a Distressed Disposal or otherwise in accordance with the STID, the Obligor Security Trustee is authorised to release the guarantee granted by that Obligor being sold.

Modifications, Consents and Waivers—Common Documents

In relation to the Common Documents, the STID contains detailed provisions setting out the voting and instruction mechanics in respect of (a) Ordinary Voting Matters; (b) Extraordinary Voting Matters; and (c) Entrenched Rights and Reserved Matters (as further described below in "*Types of Voting Categories—Common Documents*"). Subject to Entrenched Rights and Reserved Matters (which will always require the consent of the relevant Obligor Secured Creditors who are affected by the proposed modification or request for consent or waiver, as applicable) and Extraordinary Voting Matters and, save as described below in "*Discretion Matters*" and "*Class B STID Proposal*", the Obligor Security Trustee will only agree to any modification of, or grant any consent or waiver under any Common Document with the consent of or if so

instructed by the relevant majority of Participating Qualifying Obligor Secured Creditors provided that the relevant Quorum Requirement has been met.

The Holdco Group Agent is entitled to provide the Obligor Security Trustee with written notice requesting any modification, consent or waiver it requires under or in respect of any Common Document (a "**STID Proposal**"). The notice will certify whether such STID Proposal is a Discretion Matter, an Ordinary Voting Matter, or an Extraordinary Voting Matter or whether it gives rise to an Entrenched Right (as further described in "*Types of Voting Categories—Common Documents*" below) and stating the Decision Period (as further described in "*Decision Periods*" below). If the STID Proposal is in relation to a Discretion Matter, the Holdco Group Agent must also provide a certificate setting out the basis on which the Holdco Group Agent believes the Obligor Security Trustee would be entitled to concur in making the proposed modification, giving the proposed consent or granting the proposed waiver and shall attach all such evidence in support of such belief that the Holdco Group Agent considers to be reasonably necessary and if the STID Proposal gives rise to an Entrenched Right, such STID Proposal shall contain information as to the Obligor Secured Creditors and/or the Issuer Secured Creditors who are affected by such Entrenched Right. The Obligor Security Trustee will, within five Business Days of receipt of a STID Proposal, send a request (the "**STID Voting Request**") in respect of any Ordinary Voting Matter, Extraordinary Voting Matter or Entrenched Right to the Secured Creditor Representative of each Obligor Secured Creditor and to each of the Secured Creditor Representatives of the Issuer (on behalf of the Issuer Secured Creditors). If the STID Proposal gives rise to an Entrenched Right, the STID Voting Request will contain a request that each relevant Affected Obligor Secured Creditor (including where the Issuer is an Affected Obligor Secured Creditor, each Issuer Secured Creditor who is affected), in each case, through its Secured Creditor Representative(s) confirm on or before the last day of the Decision Period whether or not it wishes to consent to the relevant STID Proposals that would affect the Entrenched Right.

The Qualifying Obligor Secured Creditors (acting through their Secured Creditor Representatives) representing at least 10 per cent. of the Outstanding Principal Amount of the Qualifying Obligor Secured Liabilities are able to challenge the Holdco Group Agent's determination of the voting category of a STID Proposal relating to an Ordinary Voting Matter and/or an Extraordinary Voting Matter. In addition, either:

(i) any Obligor Secured Creditor (other than the Issuer) acting through its Secured Creditor Representative, if any; or

(ii) the Issuer (acting through its Secured Creditor Representative) representing at least 10 per cent. of the Outstanding Principal Amount of the relevant class of Notes,

is able to challenge the Holdco Group Agent's determination as to whether there is an Entrenched Right. Such dissenting creditors must provide supporting evidence or substantiation to the Obligor Security Trustee for their disagreement with such determination. Challenging creditors that comply with the foregoing requirements (the "**Dissenting Creditors**") may instruct the Obligor Security Trustee to notify the Holdco Group Agent in writing within five Business Days of receipt of the relevant STID Proposal that they disagree with the Holdco Group Agent's determination and specifying, as applicable, the voting category they propose should apply or whose Entrenched Right is affected along with the required supporting evidence. The Holdco Group Agent and the relevant Qualifying Obligor Secured Creditors and/or relevant Obligor Secured Creditors will agree the voting category or whether there is an Entrenched Right within five Business Days from receipt by the Holdco Group Agent of the relevant notice from the Obligor Security Trustee. If they are unable to agree within this time, or if no agreement can be reached, then an appropriate expert will make a decision as to the voting category or whether there is an Entrenched Right, whose decision will be final and binding on each of the parties.

Types of Voting Categories—Common Documents

Ordinary Voting Matters

Ordinary Voting Matters include all matters which are not designated as Extraordinary Voting Matters or Discretion Matters (see "*Extraordinary Voting Matters*" and "*Discretion Matters*" below). If the Quorum Requirement is met (see "*Quorum Requirements*" below), a resolution in respect of an Ordinary Voting Matter may be passed by a simple majority of the Voted Qualifying Obligor Secured Liabilities in accordance with the section entitled "*Qualifying Obligor Secured Liabilities*" below.

Extraordinary Voting Matters

The STID also prescribes the treatment of Extraordinary Voting Matters. If the Quorum Requirement for an Extraordinary Voting Matter is met (see "*Quorum Requirements*" below), the majority required to pass a resolution in respect of an Extraordinary Voting Matter will be at least 66.67 per cent. of the Voted Qualifying Obligor Secured Liabilities in accordance with the section entitled "*Qualifying Obligor Secured Liabilities*" below.

Entrenched Rights

Entrenched Rights are rights that cannot be modified or waived in accordance with the STID without the consent of the Affected Obligor Secured Creditor(s). When the Affected Obligor Secured Creditor is the Issuer, consent must be obtained from:

(a) the holders of each Class or Sub-Class of Class A Notes then outstanding affected by the Entrenched Right by way of a Class A Extraordinary Resolution in accordance with the Class A Note Trust Deed;

(b) the holders of each Class or Sub-Class of Class B Notes then outstanding affected by the Entrenched Right by way of a Class B Extraordinary Resolution in accordance with the Class B Note Trust Deed;

(c) each Issuer Hedge Counterparty under an Issuer Hedging Agreement that is affected by the Entrenched Right; and/or

(d) each other Issuer Secured Creditor that is affected by the Entrenched Right.

Reserved Matters

Reserved Matters ("**Reserved Matters**") are matters which, subject to the STID and the CTA, an Obligor Secured Creditor is free to exercise in accordance with its own debt instrument including:

(a) to receive any sums owing to it for its own account in respect of premia, fees, costs, charges, liabilities, damages, proceedings, claims and demands in relation to any Finance Document to which it is a party as permitted pursuant to the terms of the CTA and the Finance Documents;

(b) to make determinations of and require the making of payments due and payable to it under the provisions of the Authorised Credit Facilities to which it is a party as permitted by the terms of the CTA, the STID and the Finance Documents to the extent that the provisions of such Finance Documents are consistent with the relevant provisions of the STID;

(c) to exercise the rights vested in it or permitted to be exercised by it under and pursuant to the terms of the CTA, the STID and the other Finance Documents to the extent that the provisions of such Finance Documents are consistent with the relevant provisions of the STID;

(d) to receive notices, certificates, communications or other documents or information under the Finance Documents or otherwise, to direct that such notices, certificates, communications or other documents or information shall be provided (or shall not be provided) to it or, where applicable, to determine the form and content of any notice, certificate or communication;

(e) to assign its rights or transfer any of its rights and obligations under any PP Note(s) or any other Authorised Credit Facility to which it is a party subject to certain provisions of the STID; and

(f) in the case of each Hedge Counterparty, (i) to terminate the relevant Hedging Agreement or any transaction thereunder provided such termination is a Permitted Hedge Termination or, as may be agreed with Borrower or the Issuer (as applicable), terminate the relevant Hedging Agreement or any transaction thereunder in whole or in part and amend the terms of the Hedging Agreement to reflect such whole or partial termination or (ii) to exercise rights permitted to be exercised by it under a Hedging Agreement.

Discretion Matters

The Obligor Security Trustee may (but is not obliged to) make modifications to the Common Documents without the consent of any other Obligor Secured Creditor where such modifications, consents or waivers:

(a) in the opinion of the Obligor Security Trustee, are:

(i) to correct manifest errors or an error in respect of which an English court could reasonably be expected to make a rectification order; or

(ii) of a formal, minor, administrative or technical nature; or

(b) would not, in the opinion of the Obligor Security Trustee, materially prejudice the interests of any of the Qualifying Obligor Secured Creditors (where "**materially prejudicial**" means that such modification, consent or waiver would have a material adverse effect on the ability of the Obligors to pay any amounts of principal or interest or any other amounts in respect of the Qualifying Obligor Secured Liabilities owed to the relevant Qualifying Obligor Secured Creditors on the relevant due date for payment thereof).

Quorum Requirements

Pursuant to the terms of the STID, the "**Quorum Requirement**" is, in respect of an Ordinary Voting Matter or an Extraordinary Voting Matter, one or more Participating Qualifying Obligor Secured Creditors representing in aggregate at least 20 per cent. of the entire Outstanding Principal Amount of all Qualifying Obligor Secured Liabilities provided that if the Quorum Requirement has not been met within the Decision Period (as described further in "Decision Periods" below), the Quorum Requirement shall be reduced to one or more Participating Qualifying Obligor Secured Creditors representing, in aggregate, 10 per cent. of the aggregate Outstanding Principal Amount of all Qualifying Obligor Secured Liabilities and the Decision Period will be extended for a period of a further ten Business Days from the expiry of the initial Decision Period and the Holdco Group Agent shall promptly notify the Obligor Security Trustee and the Secured Creditor Representatives of each Obligor Secured Creditor of such reduction and extension.

Decision Periods

The STID includes provisions specifying the relevant decision periods within which votes must be cast (each a "**Decision Period**") which period must not be less than:

(a) five Business Days from the date of delivery of the STID Proposal for any Discretion Matter;

(b) 15 Business Days from the Decision Commencement Date for any Ordinary Voting Matter (which may be extended for a further period of ten Business Days if the Quorum Requirement for the relevant Ordinary Voting Matter has not been met within the initial Decision Period);

(c) 15 Business Days from the Decision Commencement Date for any Extraordinary Voting Matter (which may be extended for a further period of ten Business Days if the Quorum Requirement for the relevant Extraordinary Voting Matter has not been met within the initial Decision Period); and

(d) 15 Business Days from the Decision Commencement Date for an Entrenched Right. However, the Decision Period for an Entrenched Right for which the Issuer is the Affected Obligor Secured Creditor will not be less than 45 days from the Decision Commencement Date.

"**Decision Commencement Date**" means the earlier of:

(a) if the Qualifying Obligor Secured Creditors, or, as the case may be, the Obligor Secured Creditors (including, in the case of the Issuer, the Issuer Secured Creditors) are deemed to have agreed to the voting category proposed in the STID Proposal or, as applicable, as to whether the STID Proposal gives rise to any Entrenched Right affecting an Obligor Secured Creditor and/or, as applicable, Issuer Secured Creditor pursuant to the STID, the date which is five Business Days from the receipt of the relevant STID Proposal;

(b) the date on which the Dissenting Creditors and the Holdco Group Agent reach agreement on the applicable voting category; or

(c) if the agreement or determination is such that the existing STID Proposal is incorrect, the date of receipt by each Obligor Secured Creditor (through its Secured Creditor Representative) and each of the Secured Creditor Representatives of the Issuer (on behalf of the Issuer Secured Creditors) of an appropriately amended STID Proposal from the Holdco Group Agent.

Modifications, consents and waivers will be passed by the requisite number of creditors as further described in "*Types of Voting Categories—Common Documents*" above.

Class B STID Proposal

Notwithstanding the foregoing, at any time prior to the Obligor Senior Discharge Date, the Holdco Group Agent may request (a "**Class B STID Proposal**") (with such request being copied to the Secured Creditor Representative of each Obligor Secured Creditor, unless the Class B STID Proposal is designated as being in respect of a Discretion Matter) the Obligor Security Trustee to concur with the Holdco Group Agent in making any modification, giving any consent or granting any waiver under or in respect of any Common Document, without the consent or approval of any Obligor Senior Secured Creditor, where such modification, granting of consent or waiver:

(a) only relates to the Topco Security (in so far as the Topco Security is referred to in the Common Documents), the Class B Notes, the Class B Authorised Credit Facilities and/or the Topco Transaction Documents (in so far as the Topco Transaction Documents are referred to in the Common Documents);

(b) does not give rise to an Entrenched Right which affects an Obligor Senior Secured Creditor; and

(c) will not be materially prejudicial to any of the Obligor Senior Secured Creditors (where "**materially prejudicial**" means that such modification, consent or waiver would have a material adverse effect on the ability of the Obligors to pay any amounts of principal or interest or any other amounts in respect of the Obligor Senior Secured Liabilities owed to the relevant Obligor Senior Secured Creditors on the relevant due date for payment thereof).

The Obligor Security Trustee shall rely without further investigation on a certificate from the Holdco Group Agent signed by a director or two authorised signatories of the Holdco Group Agent confirming that the conditions in paragraphs (a) to (c) above have been satisfied.

Subject to the conditions in paragraphs (a) to (c) above being satisfied, the Obligor Security Trustee may, as requested by the Holdco Group Agent by way of a Class B STID Proposal designated by the Holdco Group Agent as being in respect of a Discretion Matter, in its sole discretion concur with the Holdco Group Agent in making any modification to, giving any consent under, or granting any waiver in respect of any Common Documents, where such modifications, consents or waivers:

(a) in the opinion of the Obligor Security Trustee, are:

  (i) to correct manifest errors or an error in respect of which an English court could reasonably be expected to make a rectification order; or

  (ii) of a formal, minor, administrative or technical nature; or

(b) would not, in the opinion of the Obligor Security Trustee be materially prejudicial to the interests of any of the Obligor Junior Secured Creditors (where "**materially prejudicial**" means that such modification, consent or waiver would have a material adverse effect on the ability of the Obligors to pay any amounts of principal or interest or other amounts in respect of the Qualifying Obligor Secured Liabilities owed to the relevant Qualifying Obligor Junior Creditors on the relevant due date for payment thereof).

The Obligor Security Trustee shall be under no obligation to exercise its discretion in respect of any Class B STID Proposal designated by the Holdco Group Agent as a Discretion Matter.

In respect of any Class B STID Proposal that is not in respect of a Discretion Matter, the Obligor Security Trustee must, subject to the conditions to a Class B STID Proposal set out in this section, concur with the Holdco Group Agent in making any modification, giving any consent or granting any waiver as set out in

the Class B STID Proposal if directed to do so by the Qualifying Obligor Junior Creditors pursuant to an Ordinary STID Resolution or an Extraordinary STID Resolution, as the case may be.

Where a Class B STID Proposal is in respect of an Ordinary Voting Matter or an Extraordinary Voting Matter, the quorum and voting thresholds will be as described in the sections entitled "*Ordinary Voting Matters*", "*Extraordinary Voting Matters*" and "*Quorum Requirements*" above.

In respect of any Class B STID Proposal, if the Holdco Group Agent does not provide the Obligor Security Trustee with a certificate confirming the matters described in paragraph (c) above, the Obligor Security Trustee shall not implement the proposed modification to be made, consent to be given or waiver to be granted as set out in the Class B STID Proposal unless directed to do so by the Qualifying Obligor Senior Secured Creditors pursuant to an Ordinary STID Resolution.

Certain consequential amendments, consents and waivers

Any consequential amendments, consents or waivers required to be made or granted pursuant to any Transaction Document:

(a) in connection with and to give effect to the issue of any Notes;

(b) in connection with and to give effect to the entry into any Authorised Credit Facility;

(c) to give effect to any amendments required to be made as a result of any changes to the Accounting Reference Date and/or the Accounting Principles;

(d) in connection with a change of Sponsor in so far as that term is used in the definition of Permitted Debt Purchase Party;

(e) in connection with the entry into any Class B Authorised Credit Facility (for so long as another Class B Authorised Credit Facility is not, or will not be, outstanding on the effective date of any amendments), to give effect to any amendments to the provisions hereof relating to the enforcement of the Obligor Security by the Obligor Junior Secured Creditors at a time when the Obligor Junior Secured Creditors constitute the Qualifying Obligor Secured Creditors, the Topco Payment Undertaking and/or the enforcement of the Topco Security (and, in each case, any definitions related thereto); or

(f) to give effect to any increase of the minimum rating requirements in any of the Transaction Documents where the Rating Agency is to upgrade the rating of the Class A Notes to a rating which is higher than BBB-(sf),

shall not constitute an Entrenched Right of any Obligor Secured Creditor or an Ordinary Voting Matter or Extraordinary Voting Matter (notwithstanding that such amendment, consent or waiver would relate to either (a) an Entrenched Right or (b) would be an Ordinary Voting Matter or Extraordinary Voting Matter, were it not for this limitation) and there shall be no requirement to obtain the consent of any Obligor Secured Creditor (that would be an Affected Obligor Secured Creditor, were it not for this limitation) or any Qualifying Obligor Secured Creditor, to give effect to such amendment, consent or waiver, provided that:

(i) in relation to paragraphs (a) and (b) above, the provisions of the Common Documents and the relevant conditions precedent set out in any Transaction Document to give effect to the issue of any Notes or making of any Authorised Credit Facilities, are satisfied;

(ii) in relation to paragraph (c) above, the relevant provisions of the CTA are satisfied; and

(iii) in relation to paragraphs (d), (e) or (f) above, the Holdco Group Agent certifies to the Obligor Security Trustee that the relevant amendments, consents or waivers are needed in connection with a change of Sponsor, in order to be able to enter into the relevant Class B Authorised Credit Facility or to achieve an upgrade in the rating of the Class A Notes above BBB- (sf), as applicable.

The Obligor Security Trustee shall rely absolutely on a certificate from the Holdco Group Agent signed by a director or two authorised signatories of the Holdco Group Agent confirming that the conditions set forth in paragraphs (i), (ii) or (iii) above have been satisfied (as applicable).

If the conditions set forth in the above paragraph (as applicable) are satisfied, then the Obligor Security Trustee shall, at the cost of the Obligors, execute and deliver any deeds, documents or notices as may be required to be executed and/or delivered and which are provided to the Obligor Security Trustee in order to give effect to any consequential amendments, consents or waivers contemplated the above paragraph and the Obligor Security Trustee is hereby authorised by each other Obligor Secured Creditor, to execute and deliver on its behalf all documentation required to implement any modification or the terms of any waiver or consent granted by the Obligor Security Trustee in respect of the above paragraph and such execution and delivery by the Obligor Security Trustee shall bind each Obligor Secured Creditor as if such documentation had been duly executed by it.

The Obligor Security Trustee shall not be obliged to consent to any amendment, consent or waiver pursuant to this clause to the extent that doing so would, in the opinion of the Obligor Security Trustee, have the effect of increasing the liabilities, obligations or duties or decreasing the rights or protections, of the Obligor Security Trustee.

Any provision which is expressly incorporated by reference into any Transaction Document from any Common Document in accordance with the provisions of this STID shall be binding on all Parties to any such other Transaction Document, notwithstanding any term to the contrary in any such other Transaction Document.

Specific amendments, consents and waivers without consent

Notwithstanding the sections "*STID Proposals*", "*Modifications, Consents and Waivers – Common Documents*", "*Ordinary Voting Matters*" and "*Extraordinary Voting Matters*" above and subject to the section "*Entrenched Rights*", any consequential amendments, consents or waivers required to be made or granted pursuant to any Common Document:

(a) for the purpose of complying with, or implementing or reflecting, any change in the criteria of the Rating Agency which may be applicable from time to time; or

(b) in order to enable the Issuer, the Obligors and/or any Hedge Counterparty to comply with:

(i) any obligation which applies to it under Articles 9, 10 and 11 of Regulation (EU) 648/2012 of the European Parliament and of the Council of OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) ("**EMIR**"); or

(ii) any other obligation which applies to it under EMIR; or

(c) for the purpose of enabling the Class A Notes to be (or to remain) listed on the Stock Exchange; or

(d) for the purposes of enabling the Borrower, the Issuer or any of the other Parties to the Transaction Documents to comply with FATCA (or any voluntary agreement entered into with a Tax Authority in relation thereto), the new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as the same may be amended from time to time) or any other legislation or voluntary agreement implementing the Common Reporting Standard released by the Organisation for Economic Co-operation and Development in July 2014 (as the same may be amended from time to time),

shall not constitute an Ordinary Voting Matter or Extraordinary Voting Matter (notwithstanding that such amendment, consent or waiver would be an Ordinary Voting Matter or Extraordinary Voting Matter, were it not for this limitation) and there shall be no requirement to obtain the consent of any Qualifying Obligor Secured Creditor, to give effect to such amendment, consent or waiver, provided that:

(i) the Holdco Group Agent certifies in writing to the Obligor Security Trustee that such proposed amendment, consent or waiver does not give rise to an Entrenched Right and is required solely for the purpose contemplated in the relevant aforementioned paragraph and has been drafted solely to such effect (a "**Modification Certificate**"), and:

(A) at least 30 days' prior written notice of any such proposed modification has been given to the Obligor Security Trustee and the Secured Creditor Representatives of each of the Qualifying Obligor Secured Creditors;

(B) the Modification Certificate in relation to such modification is provided to the Obligor Security Trustee both at the time the Obligor Security Trustee is notified of the proposed modification and on the date that such modification takes effect;

(C) save for in respect of paragraph (b) above, the Holdco Group Agent:

(1) obtains from the Rating Agency written confirmation, a copy of which the Holdco Group Agent provides to the Obligor Security Trustee (or certifies in the Modification Certificate that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at the Rating Agency) that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class or Sub-Class of Notes by such Rating Agency; or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent); or

(2) certifies in the Modification Certificate that it has informed the Rating Agency of the proposed modification and if the Rating Agency has not indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class or Sub-Class of the Class A Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent); and

(ii) the Qualifying Obligor Secured Creditors (acting through their Secured Creditor Representatives) representing at least 20 per cent. of the Outstanding Principal Amount of the Qualifying Obligor Secured Liabilities have not objected to such amendment, consent or waiver within 30 days of receipt by the Obligor Security Trustee and the Secured Creditor Representatives of each of the Qualifying Obligor Secured Creditors of the written notice of any such proposed modification as contemplated in paragraph (i)(A) above.

If the conditions set forth in the above paragraph (as applicable) are satisfied and there has been objection to such amendment, consent or waiver, as contemplated in paragraph (ii) above, then the Obligor Security Trustee shall, at the cost of the Obligors, execute and deliver any deeds, documents or notices as may be required to be executed and/or delivered and which are provided to the Obligor Security Trustee in order to give effect to any consequential amendments, consents or waivers contemplated by the above paragraph and the Obligor Security Trustee is hereby authorised by each other Obligor Secured Creditor, to execute and deliver on its behalf all documentation required to implement any modification or the terms of any waiver or consent granted by the Obligor Security Trustee in respect of the above paragraph and such execution and delivery by the Obligor Security Trustee shall bind each Obligor Secured Creditor as if such documentation had been duly executed by it.

The Obligor Security Trustee shall not be obliged to consent to any amendment, consent or waiver pursuant to this clause to the extent that doing so would, in the opinion of the Obligor Security Trustee, have the effect of increasing the liabilities, obligations or duties or decreasing the rights or protections, of the Obligor Security Trustee.

Modifications, Consents and Waivers—Finance Documents

Senior Finance Documents

Subject to the undertakings given by the Obligor Secured Creditors and the Obligors pursuant to the STID, each party to any Senior Finance Document (each a "**Relevant Senior Finance Document**") may agree to any modification to, give its consent under or grant any waiver in respect of any breaches or proposed breaches under, any Relevant Senior Finance Document to which it is a party without the consent of the parties to the STID provided that:

(a) if such modification, consent or waiver is inconsistent with any provisions of the CTA or the STID, the provision of the CTA or the STID shall prevail; and

(b) if such modification, consent or waiver:

(i) would have the effect of:

(A) increasing the frequency of payments due (including in relation to any repayment or prepayment (mandatory or otherwise)) or change the circumstances in which interest and/or principal becomes due and payable;

(B) increasing the amount or rate of interest or fees payable; or

(C) increasing the amount of principal due or payable,

under such Relevant Senior Finance Document; or

(ii) would have the effect of changing the definition of Final Maturity Date (or maturity date, however defined) or any termination event applicable to that Relevant Senior Finance Document; or

(iii) changes the currency of any payment obligation under that Relevant Senior Finance Document (excluding any change occasioned as a consequence of the euro being adopted as the lawful currency of the UK),

then that modification, consent or waiver (a "**Class A Relevant Matter**") will only be permitted if the requirements set out in paragraph (a) of the definition of "Additional Financial Indebtedness" (applied *mutatis mutandis* to the Class A Relevant Matter) are satisfied, provided that if the effect of the Class A Relevant Matter results in incremental Financial Indebtedness or commitments in respect of Financial Indebtedness being incurred (in each case in excess of such amounts at that time), it will only be permitted if the requirements set out in paragraph (b) of the definition of "Additional Financial Indebtedness" (applied *mutatis mutandis* to the Class A Relevant Matter) are satisfied.

Junior Finance Documents

Subject to the undertakings given by the Obligor Secured Creditors and the Obligors pursuant to the STID, each party to any Junior Finance Document (each a "**Relevant Junior Finance Document**") may agree to any modification to, give its consent under or grant any waiver in respect of any breaches or proposed breaches under, any Relevant Junior Finance Document to which it is a party without the consent of the parties to the STID provided that:

(a) if such modification, consent or waiver is inconsistent with any provisions of the CTA or the STID, the provision of the CTA or the STID shall prevail; and

(b) if such modification, consent or waiver:

(i) would have the effect of:

(A) increasing the frequency of payments due (including in relation to any repayment or prepayment (mandatory or otherwise)) or change the circumstances in which interest and/or principal becomes due and payable;

(B) increasing the amount or rate of interest or fees payable; or

(C) increasing the amount of principal due or payable,

under such Relevant Junior Finance Document; or

(ii) would have the effect of changing the definition of Final Maturity Date (or maturity date, however defined) or any termination event applicable to that Relevant Junior Finance Document; or

(iii) changes the currency of any payment obligation under that Relevant Junior Finance Document (excluding any change occasioned as a consequence of the euro being adopted as the lawful currency of the UK),

in each case, at any time before the repayment in full or any acceleration of the Obligor Senior Secured Liabilities, then that modification, consent or waiver (a "**Class B Relevant Matter**") will only be permitted if the requirements set out in paragraph (c) of the definition of "Additional Financial Indebtedness" (applied *mutatis mutandis* to the Class B Relevant Matter) are satisfied, provided that if the effect of the Class B Relevant Matter results in incremental Financial Indebtedness or commitments in respect of Financial Indebtedness being incurred (in each case in excess of such amounts at that time), it will only be permitted if the requirements set out in paragraph (d) of the definition of "Additional Financial Indebtedness" (applied *mutatis mutandis* to the Class B Relevant Matter) are satisfied.

Qualifying Obligor Secured Liabilities

General

Subject to Entrenched Rights and Reserved Matters, only the relevant Qualifying Obligor Secured Creditors that are owed, or deemed to be owed, Qualifying Obligor Secured Liabilities may vote (through their Secured Creditor Representatives) in respect of a STID Proposal.

Certification of amounts of Qualifying Obligor Secured Liabilities

Each Qualifying Obligor Secured Creditor (acting through its Secured Creditor Representative) must certify to the Obligor Security Trustee within five Business Days of the date on which either (a) the Qualifying Obligor Secured Creditors have been notified of a STID Proposal, an Enforcement Instruction Notice, a Further Enforcement Instruction Notice, a Qualifying Obligor Secured Creditor Instruction Notice or a Direction Notice or (b) the Obligor Security Trustee requests such certification, the Outstanding Principal Amount of any Qualifying Obligor Secured Liabilities held by such Qualifying Obligor Secured Creditor. If any Qualifying Obligor Secured Creditor fails to provide such certification through its Secured Creditor Representative within the time prescribed, then the Obligor Security Trustee will notify the Holdco Group Agent of such failure. The Holdco Group Agent must promptly inform the Obligor Security Trustee of the Outstanding Principal Amount of Qualifying Obligor Secured Liabilities of such Qualifying Obligor Secured Creditor and such notification will be binding on the relevant Qualifying Obligor Secured Creditors except in the case of manifest error and without liability to the Holdco Group Agent.

Relationship between Qualifying Obligor Senior Secured Liabilities and Qualifying Obligor Junior Secured Liabilities

Prior to the repayment in full of the Qualifying Obligor Senior Secured Liabilities (excluding Subordinated Hedge Amounts), only the Qualifying Obligor Senior Secured Creditors may vote (through their Secured Creditor Representatives) in respect of the Qualifying Obligor Senior Secured Liabilities they represent in relation to any STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice (other than in respect of an Entrenched Right) to the extent the relevant Obligor Secured Creditors (including the Qualifying Obligor Junior Creditors) and/or the relevant Issuer Secured Creditors in each case, through their Secured Creditor Representative, are entitled to vote.

Upon repayment in full of the Qualifying Obligor Senior Secured Liabilities (excluding Subordinated Hedge Amounts), only the Qualifying Obligor Junior Creditors may vote (through their Secured Creditor Representatives) in respect of the Qualifying Obligor Junior Secured Liabilities they represent in relation to any STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice (other than in respect of an Entrenched Right to the extent the relevant Obligor Secured Creditors and/or the relevant Issuer Secured Creditors, in each case, through their Secured Creditor Representative, are entitled to vote).

References to "**Qualifying Obligor Secured Liabilities**" or "**Qualifying Obligor Secured Creditors**" are references to:

(a) Qualifying Obligor Senior Secured Liabilities or Qualifying Obligor Senior Creditors respectively prior to the repayment in full of the Obligor Senior Secured Liabilities (excluding Obligor Senior Secured Liabilities constituting Subordinated Hedge Amounts); and

(b) Qualifying Obligor Junior Secured Liabilities or Qualifying Obligor Junior Creditors respectively only following the repayment in full of the Obligor Senior Secured Liabilities,

in each case, subject to the Entrenched Rights of each Obligor Secured Creditor (including, the relevant Issuer Secured Creditors).

"**Qualifying Obligor Senior Secured Liabilities**" are comprised of:

(a) the Outstanding Principal Amount under any Class A IBLA at such time;

(b) the Outstanding Principal Amount under each other Class A Authorised Credit Facility (including any PP Note Purchase Agreement where the Borrower is the PP Note Issuer or PPN IBLA constituting a Class A Authorised Credit Facility but excluding any Liquidity Facility Agreement and the Borrower Hedging Agreements) at such time;

(c) subject to Entrenched Rights which apply at all times, in respect of each Issuer Hedge Counterparty and its voting entitlements as described under the heading "*Tranching of Qualifying Obligor Secured Liabilities and Determination of Voting Qualifying Obligor Secured Liabilities for which the Issuer is a Creditor*" below, the Outstanding Principal Amount under the Issuer Hedging Transactions of that Issuer Hedge Counterparty at such time; and

(d) subject to Entrenched Rights which apply at all times, in respect of each Borrower Hedge Counterparty and its voting entitlements as described under the heading "*Voting in respect of Borrower Hedging Transactions by Borrower Hedge Counterparties*" below, the Outstanding Principal Amount under the Borrower Hedging Transactions of that Borrower Hedge Counterparty at such time.

"**Qualifying Obligor Junior Secured Liabilities**" are comprised of:

(a) the Outstanding Principal Amount under any Class B IBLA at such time; and

(b) the Outstanding Principal Amount under any other Class B Authorised Credit Facility at such time.

Tranching of Qualifying Obligor Secured Liabilities and Determination of Voting Qualifying Obligor Secured Liabilities for which the Issuer is a Creditor

As described in the section "*Qualifying Obligor Secured Liabilities*" above, amounts owed to the Issuer by the Borrower under the Class A IBLA and Class B IBLA are included in the Qualifying Obligor Senior Secured Liabilities and Qualifying Obligor Junior Secured Liabilities respectively. However, the Issuer Secured Creditors, as opposed to the Issuer itself, are entitled to vote in respect of such amounts. When the Class A Note Trustee (as the Issuer's Secured Creditor Representative) casts its votes on the Issuer's behalf in respect of the Class A IBLA, it will do as instructed by the relevant Issuer Secured Creditors (being the Class A Noteholders). When the Class B Note Trustee (as the Issuer's Secured Creditor Representative) casts its votes on the Issuer's behalf in respect of the Class B IBLA, it will do as instructed by the relevant Issuer Secured Creditors (being the Class B Noteholders).

In the case of paragraphs (a) and (b) of the Qualifying Obligor Senior Secured Liabilities summary as set out under the heading "*Qualifying Obligor Secured Liabilities*" above the Issuer will be divided into separate voting tranches comprising respectively:

(a) a tranche for the holders of each Sub-Class of Class A Notes equal to the aggregate Principal Amount Outstanding of each Sub-Class of Class A Notes; and

(b) subject to Entrenched Rights which apply at all times, only in relation to:

(i) forming part of the quorum and voting in relation to any resolution as described under the sections headed "*Quorum and voting requirements in respect of the delivery of a Loan Enforcement Notice etc.—Obligor Senior Secured Creditors*" or, as applicable "*Quorum*

and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.-Obligor Senior Secured Creditors" below on whether to instruct the Obligor Security Trustee to take any of the actions described below under "*Qualifying Obligor Secured Creditor Instructions*"; and

(ii) having its Qualifying Obligor Secured Liabilities taken into account for the purposes of, and giving, a Qualifying Obligor Secured Creditor Instruction Notice only to instruct the Obligor Security Trustee to send a Further Enforcement Instruction Notice,

a tranche for each Issuer Hedge Counterparty equal to:

(A) in relation to all Issuer Hedging Transactions arising under an Issuer Hedging Agreement in respect of which an Early Termination Date (as defined in the relevant Issuer Hedging Agreement) has been designated, the net amount, if any, payable to the relevant Issuer Hedge Counterparty as of the date such amount becomes payable under the relevant Issuer Hedging Agreement (and before taking into account any interest accrued on that amount since the date of termination or close-out) to the extent that amount is unpaid; plus

(B) in relation to any other Issuer Hedging Transaction to which the Issuer Hedge Counterparty is a party, the net amount, if any, which would be payable to such Issuer Hedge Counterparty if the date on which the calculation is made were deemed to be an Early Termination Date (as defined in the relevant Issuer Hedging Agreement) on which that amount, if any, in respect of that termination or close-out has become due and payable in respect of which the Issuer is the "Defaulting Party" (as defined in the relevant Issuer Hedging Agreement),

such amount being the "**IHT Net Value**" in respect of such Issuer Hedging Transactions.

In respect of each Issuer Hedge Counterparty, the IHT Net Value (if greater than zero) of all Issuer Hedging Transactions arising under the Issuer Hedging Agreements of such Issuer Hedge Counterparty will be counted towards (a) any quorum requirement and a single vote by reference to such IHT Net Value will be counted for or against any resolution described under "*Quorum and voting requirements in respect of the delivery of a Loan Enforcement Notice etc.—Obligor Senior Secured Creditors*" or, as applicable "*Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.-Obligor Senior Secured Creditors*" where that Issuer Hedge Counterparty is participating in such resolution or (b) the requisite aggregate Outstanding Principal Amount of Qualifying Obligor Secured Liabilities required to give a Qualifying Obligor Secured Creditor Instruction Notice.

Voting of Notes by Noteholders

The votes of the Noteholders of each Class or Sub-Class of Notes in respect of any STID Proposal, Class B STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice (other than a STID Proposal which relates to an Entrenched Right as to which the Issuer is an Affected Obligor Secured Creditor) will be cast by the Noteholders of such Class or Sub-Class (through the relevant Secured Creditor Representative) subject to and as required by the STID and the Class A Note Trust Deed or the Class B Note Trust Deed, as applicable, in respect of a Class or Sub-Class of Notes and such STID Proposal, Class B STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice as follows:

(a) in an amount equal to the aggregate of the Principal Amount Outstanding of each Class A Note or Class B Note which voted in favour of the relevant STID Proposal, Class B STID, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice, in favour of such STID Proposal, Class B STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice both in respect of Quorum Requirements and the requisite majority; and

(b) in an amount equal to the aggregate of the Principal Amount Outstanding of each Class A Note or Class B Note which voted against the relevant STID Proposal, Class B STID Proposal,

Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice, against such STID Proposal, Class B STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice both in respect of Quorum Requirements and the requisite majority,

and such votes shall be treated as votes cast in the same amounts in respect of the corresponding Outstanding Principal Amount under any Class A IBLA or Class B IBLA.

Voting in respect of Borrower Hedging Transactions by Borrower Hedge Counterparties

In respect of any matter to be determined by the Qualifying Obligor Secured Creditors pursuant to the STID, subject to Entrenched Rights which apply at all times, each Borrower Hedge Counterparty is only entitled to:

(a) form part of the quorum and vote in relation to any resolution described under the headings "*Quorum and voting requirements in respect of the delivery of a Loan Enforcement Notice etc.—Obligor Senior Secured Creditors*" or, as applicable "*Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.-Obligor Senior Secured Creditors*" below on whether to instruct the Obligor Security Trustee to take any of the actions set out under the heading "*Qualifying Obligor Secured Creditor Instructions*"; and

(b) have its Qualifying Obligor Secured Liabilities taken into account for the purposes of, and give, a Qualifying Obligor Secured Creditor Instruction Notice to instruct the Obligor Security Trustee to send a Further Enforcement Instruction Notice as described under the heading "*Qualifying Obligor Secured Creditor Instructions*" below.

In relation to any vote by the Qualifying Obligor Secured Creditors on whether to instruct the Obligor Security Trustee to take any of the actions set out under "*Qualifying Obligor Secured Creditor Instructions*" below or send a Further Enforcement Instruction Notice, voting in respect of the Borrower Hedging Transactions will be made by each Borrower Hedge Counterparty in respect of:

(a) in relation to all Borrower Hedging Transactions arising under a Borrower Hedging Agreement in respect of which an Early Termination Date (as defined in the relevant Borrower Hedging Agreement) has been designated, the net amount, if any, payable to the relevant Borrower Hedge Counterparty as of the date such amount becomes payable under the relevant Borrower Hedging Agreement (and before taking into account any interest accrued on that amount since the date of termination or close-out) to the extent that amount is unpaid; plus

(b) in relation to any other Borrower Hedging Transaction to which the Borrower Hedge Counterparty is a party, the net amount, if any, which would be payable to such Borrower Hedge Counterparty if the date on which the calculation is made were deemed to be an Early Termination Date (as defined in the relevant Borrower Hedging Agreement) on which that amount, if any, in respect of that termination or close-out has become due and payable in respect of which the Borrower is the "**Defaulting Party**" (as defined in the relevant Borrower Hedging Agreement).,

such amount being the "**BHT Net Value**" in respect of such Borrower Hedging Transaction.

In respect of each Borrower Hedge Counterparty, the BHT Net Value (if greater than zero) of all Borrower Hedging Transactions arising under the Borrower Hedging Agreements of such Borrower Hedge Counterparty will be counted towards (a) any quorum requirement and a single vote by reference to such BHT Net Value will be counted for or against any resolution described under "*Quorum and voting requirements in respect of the delivery of a Loan Enforcement Notice etc.—Obligor Senior Secured Creditors*" or, as applicable "*Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.-Obligor Senior Secured Creditors*" where that Borrower Hedge Counterparty is participating in such resolution or (b) the requisite aggregate Outstanding Principal Amount of Qualifying Obligor Secured Liabilities required to give a Qualifying Obligor Secured Creditor Instruction Notice.

Voting of Authorised Credit Facilities (other than PP Notes)

If, in respect of any Authorised Credit Facility (other than any PP Notes) provided other than on a bilateral basis, the minimum quorum and voting majorities specified in the relevant Authorised Credit Facility:

(a) are met, then all votes in respect of the relevant Authorised Credit Facility and any STID Proposal, Class B STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice (other than a STID Proposal which relates to an Entrenched Right) will be cast either in favour or against such STID Proposal, Class B STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice (both in respect of Quorum Requirements and the requisite majority) in accordance with the voting provisions contained in that Authorised Credit Facility; or

(b) are not met, then votes in respect of the relevant Authorised Credit Facility and any STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice (other than a STID Proposal which relates to an Entrenched Right) will be divided between votes cast in favour and votes cast against, on a pound for pound basis in respect of the Qualifying Obligor Secured Liabilities then owed to Participating Qualifying Obligor Secured Creditors that vote on such STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or Qualifying Obligor Secured Creditor Instruction Notice (both in respect of Quorum Requirements and the requisite majority) within any applicable Decision Period. Votes cast in favour and votes cast against will then be aggregated by the Obligor Security Trustee with the votes cast for and against by the other Qualifying Obligor Secured Creditors.

Voting of PP Notes

Each PP Note Secured Creditor Representative appointed in connection with the issuance of any PP Notes must notify the Obligor Security Trustee at the time of its appointment whether:

(a) the minimum quorum and voting majorities specified in the relevant PP Note SCR Agreement; or

(b) the regime set out in paragraph (b) under the heading "*Voting of Authorised Credit Facilities (other than PP Notes)*" above,

will apply when determining the quorum requirements and/or votes cast in respect of the relevant PP Notes for any STID Proposal, Class B STID Proposal, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Topco Proposal, Topco Demand Notice Instruction, Direction Notice, or Qualifying Obligor Secured Creditor Instruction Notice or Topco Secured Creditor Instruction Notice (other than a STID Proposal which relates to an Entrenched Right) has been satisfied.

If the relevant PP Note Secured Creditor Representative does not notify the Obligor Security Trustee at the time of its appointment whether paragraph (a) or (b) under this section applies, it shall be deemed to have elected that paragraph (b) applies.

Qualifying Obligor Secured Creditor Instructions

In respect of any matter which is not the subject of a STID Proposal, Class B STID Proposal or an Enforcement Instruction Notice or Further Enforcement Instruction Notice and except where expressly provided for otherwise in the STID, Qualifying Obligor Secured Creditors with at least 20 per cent. of the aggregate Outstanding Principal Amount of all Qualifying Obligor Secured Liabilities may, by notice (the "**Qualifying Obligor Secured Creditor Instruction Notice**"), instruct the Obligor Security Trustee (subject to providing the required indemnity pursuant to the STID) to exercise any of the rights granted to the Obligor Security Trustee under the Common Documents (save in respect of the taking of Enforcement Action or the delivery of a Loan Enforcement Notice or a Loan Acceleration Notice) including, without limitation, the following rights:

(a) to challenge a statement(s), calculation(s) or ratio(s) in a Compliance Certificate and to call for other substantiating evidence of such statement(s), calculation(s) or ratio(s) and to approve the appointment of an independent expert specified by such Qualifying Obligor Secured Creditor(s) to investigate the statement(s), calculation(s) or ratio(s) that is/are the subject of the challenge in the Compliance Certificate;

(b) to request further information pursuant to and subject to the terms of the CTA in respect of, *inter alia*, Holdco Group covenants and Trigger Events; and

(c) to instruct the Obligor Security Trustee to send a Further Enforcement Instruction Notice in accordance with the STID.

Enforcement and Acceleration of Obligor Security

Notification of CTA Loan Events of Default

If any Obligor or any Obligor Secured Creditor (other than the Obligor Security Trustee) becomes aware of the occurrence of a CTA Loan Event of Default or, following the Obligor Senior Discharge Date, a Class B Loan Event of Default, it must forthwith notify the Obligor Security Trustee and the Holdco Group Agent in writing and the Obligor Security Trustee must promptly thereafter notify the Secured Creditor Representatives on behalf of the Obligor Secured Creditors.

Qualifying Obligor Secured Creditor Instructions

At any time the Obligor Security Trustee has actual notice of the occurrence of a CTA Loan Event of Default or, following the Obligor Senior Discharge Date, a Class B Loan Event of Default, the Obligor Security Trustee shall promptly request by notice ("**Enforcement Instruction Notice**") an instruction in the form of a resolution from the Qualifying Obligor Secured Creditors through their Secured Creditor Representatives, as to whether the Obligor Security Trustee should:

(a) deliver a Loan Enforcement Notice to enforce all or any part of the Obligor Security and take any Enforcement Action (excluding those actions described in paragraphs (a), (b) and (f) of the definition of "Enforcement Action", which relate to accelerating the Obligor Secured Liabilities and initiating certain proceedings, for example, to liquidate an Obligor); and/or

(b) consent to or approve any Distressed Disposal (including the disposal of a Permitted Business or any shares in a member of the Holdco Group); and/or

(c) deliver a Loan Acceleration Notice to accelerate all of the Obligor Secured Liabilities and take any Enforcement Action (including those actions described in paragraphs (a), (b) and (f) of the definition of "Enforcement Action").

At any time following the delivery of a Loan Enforcement Notice, the Obligor Security Trustee will be entitled to request (and, if requested to do so pursuant to a Qualifying Obligor Secured Creditor Instruction Notice, shall promptly request (subject to being indemnified and/or secured and/or pre-funded to its satisfaction pursuant to the STID)) by notice (a "**Further Enforcement Instruction Notice**") an instruction in the form of a resolution from the Qualifying Obligor Secured Creditors (through their Secured Creditor Representatives) as to whether the Obligor Security Trustee should, to the extent not already instructed to do so, take any of the actions described in sub-paragraphs (a) to (c) of the paragraph above.

The quorum and voting regimes under the STID in respect of the actions described in paragraphs (a) to (c) directly above, are described in more detail below.

Quorum and voting requirements in respect of the delivery of a Loan Enforcement Notice etc.—Obligor Senior Secured Creditors

The quorum and voting requirements described below will apply in respect of a resolution to instruct the Obligor Security Trustee as to whether it should:

(a) consent to or approve any Distressed Disposal (excluding the disposal of a Permitted Business or any shares or units in any member of the Holdco Group); and/or

(b) deliver a Loan Enforcement Notice and take any Enforcement Action (excluding those actions described in paragraphs (a), (b) and (f) of the definition of "Enforcement Action").

When voting on such a resolution following the request from the Obligor Security Trustee by way of an Enforcement Instruction Notice or a Further Enforcement Instruction Notice:

(a) the quorum requirement shall be one or more Qualifying Obligor Senior Creditors representing, in aggregate, at least the Relevant Percentage of the aggregate Outstanding Principal Amount of all Qualifying Obligor Senior Secured Liabilities, where "**Relevant Percentage**" for the purposes of

this paragraph (a) means (i) 40 per cent. or more in respect of any Enforcement Instruction Notice or Further Enforcement Instruction Notice delivered up to and including the date falling six months after the occurrence of the CTA Event of Default; (ii) 33.33 per cent. or more in respect of any Enforcement Instruction Notice or Further Enforcement Instruction Notice delivered during the period following the date falling six months after the occurrence of the CTA Event of Default up to and including the date falling 12 months after the occurrence of the CTA Event of Default; and (ii) 10 per cent. or more in respect of any Enforcement Instruction Notice or Further Enforcement Instruction Notice delivered at any time following the date falling 12 months after the occurrence of the CTA Event of Default;

(b) the Decision Period will be 20 Business Days from the date of delivery of the Enforcement Instruction Notice or Further Enforcement Instruction Notice; and

(c) the majority required to pass the resolution shall be the Qualifying Obligor Senior Creditors participating in the resolution on a pound for pound basis representing at least the "**Relevant Percentage**" of the Outstanding Principal Amount of Qualifying Obligor Senior Secured Liabilities actually voted, where "**Relevant Percentage**" for purposes of this paragraph (c) means (i) 66.67 per cent. or more in respect of any Enforcement Instruction Notice or Further Enforcement Instruction Notice delivered up to and including the date falling six months after the occurrence of the CTA Event of Default; (ii) 50 per cent. or more in respect of any Enforcement Instruction Notice or Further Enforcement Instruction Notice delivered during the period following the date falling six months after the occurrence of the CTA Event of Default up to and including the date falling 12 months after the occurrence of the CTA Event of Default; or (iii) 20 per cent. or more in respect of any Enforcement Instruction Notice or Further Enforcement Instruction Notice delivered at any time following the date falling twelve months after the occurrence of the CTA Event of Default.

Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.—Obligor Senior Secured Creditors

The quorum and voting requirements described below under this heading "*Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.—Obligor Senior Secured Creditors*" will apply in respect of an instruction to the Obligor Security Trustee as to whether it should:

(a) consent to or approve any Distressed Disposal of a Permitted Business and any shares or units in any member of the Holdco Group; and/or

(b) deliver a Loan Acceleration Notice to accelerate all of the Obligor Secured Liabilities and take any Enforcement Action (including those actions described in paragraphs (a), (b) and (f) of the definition of "Enforcement Action").

When voting on such a resolution following the request from the Obligor Security Trustee by way of an Enforcement Instruction Notice or a Further Enforcement Instruction Notice:

(a) the Decision Period will be 20 Business Days from the date of delivery of the Enforcement Instruction Notice or Further Enforcement Instruction Notice ("**Relevant Time**"); and

(b) any resolution to instruct the Obligor Security Trustee to carry out the enforcement actions described in this section "*Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.—Obligor Senior Secured Creditors*" must be approved by the Class A Instructing Group, where:

(i) the quorum requirement shall be one or more Qualifying Obligor Senior Creditors representing, in aggregate, at least 75 per cent. of the aggregate Outstanding Principal Amount of all Qualifying Obligor Senior Secured Liabilities; and

(ii) the majority required to pass the resolution shall be the Qualifying Obligor Senior Creditors participating in the resolution on a pound for pound basis representing at least 75 per cent. of the Outstanding Principal Amount of Qualifying Obligor Senior Secured Liabilities actually voted by the Qualifying Obligor Senior Creditors, provided that the Qualifying Obligor Senior Creditors voting in favour of the resolution must include (unless at the Relevant Time there is no Principal Amount Outstanding under any Class A

IBLA) the Issuer acting through its Secured Creditor Representative under each Class A IBLA having been itself instructed by the Class A Noteholders pursuant to a resolution passed in accordance with the Class A Note Trust Deed ("**Noteholder Instruction Resolution**"), where:

(A) the quorum requirement in respect of such Noteholder Instruction Resolution shall be one or more Class A Noteholders representing, in aggregate, at least 75 per cent. of the aggregate Principal Amount Outstanding of all Class A Notes, and

(B) the majority required to pass the Noteholder Instruction Resolution shall be the Class A Noteholders participating in the Noteholder Instruction Resolution on a pound for pound basis representing at least 50 per cent. of the Principal Amount Outstanding of Class A Notes actually voted by the Class A Noteholders (provided that such Class A Noteholders also represent more than 50 per cent. of the aggregate Principal Amount Outstanding of all Class A Notes).

Alternatively, a Noteholder Instruction Resolution may be passed in writing signed by or on behalf of the holders of Class A Notes of not less than 75 per cent. of the aggregate Principal Amount Outstanding of all Class A Notes in accordance with Class A Condition 14.

Loan Enforcement Notice

After delivery to the Holdco Group Agent on behalf of the Obligors of a Loan Enforcement Notice, the whole of the Obligor Security will become enforceable and the Obligor Security Trustee will if directed to do so in accordance with a resolution as described above under the heading "*Quorum and voting requirements in respect of the delivery of a Loan Enforcement Notice etc.—Obligor Senior Secured Creditors*" or, as applicable "*Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.—Obligor Senior Secured Creditors*" take any Enforcement Action as it is so directed (subject to being indemnified and/or secured and/or pre-funded to its satisfaction pursuant to the STID), which may include:

(a) enforcing all or any part of the Obligor Security (at the times, in the manner and on the terms as it is so directed) and taking possession of and holding or disposing of all or any part of the Obligor Secured Property;

(b) instituting such proceedings against any Obligor and taking such action as it is so directed to enforce all or any part of the Obligor Security;

(c) appointing or removing any Receiver; and/or

(d) whether or not it has appointed a Receiver, exercising all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by the STID or any Obligor Security Document) on mortgagees and by the STID and the Obligor Security Documents on any Receiver or otherwise conferred by law on mortgagees or Receivers.

Obligor Priority of Payments following the delivery of a Loan Enforcement Notice

Subject to certain matters and to certain exceptions, following the delivery of a Loan Enforcement Notice but prior to the delivery of a Loan Acceleration Notice, if the Obligor Security Trustee receives any Available Enforcement Proceeds, the Obligor Secured Liabilities shall be automatically accelerated in part in an amount equal to the amount of the Available Enforcement Proceeds that is available to be applied towards such Obligor Secured Liabilities in accordance with the Obligor Post-Acceleration Priority of Payments waterfall. See "*—Security Trust and Intercreditor Deed—Obligor Priorities of Payment—Obligor Post-Acceleration Priority of Payments*" for a detailed description.

Obligor Priority of Payments following the delivery of a Loan Acceleration Notice

Upon the delivery of a Loan Acceleration Notice by the Obligor Security Trustee, acting on the instructions of the Qualifying Obligor Secured Creditors, all of the Obligor Secured Liabilities shall be accelerated in

full. For the avoidance of doubt, no Obligor Secured Liabilities (other than as a result of a Permitted Hedge Termination) may be accelerated other than by delivery of a Loan Acceleration Notice.

Subject to certain matters and to certain exceptions, following the delivery of a Loan Acceleration Notice, any Available Enforcement Proceeds or other monies held by the Obligor Security Trustee under the STID will be applied by the Obligor Security Trustee in accordance with the Obligor Post-Acceleration Priority of Payments waterfall. See "*—Security Trust and Intercreditor Deed—Obligor Priorities of Payment—Obligor Post-Acceleration Priority of Payments*" for a detailed description.

General Provisions applicable to Obligor Priority of Payments following the delivery of a Loan Acceleration Notice

Each party to the STID agrees that, following the delivery of a Loan Acceleration Notice:

(a) if an amount referred to in the Obligor Post-Acceleration Priority of Payments constitutes Obligor Secured Liabilities, the amount so referred to shall be deemed to include any amount payable by any other Obligor under the guarantees in respect of such amount; and

(b) if there are insufficient funds to discharge in full amounts due and payable in respect of an item and any other item(s) ranking *pari passu* with such item in the Obligor Post-Acceleration Priority of Payments, all items which rank *pari passu* with each other shall be discharged to the extent there are sufficient funds to do so and on a *pro rata* basis, according to the respective amounts thereof.

Distressed Disposals

If a Distressed Disposal is being effected pursuant to an instruction contained in a resolution (a "**Distressed Disposal Resolution**") passed as described under the heading "*Quorum and voting requirements in respect of the delivery of a Loan Enforcement Notice etc.—Obligor Senior Secured Creditors*" or, as applicable "*Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.—Obligor Senior Secured Creditors*" above or pursuant to the exercise of any discretion of a Receiver (or any administrator in respect of any Obligor incorporated in a jurisdiction other than England and Wales) as described under this section "*Distressed Disposals*", subject to the paragraph "*Enforcement action if Obligor Junior Secured Liabilities are outstanding*" below, the Obligor Security Trustee is irrevocably authorised and instructed subject, if applicable, as provided in the relevant Distressed Disposal Resolution, without any consent from any Obligor Secured Creditor, Subordinated Intragroup Creditor, Subordinated Investor or Obligor, to, among other things, release any Obligor Security and dispose of all or any part of the Obligor Secured Liabilities as is required to effect the disposal in accordance with the STID.

The net proceeds of each Distressed Disposal shall be paid to, or to the order of, the Obligor Security Trustee for application:

(a) if the Distressed Disposal was approved pursuant to a Distressed Disposal Resolution passed in the manner described under or, as applicable "*Quorum and voting requirements in respect of the delivery of a Loan Acceleration Notice etc.—Obligor Senior Secured Creditors*", in accordance with the Obligor Post-Acceleration Priority of Payments (notwithstanding that a Loan Acceleration Notice may not have been served, in which case the relevant Obligor Secured Liabilities shall be deemed to be accelerated to the extent of such net proceeds to be applied in accordance with the Obligor Post-Acceleration Priority of Payments); or

(b) in each other case, in accordance with the applicable Obligor Priorities of Payments and the STID,

and, to the extent that any transfer of Obligor Secured Liabilities owed by an Obligor has occurred as described in this section "*Distressed Disposals*", as if that transfer of Obligor Secured Liabilities owed by an Obligor had not occurred.

Regardless of whether a Distressed Disposal Resolution has been passed, any Receiver appointed to an Obligor will, subject to the paragraph "*Enforcement action if Obligor Junior Secured Liabilities are outstanding*" below, have the full right, power and discretion to undertake any Distressed Disposal of a Permitted Business and any shares or units in any member of the Holdco Group at any time, with the net proceeds realised from such Distressed Disposal to be applied in accordance with the Obligor Post-Acceleration Priority of Payments (notwithstanding that a Loan Acceleration Notice may not have been served, in which case the Obligor Post-Acceleration Priority of Payments shall be construed as if (i) prior

to the Obligor Senior Discharge Date, the Obligor Senior Secured Liabilities then outstanding, (ii) following the Obligor Senior Discharge Date, the Obligor Junior Secured Liabilities then outstanding, had been accelerated, in an amount equal to the net proceeds realised from such Distressed Disposal, but, for the purposes of calculating the amounts to be accelerated, taking into account (A) any Make-Whole Amounts or prepayment fees payable as a result of such prepayment or repayment of the Obligor Secured Liabilities as a result of the operation of this section "*Distressed Disposals*" and (B) any amounts that rank in priority to the Obligor Senior Secured Liabilities and/or the Obligor Junior Secured Liabilities (as applicable), and, to the extent that any disposal of Obligor Secured Liabilities has occurred as described in this section "*Distressed Disposals*", as if that disposal had not occurred).

Enforcement action if Obligor Junior Secured Liabilities outstanding

If the Obligor Security Trustee has delivered either a Loan Enforcement Notice, or a Loan Acceleration Notice to the Holdco Group Agent or if a Distressed Disposal is being effected (including prior to the delivery of a Loan Enforcement Notice or a Loan Acceleration Notice) and, in each case, at such time there are both Obligor Senior Secured Liabilities and Obligor Junior Secured Liabilities outstanding, then, subject to the paragraph "*Obligor Security Trustee may dispose under a Sales Process*" below, the Obligor Security Trustee shall (or shall procure that any agent or Delegate appointed to act on behalf of the Obligor Security Trustee pursuant to the STID will) comply with the following conditions:

(a) before any disposal or series of disposals of any Obligor Secured Property of an aggregate value of more than £10,000,000, the Obligor Security Trustee shall (acting in accordance with the directions to appoint a Financial Adviser pursuant to the STID) procure the provision to each Secured Creditor Representative in respect of any Class B Authorised Credit Provider of a Fairness Opinion (having asked at least three potential Financial Advisers for a quote in respect of the costs for the provision thereof);

(b) such Fairness Opinion must be delivered to each Secured Creditor Representative in respect of any Class B Authorised Credit Facility at least two weeks before the proposed disposal;

(c) subject to and in accordance with the paragraph "*Obligor Security Trustee may dispose under a Sales Process*" and paragraph (e)(ii) below, the Obligor Security Trustee shall be responsible for commissioning any Fairness Opinion;

(d) no Secured Creditor Representative in respect of any Class B Authorised Credit Facility or Class B Authorised Credit Provider shall be entitled to raise any objections to any Fairness Opinion delivered by the Obligor Security Trustee in accordance with paragraph (b) above; and

(e) the cost of commissioning any Fairness Opinion shall be for the account of the Obligor Security Trustee and such cost shall be paid as an expense of the Obligor Security Trustee in accordance with the applicable Obligor Priorities of Payments, except that if the cost is more than £500,000 (excluding VAT), then:

(i) the excess cost (plus the VAT referable to such excess cost) shall be for the account of the Class B Noteholders and any Class B Authorised Credit Provider other than the Issuer under any Class B IBLA (on a *pro rata* basis by reference to the Obligor Junior Secured Liabilities owing to such persons or, in the case of the Class B Noteholders, owing to the Issuer under any Class B IBLA), provided that:

(A) where one of the potential Financial Advisers offered to produce a Fairness Opinion for less than £500,000 (excluding VAT) but Participating Qualifying Obligor Secured Creditors (acting through their respective Secured Creditor Representatives) representing more than 10 per cent. of the aggregate Outstanding Principal Amount of all Qualifying Obligor Secured Liabilities direct the Obligor Security Trustee to select another Financial Adviser whose fees for providing the opinion are in excess of £500,000, all such fees shall be paid as an expense of the Obligor Security Trustee in accordance with the applicable Obligor Priorities of Payments (and not for the account of (i) the Class B Noteholders and the Class B Authorised Credit Providers); and

(B) if more than one potential Financial Adviser provides a quote and all the quotes provided are in excess of £500,000 (excluding VAT), the Class B Noteholders and any Class B Authorised Credit Provider (other than the Issuer under any Class B IBLA) will be required to pay for all fees in excess of £500,000 (plus the VAT referable to such excess fees) (on a *pro rata* basis by reference to the Obligor Junior Secured Liabilities owing to such persons or, in the case of the Class B Noteholders, owing to the Issuer under any Class B IBLA) save where Participating Qualifying Obligor Secured Creditors (acting through their respective Secured Creditor Representatives) representing more than 10 per cent. of the aggregate Outstanding Principal Amount of all Qualifying Obligor Secured Liabilities direct the Obligor Security Trustee to select a Financial Adviser which has provided a quote which is higher than another quote provided, in which case the excess of such fees over the lowest quote shall be paid as an expense of the Obligor Security Trustee in accordance with the applicable Obligor Priorities of Payments (and not for the account of the Class B Noteholders and the Class B Authorised Credit Providers); and

(ii) the Obligor Security Trustee shall not be obliged to commission any Fairness Opinion unless it is indemnified and/or secured and/or prefunded to its satisfaction in respect of any Liabilities incurred by it in connection with commissioning such Fairness Opinion.

Obligor Security Trustee may dispose under a Sales Process

If the Obligor Security Trustee:

(a) is unable to appoint a Financial Adviser when requested or unable to obtain a Fairness Opinion within 20 Business Days of attempting to do so (including due to the Obligor Security Trustee not being indemnified and/or secured and/or prefunded to its satisfaction); or

(b) is notified in writing by each Secured Creditor Representative in respect of each Class B Authorised Credit Facility that it does not require the procurement of a Fairness Opinion; or

(c) is not able to dispose of the assets for at least a value that is equal to the proposed consideration specified in respect of such assets in a Fairness Opinion,

then:

(i) subject to applicable law, the Obligor Security Trustee or any Receiver will take reasonable care to dispose of the relevant assets through a competitive marketing and sales process typical for such type of assets with a view to obtaining a fair market price in the prevailing market conditions (though the Obligor Security Trustee shall have no obligation to postpone any such disposal) ("**Sales Process**") and will be entitled to appoint any Financial Adviser, investment bank, accounting firm or any other third party professional organisation of international standing engaged in the marketing and sale of businesses and assets, to advise the Obligor Security Trustee or the Receiver in relation to such disposal; and

(ii) the Obligor Security Trustee or any Receiver will be entitled to dispose of the assets under and in accordance with the Sales Process (including, at a value less than that stated in any Fairness Opinion), provided that if there is more than one party willing to acquire the assets, then the Obligor Security Trustee or the Receiver will be required to accept the highest executable offer.

The Obligor Security Trustee will not be liable to any person if it is unable to appoint a Financial Adviser when requested or unable to obtain a Fairness Opinion having used its reasonable endeavours to appoint such Financial Adviser or obtain such Fairness Opinion.

Class B Call Option

Class B Call Option in respect of Class A Authorised Credit Facilities (other than any Class A IBLA)

If a Class B Call Option Trigger Event set out in paragraph (a) of the definition thereof occurs:

(a) any one or more of the Class B Noteholders and/or Class B Authorised Credit Providers shall be entitled, pursuant to the Class B Call Option, to purchase all (but not some only) Class A Authorised Credit Facilities (other than a Class A IBLA) which have not been paid on their respective Final Maturity Dates within the Class B Call Option Period and at a price equal to the Class B Call Option Purchase Price, subject to the terms set out below; and

(b) the relevant Class B Noteholders and/or Class B Authorised Credit Providers may surrender and cancel any amount outstanding under any purchased Class A Authorised Credit Facility (or enter into an alternative arrangement which achieves the same commercial objective), provided that the relevant Class B Authorised Credit Providers have provided a tax opinion from reputable tax counsel addressed to the relevant borrower under the relevant Class A Authorised Credit Facility and the Obligor Security Trustee to confirm that the surrender and cancellation of the relevant Class A Authorised Credit Facility or the entry into any alternative arrangements to achieve the same commercial objective, as the case may be, will not result in any adverse tax consequences for the relevant borrower under the relevant Class A Authorised Credit Facility.

If a Class B Call Option Trigger Event set out paragraph (b) of the definition thereof occurs, any one or more of the Class B Noteholders and/or Class B Authorised Credit Providers shall be entitled, pursuant to the Class B Call Option, to purchase each Class A Authorised Credit Facility (other than any Class A IBLA) which is then outstanding within the Class B Call Option Period and at a price equal to the Class B Call Option Purchase Price, subject to the terms set out below.

If the Class B Call Option is exercised in respect of any Class A Authorised Credit Facility:

(a) each Class A Authorised Credit Provider under any such Class A Authorised Credit Facility agrees that it is obliged to sell and transfer its commitments under that Class A Authorised Credit Facility to the relevant Class B Noteholders and/or Class B Authorised Credit Providers in accordance with the Class B Call Option, subject to the terms set out below;

(b) no Class A Authorised Credit Provider shall be obliged to the transfer, or consent to the transfer, of any such Class A Authorised Credit Facility unless:

(i) each Class B Noteholder and/or Class B Authorised Credit Provider that wishes to exercise its right to purchase any such Class A Authorised Credit Facility has first certified to the borrower under the relevant Class A Authorised Credit Facility and the Obligor Security Trustee at the time of the exercise of the Class B Call Option that it is not, and, following exercise of the Class B Call Option, will not be, connected with the relevant borrower under the relevant Class A Authorised Credit Facility for the purposes of section 363 of the Corporation Tax Act 2009; and

(ii) payment of the purchase price by all Class B Noteholders and/or relevant Class B Authorised Credit Providers in respect of any such purchased Class A Authorised Credit Facility in freely transferable funds has been received by the relevant Facility Agent (or the relevant Class A Authorised Credit Provider if the Class A Authorised Credit Facility is provided on a bilateral basis) unless otherwise agreed with the relevant Class A Authorised Credit Providers; and

(c) subject to paragraph (b) above, the borrower under the relevant Class A Authorised Credit Facility and each Class A Authorised Credit Provider under any such Class A Authorised Credit Facility agrees that:

(i) any transfer or assignment restrictions contained in that Class A Authorised Credit Facility shall not apply in respect of the transfer of that Class A Authorised Credit Provider's commitments under that Class A Authorised Credit Facility to the relevant Class B Noteholders and/or Class B Authorised Credit Providers pursuant to the Class B Call Option; and

(ii) the relevant borrower of the relevant Class A Authorised Credit Facility and that Class A Authorised Credit Provider shall execute all documentation and do all other reasonable acts and things which are necessary or desirable in order to implement the transfer (at the cost of the relevant borrower) of that Class A Authorised Credit Provider's commitments

under that Class A Authorised Credit Facility to the relevant Class B Noteholders and/or Class B Authorised Credit Providers pursuant to the Class B Call Option.

"**Class B Call Option Period**" means a 30-day period commencing on the date on which the Issuer publishes (or, where applicable, causes the Class B Principal Paying Agent to publish) a notice of the occurrence of a Class B Call Option Trigger Event to the Class B Noteholders in accordance with the Class B Conditions and the Holdco Group Agent notifies the Class B Authorised Credit Providers (other than the Issuer) of the occurrence of a Class B Call Option Trigger Event (whichever is the later).

"**Class B Call Option Purchase Price**" means, in respect of any Class A Authorised Credit Facility:

(a) to be purchased in accordance with "*—Security Trust and Intercreditor Deed—Class B Call Option—Class B Call Option in respect of Class A Authorised Credit Facilities (other than any Class A IBLA*)", an amount equal to the aggregate outstanding principal amount of such Class A Authorised Credit Facility together with accrued but unpaid interest thereon; or

(b) to be purchased in accordance with "*—Security Trust and Intercreditor Deed—Class B Call Option—Class B Call Option in respect of Class A Authorised Credit Facilities (other than any Class A IBLA*)", an amount equal to the aggregate outstanding principal amount of such Class A Authorised Credit Facility together with accrued but unpaid interest thereon and any Make-Whole Amount (if any) payable in accordance with the terms of that Class A Authorised Credit Facility as if the purchase in accordance with the Class B Call Option was treated as a voluntary prepayment thereunder.

"**Class B Call Option Trigger Event**" means any of the following events:

(a) prior to the delivery of a Class A Note Acceleration Notice or the delivery of a Loan Acceleration Notice, either (i) the occurrence of an Expected Maturity Date with respect to any Sub-class of Class A Notes outstanding at any time and such Sub-class of Class A Notes is not redeemed in full at its Expected Maturity Date or (ii) the occurrence of the Final Maturity Date with respect to any Class A Authorised Credit Facility and such Class A Authorised Credit Facility is not repaid in full on its Final Maturity Date; or

(b) the delivery of a Class A Note Acceleration Notice to the Issuer or the delivery of a Loan Acceleration Notice to the Borrower.

Obligor Priorities of Payment

Obligor Pre-Acceleration Priority of Payments

Subject to the paragraphs below entitled "*Voluntary and mandatory permitted prepayments*" to "*Deemed Available Enforcement Proceeds*" (inclusive) and except where expressly provided elsewhere in the STID:

(a) each Obligor Secured Creditor agrees and each of the Obligors and the Obligor Security Trustee acknowledges that each Obligor Secured Creditor's claims in respect of any Obligor Secured Liabilities owing to it will, prior to the delivery of a Loan Acceleration Notice, rank in right and priority of payment according to the Obligor Pre-Acceleration Priority of Payments; and

(b) on each Loan Interest Payment Date prior to the delivery of a Loan Acceleration Notice, the Cash Manager shall instruct:

(i) the Borrower Account Bank to withdraw amounts from:

(I) the Debt Service Payment Account; and

(II) if Excess Cashflow is required to be applied in accordance with Part B of the Obligor Pre-Acceleration Priority of Payments, the Excess Cashflow Account; and

(ii) following the delivery of a Loan Enforcement Notice, the account banks at which any Obligor Operating Accounts and any Designated Accounts (excluding the Defeasance

Account, the Mandatory Prepayment Account and the Borrower Liquidity Facility Standby Account) are maintained to withdraw amounts from such accounts,

in each case, to be applied by the Cash Manager in accordance with the Obligor Pre-Acceleration Priority of Payments.

Voluntary and mandatory permitted prepayments

Each Obligor will be permitted to make voluntary prepayments under any Authorised Credit Facility in accordance with the terms thereof irrespective of the Obligor Pre-Acceleration Priority of Payments, provided that:

(a) such Obligor is not otherwise prohibited from making such voluntary prepayments at that time pursuant to the terms of, the CTA and/or the STID and/or the Finance Documents to the extent that the provisions of such Finance Documents are consistent with the relevant provisions of the CTA and/or the STID;

(b) in respect of any voluntary prepayment under any Class A Authorised Credit Facility, no CTA Event of Default has occurred and is continuing, provided that this paragraph (b) will not apply to the extent an Obligor is pre-paying any Class A Authorised Credit Facility with the proceeds of a New Shareholder Injection or an Investor Funding Loan made by any Subordinated Investor to an Obligor;

(c) in respect of any voluntary prepayment under any Class B Authorised Credit Facility, no (A) CTA Event of Default or Share Enforcement Event or, following the Obligor Senior Discharge Date, Class B Loan Event of Default or, (B) Trigger Event, has occurred and is continuing, provided that this paragraph (c) will not apply to the extent an Obligor is pre-paying any Class B Authorised Credit Facility with the proceeds of a New Shareholder Injection or an Investor Funding Loan made by any Subordinated Investor to an Obligor; and

(d) the Cash Manager (acting reasonably) is satisfied that there will be sufficient available amounts in the Debt Service Payment Account, the Obligor Operating Accounts or, as the case may be, the Excess Cashflow Account to be withdrawn and applied on the immediately succeeding Loan Interest Payment Date in order to satisfy all payments scheduled to be due and payable on that date in accordance with the Obligor Pre-Acceleration Priority of Payments.

Each Obligor will be permitted to make mandatory prepayments under any Authorised Credit Facility in accordance with the terms of such Authorised Credit Facility and the CTA irrespective of the Obligor Pre-Acceleration Priority of Payments (a) in the event that it becomes unlawful for an Authorised Credit Provider to perform any of its obligations as contemplated by the relevant Authorised Credit Facility or to fund or maintain the relevant Authorised Credit Facility; or (b) if such mandatory prepayment is not otherwise expressly prohibited by the STID, the CTA or the applicable Finance Documents.

Without prejudice to the rights and remedies of a Class A Authorised Credit Provider under its Class A Authorised Credit Facility, if the Obligors are required to apply an amount in prepayment of one or more Class A Authorised Credit Facilities, then notwithstanding the terms of such Class A Authorised Credit Facilities, the Obligors shall apply such amount on a pro rata basis to prepay the outstanding principal amount under each Class A Authorised Credit Facility which is required to be prepaid less any amount which is required to pay any related swap termination amounts, break costs and any redemption premia (which amount shall be applied in satisfaction of such swap termination amounts, break costs and redemption premia).

Without prejudice to the rights and remedies of a Class B Authorised Credit Provider under its Class B Authorised Credit Facility, if the Obligors are required to apply an amount in prepayment of one or more Class B Authorised Credit Facilities, then notwithstanding the terms of such Class B Authorised Credit Facilities, the Obligors shall apply such amount on a *pro rata* basis to prepay the outstanding principal amount under each Class B Authorised Credit Facility which is required to be prepaid less any amount which is required to pay any related break costs and any redemption premia (which amount shall be applied in satisfaction of such break costs and redemption premia).

Working Capital Facility Agreement, Senior Term Facility Agreements and Initial Liquidity Facility Agreement permitted payments

Prior to the occurrence of a Trigger Event, if an interest payment date ("**Facility Interest Payment Date**") under any Class A Authorised Credit Facility (other than any IBLA) (each a "**Relevant Facility**") does not fall on the same day as a Loan Interest Payment Date, the payment of any amounts due on that Facility Interest Payment Date in accordance with the Relevant Facility will be permitted irrespective of whether it coincides with a Loan Interest Payment Date.

If a Trigger Event has occurred and is continuing as at the last day of an interest period under any Relevant Facility, the Borrower must ensure that the immediately succeeding interest period and each interest period thereafter under any Relevant Facility (for so long as a Trigger Event is continuing) shall end on a day that is a Loan Interest Payment Date and any interest under each Relevant Facility will be payable in accordance with and subject to the Obligor Pre-Acceleration Priority of Payments.

Deemed Available Enforcement Proceeds

Following the occurrence of a CTA Event of Default which is continuing but prior to the delivery of a Loan Acceleration Notice, irrespective of whether a Loan Enforcement Notice has been delivered by the Obligor Security Trustee, if any Obligor, at the request, instruction, or with the agreement, of the Obligor Security Trustee disposes of any of its assets subject to the Obligor Security where such disposal is made as an alternative to the Obligor Security Trustee taking Enforcement Action pursuant to the STID and the Obligor Security Documents, the proceeds of that disposal received by the relevant Obligor ("**Deemed Available Enforcement Proceeds**") will be immediately applied by the Cash Manager in accordance with Part A of the Obligor Pre-Acceleration Priority of Payments. For purposes of the application of any Deemed Available Enforcement Proceeds, (i) prior to the Obligor Senior Discharge Date, the Obligor Senior Secured Liabilities and (ii) following the Obligor Senior Discharge Date, the Obligor Junior Secured Liabilities, shall be automatically accelerated in part in an amount equal to the amount of the Deemed Available Enforcement Proceeds that is available to be applied towards such Obligor Secured Liabilities in accordance with Part A of the Obligor Pre-Acceleration Priority of Payments.

Part A—Obligor Operating Accounts and certain Designated Account

Prior to the delivery of a Loan Acceleration Notice by the Obligor Security Trustee, on each Loan Interest Payment Date (except in respect of paragraph 6 of this Part A below, which shall apply on the first Loan Interest Payment Date occurring in each year only) the Cash Manager shall instruct (a) the Borrower Account Bank to withdraw amounts from the Debt Service Payment Account; and (b) following the delivery of a Loan Enforcement Notice, instruct the account banks at which any Obligor Operating Accounts and any Designated Accounts (excluding the Defeasance Account, the Mandatory Prepayment Account, any Borrower Liquidity Facility Standby Account and the Excess Cashflow Account) are maintained to withdraw amounts from such accounts, in each case, to be applied by the Cash Manager in or towards paying or providing for the payment of the following amounts (including, in each case, where applicable in accordance with the relevant contractual provisions, any amount due in respect of VAT) in accordance with the applicable order of priority as follows, without double counting:

1. *first*, in or towards satisfaction, *pro rata* and *pari passu*, of:

    (a) the fees, other remuneration, indemnity payments, costs, charges and expenses (including interest on any of the foregoing) due and payable by any Obligor to the Obligor Security Trustee or any Receiver or Delegate under any Transaction Document; and

    (b) to the Issuer by way of the First Facility Fee, the amounts due and payable by the Issuer in respect of the fees, other remuneration, indemnity payments, costs, charges and expenses (including interest on any of the foregoing) of the Issuer Security Trustee and each Note Trustee or any Appointee under any Issuer Transaction Document;

2. *second*, in or towards satisfaction, *pro rata* and *pari passu*, of:

    (a) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Borrower Account Bank incurred under the Borrower Account Bank Agreement; and

(b) to the Issuer by way of the Second Facility Fee, the amounts due and payable by the Issuer in respect of:

(i) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Issuer Corporate Officer Provider incurred under the Issuer Corporate Officer Agreement;

(ii) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Agents incurred under any Agency Agreement;

(iii) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Issuer Account Bank incurred under the Issuer Account Bank Agreement;

(iv) the fees, other remuneration, indemnity payments, costs, charges, liabilities and expenses of the Issuer Cash Manager incurred under the Issuer Cash Management Agreement; and

(v) the fees, other remuneration, costs, charges and expenses of the Rating Agency;

3. *third*, to the Issuer by way of the Third Facility Fee:

(a) the amounts due and payable by the Issuer to any third party creditors of the Issuer (other than those creditors otherwise specifically provided for in this priority of payments), or to become due and payable to any third party creditors of the Issuer (other than those creditors otherwise specifically provided for in this priority of payments) prior to the next Loan Interest Payment Date, which amounts have been incurred without breach by the Issuer of the Issuer Transaction Documents to which it is a party (and for which payment has not been provided elsewhere in this priority of payments);

(b) the amounts due and payable by the Issuer in respect of the fees, other remuneration, indemnity payments, costs, charges and expenses of the stock exchange where the Class A Notes are listed (or any other listing authority) and the listing agent;

(c) an amount equal to the Issuer Profit Amount; and

(d) the amounts due and payable in respect of Tax for which the Issuer is liable under the laws of any jurisdiction (other than corporation tax due and payable to HM Revenue & Customs in respect of the Issuer Profit Amount, which shall be met out of the Issuer Profit Amount);

4. *fourth*, in or towards satisfaction, *pro rata* and *pari passu*, of:

(a) to the Issuer by way of the Fourth Facility Fee, the amounts due and payable by the Issuer in respect of all amounts of interest, principal, fees, other remuneration, indemnity payments, costs, charges and expenses of each Liquidity Facility Provider and the Liquidity Facility Agent due and payable by the Issuer to each such Liquidity Facility Provider and the Liquidity Facility Agent under any Liquidity Facility Agreement (other than any Subordinated Liquidity Amounts or Subordinated Increased Costs Amounts payable by the Issuer to a Liquidity Facility Provider); and

(b) all amounts due and payable by any Obligor in respect of all amounts of interest, principal, fees, other remuneration, indemnity payments, costs, charges and expenses of each Liquidity Facility Provider and Liquidity Facility Agent due and payable to such Liquidity Facility Provider and Liquidity Facility Agent under any Liquidity Facility Agreement (other than any Subordinated Liquidity Amounts or Subordinated Increased Costs Amounts payable by any Borrower to a Liquidity Facility Provider);

5. *fifth*, in or towards satisfaction, *pro rata* and *pari passu*, of:

(a) the fees, other remuneration, indemnity payments, costs, charges and expenses of each Facility Agent due and payable under each Class A Authorised Credit Facility (excluding any Liquidity Facility and any Hedging Agreement) (other than any Subordinated

Increased Costs Amounts payable by the Borrower or any other Obligor (in its capacity as a borrower));

(b) all amounts of interest, fees, other remuneration, indemnity payments, costs, charges and expenses of each Class A Authorised Credit Provider (except in relation to principal) due and payable under any Class A Authorised Credit Facility (excluding any Liquidity Facility and any Hedging Agreement) (other than any Subordinated Increased Costs Amounts payable by the Borrower or any other Obligor (in its capacity as a borrower));

(c) all scheduled amounts (other than principal exchange amounts on cross-currency swaps, termination payments, and final exchange payments on cross-currency swaps) due and payable to each Borrower Hedge Counterparty under any Borrower Hedging Agreement; and

(d) to the Issuer by way of the Fifth Facility Fee (or pursuant to any back-to-back hedge agreement entered into between the Issuer and the Borrower), all scheduled amounts (other than principal exchange amounts on cross-currency swaps, termination payments, and final exchange payments on cross-currency swaps) due and payable to each Issuer Hedge Counterparty under any Issuer Hedging Agreement;

6. *sixth*, in or towards satisfaction of or otherwise to provide for all amounts required to be deposited into the Maintenance Capex Reserve Account pursuant to the CTA;

7. *seventh*, in or towards satisfaction, *pro rata* and *pari passu*, of:

(a) all scheduled instalment amounts of principal (excluding any bullet amount payable on the Final Maturity Date of any Class A Authorised Credit Facility) due and payable under any Class A Authorised Credit Facility (excluding any Liquidity Facility and any Hedging Agreement);

(b) all termination payments (excluding Subordinated Hedge Amounts), any payments due as a result of "*Optional Early Termination*" *or* "*Mandatory Early Termination*" (as defined in the 2006 ISDA Definitions or any replacement thereof), principal exchange amounts on cross-currency swaps, final exchange payments on cross-currency swaps, or other unscheduled sums due and payable to each Borrower Hedge Counterparty under any Borrower Hedging Agreement; and

(c) to the Issuer by way of the Sixth Facility Fee (or pursuant to any back-to-back hedge agreement entered into between the Issuer and the Borrower), all termination payments (excluding Subordinated Hedge Amounts), any payments due as a result of "*Optional Early Termination*" or "*Mandatory Early Termination*" (as defined in the 2006 ISDA Definitions or any replacement thereof), principal exchange amounts on cross-currency swaps, final exchange payments on cross-currency swaps, or other unscheduled sums due and payable to each Issuer Hedge Counterparty under any Issuer Hedging Agreement;

8. *eighth*, if the Loan Interest Payment Date falls on or prior to the Final Maturity Date in respect of the relevant Class B Authorised Credit Facility and provided no Trigger Event has occurred and is continuing, all amounts of interest, fees, other remuneration, indemnity payments, costs, charges and expenses (except in relation to principal) due and payable under the relevant Class B Authorised Credit Facility;

9. *ninth*, if the Loan Interest Payment Date falls on a date following the Obligor Senior Discharge Date, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of principal and any Make-Whole Amount due and payable under any Class B Authorised Credit Facility; and

10. *tenth*, if the Loan Interest Payment Date falls on a date (i) following a Qualifying Public Offering; or (ii) when a Trigger Event is not subsisting and which is not a Cash Sweep Payment Date, in or towards satisfaction, *pro rata* and *pari passu*, of:

(a) Subordinated Liquidity Amounts due and payable by the Borrower under any Liquidity Facility Agreement;

(b) Subordinated Hedge Amounts due and payable by the Borrower under any Borrower Hedging Agreement;

(c) Subordinated Increased Costs Amounts payable by the Borrower or any other Obligor (in its capacity as a borrower) under any Liquidity Facility Agreement or any other Class A Authorised Credit Facility; and

(c) to the Issuer by way of the Seventh Facility Fee;

(i) Subordinated Liquidity Amounts due and payable by the Issuer under the Liquidity Facility Agreement;

(ii) Subordinated Hedge Amounts due and payable by the Issuer under any Issuer Hedging Agreement; and

(iii) Subordinated Increased Costs Amounts payable by the Issuer under any Liquidity Facility Agreement,

provided that this paragraph 10 will not apply if any amounts remain outstanding under any Class A Authorised Credit Facility on or following its Final Maturity Date, or a Trigger Event subsists on the Loan Interest Payment Date.

Part B—Excess Cashflow

On each relevant date specified in paragraphs 1 (*Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering*), 2 (*Application if a Trigger Event is subsisting*), 3 (*Application of funds on a Final Maturity Date in respect of any Class A Authorised Credit Facility that specified the previous Financial Year as a Bank Debt Sweep Period*) or 4 (*Application of funds following a Final Maturity Date where the Obligor Secured Liabilities remain outstanding*) below, the Cash Manager shall instruct the Borrower Account Bank to withdraw amounts from the Excess Cashflow Account to be applied by the Cash Manager in or towards paying or providing for the payment of the specified amounts in accordance with the applicable order of priority, without double counting.

1. Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering

Prior to the delivery of a Loan Acceleration Notice by the Obligor Security Trustee and subject to paragraphs 2 (*Application if a Trigger Event is subsisting*) and 4 (*Application of funds following a Final Maturity Date where the Obligor Secured Liabilities remain outstanding*) below, the Cash Manager may and, in any event, shall on or before the relevant Cash Sweep Payment Date, instruct the Borrower Account Bank to withdraw amounts from the Excess Cashflow Account to be applied by the Cash Manager in or towards paying or providing for the payment of the following amounts in accordance with the following order of priority as follows, without double counting:

(a) *first*, in respect of each Class A Authorised Credit Facility that had specified the preceding Financial Year as a Bank Debt Sweep Period, the Required Sweep Percentage applicable to that Class A Authorised Credit Facility of Excess Cashflow for that Financial Year in or towards prepaying the outstanding principal amount under that Class A Authorised Credit Facility, provided that if:

(i) the Required Sweep Percentage (applicable to that Class A Authorised Credit Facility) is 100 per cent. and break costs under any Hedging Transaction associated with that Class A Authorised Credit Facility will be payable as a result of such payment ("**Associated Break Costs**");

(ii) the Required Sweep Percentage (applicable to that Class A Authorised Credit Facility) is less than 100 per cent. but the remainder of Excess Cashflow for the relevant Bank Debt Sweep Period to be applied in accordance with paragraph (b)(i) below towards paying the Associated Break Costs would be insufficient to pay such amounts,

then the amount of Excess Cashflow required to be applied in prepayment of that Class A Authorised Credit Facility under this paragraph (a) will be reduced by an amount required

to enable the Associated Break Costs to be satisfied and such amount shall be applied in satisfaction of paying those Associated Break Costs; and

(b) *second*, the remainder of Excess Cashflow in accordance with the following order of priority:

(i) *first*, in or towards satisfaction, *pro rata* and *pari passu*, of any Associated Break Costs (to the extent not paid under paragraph (a) above);

(ii) *second*, in or towards satisfaction, *pro rata* and *pari passu*, of:

(A) Subordinated Liquidity Amounts due and payable by the Borrower under any Liquidity Facility Agreement;

(B) Subordinated Hedge Amounts due and payable by the Borrower under any Borrower Hedging Agreement;

(C) Subordinated Increased Costs Amounts payable by the Borrower or any other Obligor (in its capacity as a borrower) under any Liquidity Facility Agreement or any other Class A Authorised Credit Facility; and

(D) to the Issuer by way of the Seventh Facility Fee:

(I) Subordinated Liquidity Amounts due and payable by the Issuer on the next Note Interest Payment Date under any Liquidity Facility Agreement;

(II) Subordinated Hedge Amounts due and payable by the Issuer on the next Note Interest Payment Date under any Issuer Hedging Agreement; and

(III) Subordinated Increased Costs Amounts payable by the Issuer on the next Note Interest Payment Date under any Liquidity Facility Agreement; and

(iii) *third*, to the Borrower and/or any Obligor in or towards any purpose not restricted by the terms the Finance Documents;

2. Application if a Trigger Event is subsisting

Prior to the delivery of a Loan Acceleration Notice by the Obligor Security Trustee and subject to paragraphs 3 (*Application of funds on a Final Maturity Date in respect of any Class A Authorised Credit Facility that specified the previous Financial Year as a Bank Debt Sweep Period*) and 4 (*Application of funds following a Final Maturity Date where the Obligor Secured Liabilities remain outstanding*) below, if a Trigger Event is subsisting (as evidenced by the Compliance Certificate delivered with the most recent annual Financial Statements), then paragraph 1 (*Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering*) will not apply and on the first Loan Interest Payment Date in each year, the Cash Manager shall instruct the Borrower Account Bank to withdraw amounts from the Excess Cashflow Account to be applied by the Cash Manager in or towards paying or providing for the payment of the following amounts in accordance with the following order of priority as follows, without double counting:

(a) *first*, in respect of each Class A Authorised Credit Facility that had specified the preceding Financial Year as a Bank Debt Sweep Period, the Required Sweep Percentage applicable to that Class A Authorised Credit Facility of Excess Cashflow for that Financial Year in or towards prepaying the outstanding principal amount under that Class A Authorised Credit Facility, provided that if:

(i) the Required Sweep Percentage (applicable to that Class A Authorised Credit Facility) is 100 per cent. and Associated Break Costs will be payable as a result of such prepayment; or

(ii) the Required Sweep Percentage (applicable to that Class A Authorised Credit Facility) is less than 100 per cent. but the remainder of Excess Cashflow for the relevant Bank Debt Sweep Period to be applied in accordance with paragraph (b)(i) below towards paying the Associated Break Costs would be insufficient to pay such amounts,

then the amount of Excess Cashflow required to be applied in prepayment of that Class A Authorised Credit Facility under this paragraph (a) will be reduced by an amount required to enable the Associated Break Costs to be satisfied and such amount shall be applied in satisfaction of paying those Associated Break Costs.

(b) *second*, the remainder of Excess Cashflow in or towards satisfaction, *pro rata* and *pari passu*, of:

(i) any Associated Break Costs (to the extent not paid under paragraph (a) above);

(ii) prepaying on a *pro rata* basis the outstanding principal amount under each Class A Authorised Credit Facility (excluding any Class A Authorised Credit Facility referred to in paragraph (a) above, any Liquidity Facility and any Hedging Agreement) which bears interest at a floating rate less an amount which is required to pay the Associated Break Costs relating to that Class A Authorised Credit Facility, which amount shall be applied in or towards satisfaction of those Associated Break Costs; and

(iii) the defeasance on a *pro rata* basis of the outstanding principal amount under each Class A Authorised Credit Facility (excluding any Class A Authorised Credit Facility referred to in paragraph (a) above, any Liquidity Facility and any Hedging Agreement) which bears interest at a fixed rate by depositing the relevant amounts into the Defeasance Account up to the outstanding principal amount under any such fixed rate Class A Authorised Credit Facility (provided that if the Trigger Event(s) subsisting on the relevant Loan Interest Payment Date was not a CTA Event of Default the Cash Manager (on the Borrower's behalf) will be entitled to withdraw such amounts deposited to the Defeasance Account in accordance with this paragraph (b)(iii) and apply such amounts towards a Defeased Cash Note Purchase); and

(c) *third*, the remainder of Excess Cashflow for the most recent Financial Year in accordance with the order of priority set out in paragraph 1(b)(ii) (*Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering*) above (regardless of whether a Bank Debt Sweep Period applies or not); and

(d) *fourth*, the remainder of Excess Cashflow for the most recent Financial Year in accordance with paragraph 1(b)(iii) (*Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering*) above (regardless of whether a Bank Debt Sweep Period applies or not);

3. Application of funds on a Final Maturity Date in respect of any Class A Authorised Credit Facility that specified the previous Financial Year as a Bank Debt Sweep Period

Prior to the delivery of a Loan Acceleration Notice by the Obligor Security Trustee and provided that Excess Cashflow in respect of the previous Financial Year has not already been applied in accordance with paragraph 1 (*Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering*) above, on the Final Maturity Date in respect of any Class A Authorised Credit Facility that specified the previous Financial Year as a Bank Debt Sweep Period, the Cash Manager shall instruct the Borrower Account Bank to withdraw amounts from the Excess Cashflow Account (and, in respect of paragraph (a) below, the Defeasance Account) to be applied by the Cash Manager in or towards paying or providing for the payment of the following amounts in accordance with the applicable order of priority as follows, without double counting:

(a) *first*, any amounts standing to the credit of the Defeasance Account referable to that maturing Class A Authorised Credit Facility shall be applied in or towards satisfaction,

pro rata and *pari passu*, of repaying the outstanding principal amount under that maturing Class A Authorised Credit Facility and any Associated Break Costs, provided that where there is more than one Class A Authorised Credit Facility (excluding any Liquidity Facility) that specified the previous Financial Year as a Bank Debt Sweep Period maturing on that Final Maturity Date, to the extent the Class A Authorised Credit Providers under any other such Class A Authorised Credit Facility are also entitled to such amounts standing to the credit of the Defeasance Account, then all such amounts shall instead be applied in or towards satisfaction, *pro rata* and *pari passu*, of each relevant Class A Authorised Credit Facility (as reduced by an amount equal to any Associated Break Costs related to that Class A Authorised Credit Facility, which shall be applied towards satisfying those Associated Break Costs);

(b) *second*, in respect of the Class A Authorised Credit Facility that had specified the preceding Financial Year as a Bank Debt Sweep Period, the Required Sweep Percentage applicable to that Class A Authorised Credit Facility of Excess Cashflow for that Financial Year in or towards prepaying the outstanding principal amount under that Class A Authorised Credit Facility, provided that if:

(i) the Required Sweep Percentage (applicable to that Class A Authorised Credit Facility) is 100 per cent. and Associated Break Costs will be payable as a result of such prepayment; or

(ii) the Required Sweep Percentage (applicable to that Class A Authorised Credit Facility) is less than 100 per cent. but the remainder of Excess Cashflow for the relevant Bank Debt Sweep Period to be applied in accordance with paragraph (c) below towards paying the Associated Break Costs would be insufficient to pay such amounts,

then the amount of Excess Cashflow required to be applied in prepayment of that Class A Authorised Credit Facility under this paragraph (b) will be reduced by an amount required to enable the Associated Break Costs to be satisfied and such amount shall be applied in satisfaction of paying those Associated Break Costs;

(c) *third*, the remainder of any relevant Excess Cashflow in accordance with paragraph 1(b)(ii) (*Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering*) (regardless of whether a Bank Debt Sweep Period applies or not); and

(d) *fourth*, the remainder of any relevant Excess Cashflow in accordance with paragraph 1(b)(iii) (*Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering*) (regardless of whether a Bank Debt Sweep Period applies or not) above;

4. Application of funds following a Final Maturity Date where the Obligor Secured Liabilities remain outstanding

Prior to the delivery of a Loan Acceleration Notice by the Obligor Security Trustee, on each Loan Interest Payment Date that falls on a date following the Final Maturity Date of any Class A Authorised Credit Facility (excluding any Liquidity Facility) and any amount under that Class A Authorised Credit Facility remains outstanding (each such Class A Authorised Credit Facility being a "**Post FMD ACF**"), then paragraphs 1 (*Payments during a Bank Debt Sweep Period prior to a Qualifying Public Offering*), 2 (*Application if a Trigger Event is subsisting*) and 3 (*Application of funds on a Final Maturity Date in respect of any Class A Authorised Credit Facility that specified the previous Financial Year as a Bank Debt Sweep Period*) will not apply and the Cash Manager shall instruct the Borrower Account Bank to withdraw amounts from the Excess Cashflow Account to be applied by the Cash Manager in or towards paying or providing for the payment of the following amounts in accordance with the applicable order of priority as follows, without double counting:

(a) *first*, in or towards, *pro rata* and *pari passu*:

(i) satisfaction of repaying the outstanding principal amount under each Post FMD ACF (as reduced by an amount equal to any Associated Break Costs related to

that Class A Authorised Credit Facility, which shall be applied towards satisfying those Associated Break Costs);

(ii) if the relevant Loan Interest Payment Date falls on the Final Maturity Date of any other Class A Authorised Credit Facility (excluding any Liquidity Facility), satisfaction of repaying the outstanding principal amount under that Class A Authorised Credit Facility (as reduced by an amount equal to any Associated Break Costs related to that Class A Authorised Credit Facility, which shall be applied towards satisfying those Associated Break Costs); and

(iii) if a Trigger Event has occurred and is continuing (excluding a Trigger Event resulting from the failure to pay on a Final Maturity Date), being applied in accordance with paragraphs 2(a)(ii) and (iii) (*Application if a Trigger Event is subsisting*) (provided that if following the relevant Loan Interest Payment Date the Trigger Event ceases to continue and no other Trigger Event has since occurred and is continuing, then any amounts deposited to the Defeasance Account in accordance with this paragraph 4(a)(iii) shall be released and applied in accordance with this paragraph 4 as if that Trigger Event had not been subsisting);

(b) *second*, the remainder of any Excess Cashflow in accordance with the order of priority set out in paragraph 1(b)(ii) (*Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering*) (regardless of whether a Bank Debt Sweep Period applies or not); and

(c) *third*, the remainder of any Excess Cashflow in accordance with paragraph 1(b)(iii) (*Payments in respect of a Bank Debt Sweep Period prior to a Qualifying Public Offering*) (regardless of whether a Bank Debt Sweep Period applies or not).

Obligor Post-Acceleration Priority of Payments

Following the delivery of a Loan Acceleration Notice by the Obligor Security Trustee, all Available Enforcement Proceeds shall be applied (to the extent that it is lawfully able to do so), on each Distribution Date, in accordance with the following priority of payments (including, in each case, where applicable in accordance with the relevant contractual provisions, any amount due in respect of VAT) as set out below, without double counting:

1. *first*, in or towards satisfaction, *pari passu* and *pro rata*, of:

(a) the fees, other remuneration, indemnity payments, costs, charges and expenses (including interest on any of the foregoing) due and payable by any Obligor to the Obligor Security Trustee or any Receiver or any Delegate under any Transaction Document; and

(b) to the Issuer by way of the First Facility Fee, the amounts due and payable by the Issuer in respect of the fees, other remuneration, indemnity payments, costs, charges and expenses (including interest on any of the foregoing) of the Issuer Security Trustee, any Receiver and the Note Trustees (and Appointees, if any) under any Issuer Transaction Document;

2. *second*, in or towards satisfaction, *pari passu* and *pro rata*, of:

(a) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Borrower Account Bank incurred under the Borrower Account Bank Agreement; and

(b) to the Issuer by way of the Second Facility Fee, the amounts due and payable by the Issuer in respect of:

(i) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Issuer Corporate Officer Provider incurred under the Issuer Corporate Officer Agreement;

(ii) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Agents incurred under any Agency Agreement;

(iii) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Issuer Account Bank incurred under the Issuer Account Bank Agreement;

(iv) the fees, other remuneration, indemnity payments, costs, charges, liabilities and expenses of the Issuer Cash Manager incurred under the Issuer Cash Management Agreement; and

(v) prior to the delivery of a Note Acceleration Notice only, the fees, other remuneration, costs, charges and expenses of the Rating Agency;

3. *third*, prior to the delivery of a Note Acceleration Notice only, to the Issuer by way of the Third Facility Fee:

(a) the amounts due and payable by the Issuer to any third party creditors of the Issuer (other than those creditors otherwise specifically provided for in this priority of payments), or to become due and payable to any third party creditors of the Issuer (other than those creditors otherwise specifically provided for in this priority of payments), which amounts have been incurred without breach by the Issuer of the Issuer Transaction Documents to which it is a party (and for which payment has not been provided elsewhere in this priority of payments);

(b) the amounts due and payable by the Issuer in respect of the fees, other remuneration, indemnity payments, costs, charges and expenses of the stock exchange where the Class A Notes are listed (or any other listing authority) and the listing agent;

(c) an amount equal to the Issuer Profit Amount; and

(d) the amounts due and payable in respect of Tax for which the Issuer is liable under the laws of any jurisdiction (other than corporation tax due and payable to HM Revenue & Customs in respect of the Issuer Profit Amount, which shall be met out of the Issuer Profit Amount);

4. *fourth*, in or towards satisfaction, *pari passu* and *pro rata*, of:

(a) to the Issuer by way of the Fourth Facility Fee, the amounts due and payable by the Issuer in respect of all amounts of interest, principal, fees, other remuneration, indemnity payments, costs, charges and expenses of each Liquidity Facility Provider and the Liquidity Facility Agent due and payable by the Issuer to each such Liquidity Facility Provider and the Liquidity Facility Agent under any Liquidity Facility Agreement (other than any Subordinated Liquidity Amounts or Subordinated Increased Costs Amounts payable by the Issuer to a Liquidity Facility Provider); and

(b) all amounts due and payable by any Obligor in respect of all amounts of interest, principal, fees, other remuneration, indemnity payments, costs, charges and expenses of each Liquidity Facility Provider and Liquidity Facility Agent due and payable to such Liquidity Facility Provider and Liquidity Facility Agent under any Liquidity Facility Agreement (other than any Subordinated Liquidity Amounts or Subordinated Increased Costs Amounts payable by any Borrower to a Liquidity Facility Provider);

5. *fifth*, in or towards satisfaction, *pari passu* and *pro rata*, of:

(a) the fees, other remuneration, indemnity payments, costs, charges and expenses of each Facility Agent due and payable under each Class A Authorised Credit Facility (excluding any Liquidity Facility and any Hedging Agreement) (other than any Subordinated Increased Costs Amounts payable by the Borrower or any other Obligor (in its capacity as a borrower));

(b) all amounts of interest, fees, other remuneration, indemnity payments, costs, charges and expenses of each Class A Authorised Credit Provider (except in relation to principal or any Make-Whole Amount) due and payable under any Class A Authorised Credit Facility

(excluding any Liquidity Facility and any Hedging Agreement) (other than any Subordinated Increased Costs Amounts payable by the Borrower or any other Obligor (in its capacity as a borrower)); and

(c) prior to the delivery of a Note Acceleration Notice only, to the Issuer by way of the Fifth Facility Fee (or pursuant to any back-to-back hedge agreement entered into between the Issuer and the Borrower), all scheduled amounts (other than principal exchange amounts on cross-currency swaps, termination payments, and final exchange payments on cross-currency swaps) due and payable to each Issuer Hedge Counterparty under any Issuer Hedging Agreement;

6. *sixth*, in or towards satisfaction, *pari passu* and *pro rata*, of:

(a) all amounts of principal and any Make-Whole Amount due and payable under any Class A Authorised Credit Facility (excluding any Liquidity Facility and any Hedging Agreement);

(b) all termination payments (excluding Subordinated Hedge Amounts), any payments due as a result of "*Optional Early Termination*" or "*Mandatory Early Termination*" (as defined in the 2006 ISDA Definitions or any replacement thereof), principal exchange amounts, final payments on cross-currency swaps, or other unscheduled sums due and payable to each Borrower Hedge Counterparty under any Borrower Hedging Agreement; and

(c) to the Issuer by way of the Sixth Facility Fee (or pursuant to any back-to-back hedge agreement entered into between the Issuer and the relevant Borrower(s)), all termination payments (excluding Subordinated Hedge Amounts), any payments due as a result of "*Optional Early Termination*" or "*Mandatory Early Termination*" (as defined in the 2006 ISDA Definitions or any replacement thereof), principal exchange amounts, final payments on cross-currency swaps, or other unscheduled sums due and payable to each Issuer Hedge Counterparty under any Issuer Hedging Agreement;

7. *seventh*, all amounts of interest, principal, Make-Whole Amount, fees, other remuneration, indemnity payments, costs, charges and expenses due and payable under any Class B Authorised Credit Facility;

8. *eighth*, in or towards satisfaction, *pari passu* and *pro rata*, of:

(a) Subordinated Liquidity Amounts due and payable by any Borrower under any Liquidity Facility Agreement;

(b) Subordinated Hedge Amounts due and payable under any Borrower Hedging Agreement;

(c) Subordinated Increased Costs Amounts payable by the Borrower or any other Obligor (in its capacity as a borrower) under any Liquidity Facility Agreement or any other Class A Authorised Credit Facility; and

(d) to the Issuer by way of the Seventh Facility Fee:

(i) Subordinated Liquidity Amounts due and payable by the Issuer under any Liquidity Facility Agreement;

(ii) Subordinated Hedge Amounts due and payable by the Issuer under any Issuer Hedging Agreement; and

(iii) Subordinated Increased Costs Amounts payable by the Issuer under any Liquidity Facility Agreement; and

9. *ninth*, subject to all payments and liabilities of a higher order of priority having been satisfied in full, the surplus (if any) together with any amounts standing to the credit of the Obligor Operating Accounts shall be available to each Obligor entitled thereto to deal with as it sees fit.

Topco

Prepayment of the Class B Authorised Credit Facilities—Topco Transaction Documents

If and to the extent the Borrower receives funds from any person or persons that have acquired (or intend to acquire) the Topco Secured Property pursuant to the Topco Payment Undertaking or any other Topco Transaction Document (including, as a result of the enforcement of the Topco Security following the occurrence of a Share Enforcement Event or otherwise) and the Borrower receives such funds for the express purpose of enabling the Borrower to prepay amounts outstanding under each Class B Authorised Credit Facility, then such specified funds shall be applied by the Borrower to repay or prepay *pro rata* and *pari passu* each Class B Authorised Credit Facility in accordance with the terms thereof (after all Liabilities of the Obligor Security Trustee and any Receiver in relation to the enforcement of the Topco Security have been discharged in full) and such funds shall not be applied in accordance with the Obligor Pre-Acceleration Priority of Payments or the Obligor Post-Acceleration Priority of Payments.

Modifications, consents and waivers—Topco Transaction Documents

If requested by Topco, the Obligor Security Trustee in its sole discretion may concur with Topco, in making any amendment to, give any consent under, or grant any waiver in respect of any breach or proposed breach of any Topco Transaction Document to which it is a party, if in the opinion of the Obligor Security Trustee it is required to correct any manifest error, or an error in respect of which an English court could reasonably be expected to make a rectification order, or it is of a formal, minor or administrative or technical nature or not materially prejudicial to the interests of the Topco Secured Creditors (where "**materially prejudicial**" means that such modification, consent or waiver would have a material adverse effect on the ability of Topco to pay any amounts of principal or interest or other amounts in respect of the Topco Secured Liabilities owed to the relevant Topco Secured Creditors on the relevant due date for payment thereof).

Save as described above, no proposed modification to be made, consent to be given or waiver to be granted in respect of any breach of any Topco Transaction Document (any such matter a "**Topco Proposal**") shall be made, given, or granted unless and until a resolution has been passed by the Topco Secured Creditors.

Topco Secured Liabilities

General

Subject to Entrenched Rights and Reserved Matters, only the relevant Topco Secured Creditors that are owed, or deemed to be owed, Topco Secured Liabilities may vote (through their Secured Creditor Representatives) in respect of a Topco Proposal.

Certification of amounts of Topco Secured Liabilities

Each Topco Secured Creditor (acting through its Secured Creditor Representative) must certify to the Obligor Security Trustee within five Business Days of the date on which either (a) the Topco Secured Creditors have been notified of a Topco Proposal, a Topco Demand Notice Instruction, a Topco Enforcement Instruction, a Topco Secured Creditor Instruction Notice or a Direction Notice or (b) the Obligor Security Trustee requests such certification, the Outstanding Principal Amount of any Topco Secured Liabilities held by such Topco Secured Creditor. If any Topco Secured Creditor fails to provide such certification through its Secured Creditor Representative within the time prescribed, then the Obligor Security Trustee will notify the Holdco Group Agent of such failure. The Holdco Group Agent must promptly inform the Obligor Security Trustee of the Outstanding Principal Amount of Topco Secured Liabilities of such Topco Secured Creditor and such notification will be binding on the relevant Topco Secured Creditors except in the case of manifest error and without liability to the Holdco Group Agent.

Tranching of Topco Secured Liabilities and Determination of Voting Topco Secured Liabilities for which the Issuer is a Creditor

Pursuant to the terms of the STID, the Issuer has appointed a number of Secured Creditor Representatives in respect of the component elements of the Issuer's Topco Secured Liabilities. The Topco Secured Liabilities forming the Class B Payment Amount (as defined in the Topco Payment Undertaking) will be divided into separate voting tranches comprising, a tranche for the holders of each Class or Sub-Class of Class B Notes equal to the aggregate Principal Amount Outstanding of each Class or Sub-Class of Class B Notes.

Voting of Class B Notes by Noteholders

The votes of the Class B Noteholders of each Class or Sub-Class of Class B Notes in respect of any Topco Proposal, Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice (other than a Topco Proposal which relates to an Entrenched Right as to which the Issuer is an Affected Obligor Secured Creditor) will be cast by the Class B Noteholders of such Class or Sub-Class (through the relevant Secured Creditor Representative) subject to and as required by the STID and the Class B Note Trust Deed in respect of a Class or Sub-Class of Class B Notes or Class and such Topco Proposal, Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice as follows:

(a) in an amount equal to the aggregate of the Principal Amount Outstanding of each Class B Note which voted in favour of the relevant Topco Proposal, Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice, in favour of such Topco Proposal, Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice both in respect of Quorum Requirements and the requisite majority; and

(b) in an amount equal to the aggregate of the Principal Amount Outstanding of each Class B Note which voted against the relevant Topco Proposal, Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice, against such Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice both in respect of Quorum Requirements and the requisite majority,

and such votes shall be treated as votes cast in the same amounts in respect of the corresponding outstanding principal amount under any Class B IBLA.

Voting of Class B Authorised Credit Facilities (other than PP Notes and any Class B IBLA) - Topco

If, in respect of any Class B Authorised Credit Facility (other than any PP Notes and any Class B IBLA) provided other than on a bilateral basis, the minimum quorum and voting majorities specified in the relevant Class B Authorised Credit Facility:

(a) are met, then all votes in respect of the relevant Authorised Credit Facility and any Topco Proposal, Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice (other than a Topco Proposal which relates to an Entrenched Right) will be cast either in favour or against such Topco Proposal, Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice (both in respect of Quorum Requirements and the requisite majority) in accordance with the voting provisions contained in that Class B Authorised Credit Facility; or

(b) are not met, then votes in respect of the relevant Class B Authorised Credit Facility and any Topco Proposal, Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice (other than a Topco Proposal which relates to an Entrenched Right) will be divided between votes cast in favour and votes cast against, on a pound for pound basis in respect of the Topco Secured Liabilities then owed to Participating Topco Secured Creditors that vote on such Topco Proposal, Topco Demand Notice Instruction, Topco Enforcement Instruction, Direction Notice or Topco Secured Creditor Instruction Notice (both in respect of Quorum Requirements and the requisite majority) within any applicable Decision Period. Votes cast in favour and votes cast against will then be aggregated by the Obligor Security Trustee with the votes cast for and against by the other Topco Secured Creditors.

Topco Secured Creditor Instructions

In respect of any matter which is not the subject of a Topco Proposal, Topco Demand Notice Instruction or a Topco Enforcement Instruction and except where expressly provided for otherwise in the STID, Topco Secured Creditors with at least 20 per cent. of the aggregate Outstanding Principal Amount of all Topco Secured Liabilities may instruct the Obligor Security Trustee (subject to providing the required indemnity pursuant to the STID) to exercise any of the rights granted to the Obligor Security Trustee under the Topco Transaction Documents (save in respect of the taking of Enforcement Action or the delivery of a Topco

Demand Notice Instruction or a Topco Enforcement Instruction) including to instruct the Obligor Security Trustee to send a Topco Enforcement Instruction.

Enforcement of the Topco Security

Notification of Relevant Event

If any Obligor, Topco, Obligor Secured Creditor or Topco Secured Creditor (other than the Obligor Security Trustee) becomes aware of the occurrence of any Relevant Event (as defined in the section entitled "*Description of Other Indebtedness—Topco Payment Undertaking*"), it shall forthwith notify the Obligor Security Trustee, the Issuer Security Trustee and the Holdco Group Agent in writing and the Obligor Security Trustee shall promptly thereafter notify the Secured Creditor Representatives of the Obligor Secured Creditors, the Issuer Secured Creditors and the Topco Secured Creditors.

Demand Notice

At any time at which the Obligor Security Trustee has actual notice of the occurrence of a Relevant Event (as defined in the section entitled " *Description of Other Indebtedness—Topco Payment Undertaking*"), it must promptly request by notice (which shall be copied to the Secured Creditor Representatives of the Obligor Secured Creditors) an instruction (a "**Topco Demand Notice Instruction**") from the Topco Secured Creditors (through their Secured Creditor Representatives) as to whether the Obligor Security Trustee should serve a demand notice (as defined in the section entitled " *Description of Other Indebtedness—Topco Payment Undertaking*") on Topco requiring Topco to pay on the date and to the account specified in the demand notice an amount equal to the aggregate Class B Payment Amounts (as defined in the section entitled " *Description of Other Indebtedness—Topco Payment Undertaking*"), determined as at the date of payment specified in the demand notice.

Instructions to enforce

If the Obligor Security Trustee receives actual notice from any Topco Secured Creditor of the failure by Topco to pay an amount equal to the aggregate Class B Payment Amounts (as defined in the section entitled " *Description of Other Indebtedness—Topco Payment Undertaking*"), in accordance with the Topco Payment Undertaking, the Obligor Security Trustee must promptly request by notice (which shall be copied to the Secured Creditor Representatives of the Obligor Secured Creditors) an instruction (a "**Topco Enforcement Instruction**") from the Topco Secured Creditors (through their Secured Creditor Representatives) as to whether and/or how the Obligor Security Trustee should enforce the Topco Security, on the terms and subject to conditions of the Topco Transaction Documents, provided that the Topco Security Enforcement Condition (as defined below) is satisfied.

When voting on a Topco Demand Notice Instruction or Topco Enforcement Instruction:

(a) there shall be no quorum requirement in respect of any vote for or against the resolution with respect to a Topco Demand Notice Instruction or Topco Enforcement Instruction;

(b) the Decision Period will be 20 Business Days from the date of delivery of the Topco Demand Notice Instruction or Topco Enforcement Instruction;

(c) the Obligor Security Trustee shall act on the directions of one or more Topco Secured Creditors representing, in aggregate, at least 30 per cent. of the aggregate outstanding principal amount of all Topco Secured Liabilities as at the date of delivery of a Topco Demand Notice Instruction or Topco Enforcement Instruction, as applicable; and

(d) as soon as the Obligor Security Trustee has received votes in favour of a resolution comprised in a Topco Demand Notice Instruction or Topco Enforcement Instruction, as applicable, pursuant to this paragraph entitled "*Enforcement of the Topco Security—When voting on a Topco Demand Notice Instruction or Topco Enforcement Instruction*" from the participating Topco Secured Creditors representing at least the relevant percentage referred to in paragraph (c) above of all Topco Secured Liabilities, no further votes will be counted by the Obligor Security Trustee or taken into account notwithstanding the fact that the Obligor Security Trustee has yet to receive votes from all Topco Secured Creditors (through their Secured Creditor Representatives) in respect of the relevant Topco Secured Liabilities.

Topco Security Enforcement Condition

The "**Topco Security Enforcement Condition**" shall be satisfied if in connection with the enforcement of the Topco Security:

(a) the Secured Creditor Representative of the relevant Topco Secured Creditors (excluding the Obligor Security Trustee in its capacity as such) provides the Obligor Security Trustee with a tax opinion from any reputable internationally recognised law or accounting firm or any other reputable internationally recognised independent expert which is engaged in providing tax opinions, that confirms that there would be no actual or contingent tax liability in the Holdco Group and/or the Issuer as a result of the enforcement of the Topco Security (the "**Tax Liability**") in an aggregate amount more than £10,000,000; or

(b) if the actual or contingent Tax Liability is anticipated to be more than £10,000,000 in aggregate, the Obligor Security Trustee is provided:

(i) with funds (whether from any prospective purchaser of any of the assets that are subject to the Topco Security, any of the Class B Noteholders or Authorised Credit Providers under any Class B Authorised Credit Facility or any other person) in an amount equal to the excess over £10,000,000 in respect of such Tax Liability; or

(ii) with such other collateral or support arrangement to mitigate such actual and/or contingent Tax Liability which is satisfactory to the Obligor Security Trustee (acting reasonably) in respect of the excess over £10,000,000.

Topco enforcement proceeds

Any proceeds of the enforcement of the Topco Security shall be applied (after all Liabilities of the Obligor Security Trustee and Receiver in relation to the enforcement of the Topco Security have been discharged in full) in or towards satisfaction of, *pro rata* and *pari passu*, (i) the repayment and/or prepayment, in full, of the Topco Secured Liabilities in accordance with the Topco Transaction Documents and such funds will not be applied in accordance with the Obligor Priorities of Payments.

Topco distressed disposals

If a disposal of Topco Secured Property is being effected following the enforcement of any Topco Security, the Obligor Security Trustee is irrevocably authorised (at the cost of Topco and without any consent, sanction, authority or further confirmation from any Topco Secured Creditor or Topco):

(a) to release:

(i) the assets subject to the disposal from the Topco Security and execute and deliver or enter into any release of those assets or claim and issue any letters of non-crystallisation of any floating charge or any consent to dealing that may, in the discretion of the Obligor Security Trustee, be considered necessary or desirable; and

(ii) Topco from all or any part of its Topco Secured Liabilities (including any liabilities arising by way of guarantee, indemnity, contribution or subrogation in relation thereto);

on behalf of the relevant Topco Secured Creditors; and

(b) to dispose of all or any part of the Topco Secured Liabilities, owed by Topco:

(i) if the Receiver and any transferee of such Topco Secured Liabilities (the "**Transferee**") have agreed that the Transferee should not be treated as a Topco Secured Creditor for the purposes of this Deed, to execute and deliver or enter into any agreement to dispose of all or part of such Topco Secured Liabilities **provided that** notwithstanding any other provision of any Topco Transaction Document or Junior Finance Document, the Transferee shall not be treated as a Topco Secured Creditor for the purposes of the STID; and

(ii) if the Receiver and any Transferee have agreed that the Transferee should be treated as a Topco Secured Creditor for the purposes of this Deed, to execute and deliver or enter into any agreement to dispose of all (and not part only) of the relevant Topco Secured Liabilities owed to the relevant Topco Secured Creditors.

Obligor Security Agreement

The Obligors (comprising the Borrower, Holdco and the other Obligors) and the Obligor Security Trustee entered into the Obligor Security Agreement on 6 May 2016. Under the Obligor Security Agreement the Obligors guarantee the obligations of each other Obligor in respect of the Obligor Secured Liabilities and each of the Obligors grant a security interest over all of their assets (subject to certain limited exceptions).

The Obligors comprise subsidiaries of Holdco (other than RACIL) at all times with an aggregate EBITDA of 90 per cent. of the consolidated EBITDA of the Holdco Group (other than RACIL). In addition, any member of the Holdco Group which represents 5 per cent. of the consolidated EBITDA of the Holdco Group, plus each of that subsidiary's holding companies that is a member of the Holdco Group, shall be required to become an Obligor.

Each Obligor covenants to pay as primary obligor all of Obligor Secured Liabilities.

Subject to certain acknowledged prior ranking security interests (described below), each Obligor grants the following security under the Obligor Security Agreement:

(a) a charge by way of first legal mortgage over:

(i) certain identified Real Property in England or Wales;

(ii) shares or membership units (as applicable) in any member of the Holdco Group belonging to it on the date the Obligor becomes party to the Obligor Security Agreement to take effect in equity pending delivery of a Loan Enforcement Notice;

(b) first fixed charges over:

(i) Real Property (to the extent not the subject to the legal mortgage referred to above);

(ii) its shares in any member of the Holdco Group (to the extent not subject to the legal mortgage referred to above);

(iii) each Designated Account and each Obligor Operating Account;

(iv) to the extent not effectively assigned as referred to below, the Hedging Agreements;

(v) any goodwill and rights in relation its uncalled capital;

(vi) the benefit of all consents and agreements held by it in connection with the use of any of its assets;

(vii) the Secured Intellectual Property; and

(viii) monetary claims.

(c) an assignment of rights in respect of the insurance policies and Hedging Agreements; and

(d) a first floating charge (being a "qualifying floating charge", for the purposes of paragraph 14 Schedule B1 of the Insolvency Act 1986)) over the whole of its undertaking and all of its property and assets whatsoever and wheresoever situated, present and future, other than any property or assets from time to time or for the time being effectively charged by way of legal mortgage, fixed charge or otherwise assigned as security referred to above.

Any entity, whether acquired or established by a member of the Holdco Group or an existing member of the Holdco Group, which at any time becomes an Obligor will be required to accede to the Obligor Security

Agreement as an Obligor and provide supplementary security and a guarantee of the Obligors' obligations under the Obligor Secured Liabilities.

The Obligor Security Trustee holds the benefit of the Obligor Security Agreement on trust for itself and each of the other Obligor Secured Creditors.

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

Borrower Account Bank Agreement

Pursuant to the Borrower Account Bank Agreement dated 6 May 2016 between the Borrower, the Obligor Security Trustee, the Cash Manager and the Borrower Account Bank, the Borrower Account Bank will maintain the Designated Accounts, all such accounts (other than the Maintenance Capex Reserve Account, which may be in the name of any Obligor) in the name of the Borrower, but subject to the control of the Obligor Security Trustee following the delivery of a Loan Enforcement Notice.

If the Borrower Account Bank ceases to be an Acceptable Bank then the Borrower will be required to arrange for the transfer of such accounts to an Acceptable Bank on terms acceptable to the Obligor Security Trustee.

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

DESCRIPTION OF THE SENIOR FINANCE DOCUMENTS

Class A IBLA

General

On 6 May 2016, the Issuer, the Borrower, the Issuer Security Trustee and the Obligor Security Trustee entered into an Initial Class A IBLA in respect of the £300 million Class A1 Notes and £600 million Class A2 Notes issued on that date. As at the date of this Base Prospectus, the Class A1 Notes and the Class A2 Notes remain outstanding.

The aggregate proceeds of the issuance by the Issuer of a Sub-Class of Class A Notes under the Programme will be on-lent to the Borrower under the related Class A IBLA. Each Class A IBLA Advance under a Class A IBLA (or each Class A IBLA Sub-Advance together making a single Class A IBLA Advance) will correspond to the principal amount of the related Sub-Class of Class A Notes such that the economic terms of each Class A IBLA Advance match the economic terms of the corresponding Sub-Class of Class A Notes. Provided that any future issuances of Class A Notes are fungible with an existing issuance of the Class A Notes, the Issuer will make available further facilities in an aggregate amount equal to the proceeds of each such issuance under the terms of the related Class A IBLA. Otherwise, a new Class A IBLA will be entered into for each new issuance by the Issuer of a Sub-Class of Class A Notes and the subsequent Class A IBLA Advance (or Class A IBLA Sub-Advances, as the case may be) to the Borrower, on substantially the same terms as the Initial Class A IBLA. The making of each Class A IBLA Advance will be subject to the satisfaction of the conditions precedent set out in the CTA.

Matching of obligations

As each Class A IBLA Advance is structured and tranched to match the tenor and interest rate of each Sub-Class of Class A Notes, the obligations of the Borrower in respect of the Class A IBLA Advances have characteristics that demonstrate capacity to produce funds to service any payments due and payable under each Sub-Class of the Class A Notes.

Class A IBLA Advances

All Class A IBLA Advances made or to be made by the Issuer under a Class A IBLA are or will be in amounts and at rates of interest corresponding to amounts and rates for the corresponding Sub-Class of Class A Notes set out in the relevant Final Terms or Drawdown Prospectus (after taking into account any applicable Issuer Hedging Agreements and/or Treasury Transactions entered into by the Issuer) and will have interest periods which match the Class A Note Interest Periods for the corresponding Sub-Class of Class A Notes but will have interest payment dates one Business Day prior to each Class A Note Interest Payment Date on the related Sub-Class. Interest on each Class A IBLA Advance made under the Initial Class A IBLA will accrue from the date of such Class A IBLA Advance.

Unless otherwise repaid, prepaid or otherwise discharged earlier, the Borrower shall repay each Class A IBLA Advance on the Final Maturity Date applicable to such Class A IBLA Advance.

If a Class A IBLA Advance is not repaid in full on its Final Maturity Date, on any Loan Interest Payment Date occurring after such Final Maturity Date whilst such Class A IBLA Advance is outstanding, cash standing to the credit of the Excess Cashflow Account and/or the Defeasance Account, as applicable, will be applied by the Borrower to mandatorily prepay the relevant Class A IBLA Advance, on the terms and subject to the conditions set out in the applicable Obligor Priorities of Payment and the CTA.

Prepayments

The Borrower is entitled to effect a voluntary prepayment of all or any part of any Class A IBLA Advance subject to the giving of the requisite period of notice and subject to the payment of an amount equal to the amount required by the Issuer to pay any Additional Class A Note Amounts payable by the Issuer on the redemption of the corresponding Sub-Class of Class A Notes together with any accrued but unpaid interest and Facility Fees thereon. If a Trigger Event is subsisting at the time when the Borrower wishes to effect a voluntary prepayment, such prepayment has to be applied as described in paragraph (c) under "*Summary of the Common Documents—Common Terms Agreement—Trigger Events—Trigger Event Consequences*".

In addition, the Borrower may (and in certain cases will be required to) repay a Class A IBLA Advance if the Issuer has the right to redeem the corresponding Sub-Class of Class A Notes for taxation reasons or illegality pursuant to Condition 7 (*Redemption, Purchase and Cancellation*). Such prepayment by the Borrower shall be in an amount equal to the Outstanding Principal Amount of such Class A IBLA Advance together with any accrued but unpaid interest and Facility Fees thereon, in each case to the date of such prepayment.

The Borrower may prepay each Class A IBLA Advance in an amount equal to the amount of any Disposal Proceeds required to be applied in prepayment of the Obligor Senior Secured Liabilities pursuant to paragraph (m) of the definition of Permitted Disposal to the extent such proceeds are applied in prepayment of the Initial Class A IBLA as provided for in "*Description of the Common Documents—Common Terms Agreement—Cash Management—Disposal Proceeds and Insurance Proceeds*" above.

The Borrower may prepay each Class A IBLA Advance in an amount up to the amount of any Equity Cure Amount which may be applied in prepayment of the Class A IBLAs pursuant to the Common Terms Agreement. See "*Summary of the Common Documents—Common Terms Agreement—Class A Loan Event of Default– Breach of a Class A Financial Covenant and Class A Equity Cure*" above.

Accordingly, it is possible that the Borrower may elect or may be required to prepay Class A IBLA Advances in whole or in part prior to the Final Maturity Date of such Class A IBLA Advance. In the event of a prepayment, the Borrower may be required to pay additional amounts to the Issuer to enable the Issuer to redeem the relevant Class A Notes including any Additional Class A Note Amounts.

However, in the circumstances permitted by "*Summary of the Common Documents—Common Terms Agreement—Cash Management—Defeasance Account*" above and the STID, the Borrower may elect to deposit moneys into the Defeasance Account instead of prepaying a Class A IBLA Advances.

See "*Summary of the Common Documents—Common Terms Agreement—Cash Management*".

Subject to the CTA and the STID, if a Trigger Event is subsisting (as evidenced by the Compliance Certificate delivered with the most recent Annual Financial Statements), then on the first Loan Interest Payment Date falling in each year, the Borrower shall repay or defease, as the case may be, Class A IBLA Advances in an amount equal to the relevant amount of Excess Cashflow for that year in respect of each such IBLA Advance as provided for in the STID.

If the Borrower purchases any of the Class A Notes in the market whether as a Defeased Cash Note Purchase or otherwise (the "**Purchased Class A Notes**"), immediately upon the completion of any such purchase either: (i) the amounts outstanding under the Purchased Class A Notes shall be set-off against the amounts outstanding under the relevant Class A IBLA Advance which corresponds to the Purchased Class A Notes and the amounts so set-off shall each be treated as having been paid or pre-paid on such date; or (ii) the amounts outstanding under the Purchased Class A Notes and the corresponding portion of the Class A IBLA shall be waived. In either case, the Borrower shall surrender the Purchased Class A Notes to the Issuer for cancellation immediately thereafter.

Borrower Indemnities

The Borrower undertakes to indemnify each of the Issuer, the Issuer Security Trustee and/or, as the case may be, the Obligor Security Trustee against, any claim, loss, cost, expense or liability (other than, in respect of the Issuer Security Trustee and the Obligor Security Trustee, any Excluded Tax) it may sustain or incur as a result of, amongst other things, (i) the occurrence of any CTA Event of Default in respect of the Borrower; (ii) its funding or making arrangements to fund a Class A IBLA Advance requested by the Borrower; (iii) the Issuer making a drawing under the Initial Liquidity Facility Agreement as a result of any shortfall in payments by the Borrower under the Class A IBLA; and/or (iv) any breach by the Borrower of its obligations under the Senior Finance Documents.

Fees

In consideration for the Issuer agreeing to make the advances available under the Class A IBLA(s), the Borrower agrees to pay to the Issuer the initial and ongoing facility fees set out in the Class A IBLA(s).

Prior to the Closing Date, the Borrower was required to pay on behalf of the Issuer by way of the up-front fee, any expenses of the Issuer reasonably incurred in connection with the initial issue of Class A Notes

including, *inter alia*, the upfront fees and expenses of the Class A Note Trustee, the Issuer Security Trustee, the Agents, the Issuer Cash Manager, the Issuer Account Bank, the Issuer Corporate Officer Provider, the Dealers, the Liquidity Facility Providers, the Rating Agency, the Issuer's legal advisers, accountants and auditors and any amounts payable to the Issuer Hedge Counterparties.

After the Closing Date, the Borrower is required to pay periodically a fee by way of the Facility Fee which shall meet the ongoing costs, losses and expenses of the Issuer in respect of amounts owed to, *inter alios*, the Class A Note Trustee, the Issuer Security Trustee (and any receiver appointed by the Issuer Security Trustee), the Class A Agents, the Issuer Cash Manager, the Issuer Account Bank, the Issuer Corporate Officer Provider, the Liquidity Facility Providers, the Rating Agency, the Issuer's legal advisers, accountants and auditors and any amounts payable to the Issuer Hedge Counterparties (in each case to the extent not covered by the up-front fee).

Secured obligations

The obligations of the Borrower under each Class A IBLA are or will be secured pursuant to the Obligor Security Agreement, and such obligations are or will be guaranteed by each other Obligor in favour of the Obligor Security Trustee, who will hold the benefit of such security and guarantees on trust for the Obligor Secured Creditors (including the Issuer) on the terms of the STID.

CTA Event of Default

The Issuer's obligations to repay principal and pay interest on the Class A Notes are intended to be met primarily from the payments of principal and interest received from the Borrower under the Class A IBLAs and payments received under any related Issuer Hedging Agreements. Failure of the Borrower to repay a Class A IBLA Advance under the Class A IBLA on the Final Maturity Date in respect of such Class A IBLA Advance (which corresponds to the Expected Maturity Date of the corresponding Sub-Class of Class A Notes) will be a CTA Event of Default, although it will not, of itself, constitute a Class A Note Event of Default. The Final Maturity Date under the Class A Notes corresponding to the relevant Class A IBLA Advance may fall a number of years after the Final Maturity Date of the corresponding Class A IBLA Advance. In the event that a Class A IBLA Advance is not repaid in full on the Final Maturity Date of such Class A IBLA Advance, such Class A IBLA Advance (and the corresponding Sub-Class of Class A Notes) will accrue interest at a different rate. If the Class A Notes are not redeemed in full by their Final Maturity Date, there will be a Class A Note Event of Default.

Withholding/deductions

The Borrower agrees to make all payments to the Issuer free and clear of any withholding on account of Tax unless it is required by law to do so – in such circumstances the Borrower will gross-up such payments.

Tax gross-up

In addition, under the terms of the Class A IBLA, the Obligors are required to pay additional amounts if a withholding or deduction for or on account of Tax is imposed on payments required to be made to the Issuer.

Subsequent Class A IBLAs

On or prior to any further Issue Date in which the Issuer issues Class A Notes, the proceeds of which are intended to be on-lent to the Borrower, which are not fungible with an existing Sub-Class of Class A Notes, then a new Class A IBLA will be entered into by the Issuer, the Borrower, the Issuer Security Trustee and the Obligor Security Trustee. Such new Class A IBLA will be entered into substantially on the same terms as set out above (each of these subsequent Class A IBLAs along with the Initial Class A IBLA will constitute the "**Class A IBLAs**" and each a "**Class A IBLA**").

Governing law

Each Class A IBLA and any non-contractual obligations arising out of or in connection with it will be governed by English law.

2020 Senior Term Facility

General

On 31 January 2020, the Borrower and the 2020 STF Arrangers, amongst others, entered into the Senior Term Facility Agreement of up to £300 million (the "**2020 Senior Term Facility Agreement**") to finance, refinance and replace amounts under the Initial STF Facility and related fees, costs, taxes, expenses thereto. The facility made available under the 2020 Senior Term Facility Agreement being the "**2020 Senior Term Facility**" or the "**2020 STF Facility**". As at the date of this Base Prospectus, £140.9 million remains outstanding under the 2020 STF Facility following partial prepayment.

Maturity

The 2020 STF Facility will mature on 31 January 2025 (the "**2020 STF Final Maturity Date**").

Margin and interest rate

The 2020 STF Facility is subject to a variable interest rate of SONIA plus a margin of 2.50 per cent. per annum. By way of a deed of amendment and restatement dated 25 October 2021, the 2020 STF Facility was amended from being a London Interbank Offered Rate ("**LIBOR**") linked instrument to one linked to SONIA.

Interest periods

The Borrower may select interest periods of three or six months for the 2020 STF Loan. A shorter interest period may be selected for the interest period in respect of a Utilisation made on the first Utilisation Date if necessary to implement any hedging in relation to the 2020 STF Facility which is entered into in accordance with the Hedging Policy. Where the Borrower provides notice to the 2020 STF Agent that it reasonably believes that further Class A Notes and/or Class B Notes will be issued or primary syndication of the 2020 STF Facility will close within three months of that notice, it may, in addition, select periods of one or two months or such other period as the Borrower and the 2020 STF Agent (acting on the instructions of all of the 2020 STF Lenders) may agree.

Representations, warranties, covenants and undertakings

The Obligors make representations and warranties, covenants and undertakings to (among others) the 2020 STF Arrangers, the 2020 STF Lenders and the 2020 STF Agent on the terms set out in the CTA (see "*Description of the Common Documents—Common Terms Agreement—Representations*" and "*Description of the Common Documents—Common Terms Agreement—Covenants*"), subject to certain amendments, exclusions, updates to, or additional, representations, warranties, covenants and undertakings in the 2020 STF Facility Agreement and as permitted under the CTA.

Mandatory Prepayment

The 2020 STF Facility (or amounts thereunder) shall be subject to cancellation and/or prepayment upon the occurrence of an Illegality Event and, at the option of the relevant 2020 STF Lender, if a change of control (as described below) occurs. For the purposes of this provision, "Illegality Event" shall mean an event such that it becomes unlawful in any applicable jurisdiction for an 2020 STF Lender to perform any of its obligations as contemplated by the 2020 STF Facility Agreement or to fund or maintain its participation in a 2020 STF Loan after the date of the 2020 STF Facility Agreement (or, if later, the date on which such 2020 STF Lender becomes Party to the 2020 STF Facility Agreement as a new STF Lender).

Unless a Qualifying Public Offering has occurred, each of:

(a) the Financial Year ended 31 December 2022; and
(b) the Financial Year ending 31 December 2023,

is a Bank Debt Sweep Period, and the Required Sweep Percentage in respect of (i) the Bank Debt Sweep Period referred to in paragraph (a) above shall be 25 per cent.; and (ii) the Bank Debt Sweep Period referred to in paragraph (b) above shall be 50 per cent. Unless a Qualifying Public Offering has occurred, the Borrower shall prepay the 2020 STF Loan(s) in an amount equal to the relevant amount of Excess Cashflow in respect of each such Bank Debt Sweep Period provided for in the STID.

Voluntary prepayments

The Borrower may, by giving not less than five Business Days' (or such shorter period as the 2020 STF Lenders holding, in aggregate, more than 66 2/3 per cent. of the total commitments under the 2020 STF Facility may agree) prior notice to the 2020 STF Agent, prepay the whole or any part of a STF Loan (but, if in part, being an amount that reduces the amount of the 2020 STF Loan by a minimum amount of £2,000,000) (or such lesser amount as may be outstanding or as may be agreed by the 2020 STF Agent.

Change of Control

In the event of a change of control of Holdco (where a change of control event occurs where parties other than certain identified sponsors gain control of Holdco, including by way of acquiring more than 50 per cent. of the issued share capital of Holdco), the Obligors shall (and Holdco shall procure that each other member of the Holdco Group will) promptly comply with the "know your customer" requirements as set out in the CTA.

If, as a result of the change of control, an 2020 STF Lender is not, in its opinion (acting reasonably and in good faith), able to remain as an 2020 STF Lender because it would cause such 2020 STF Lender to breach, not comply with or otherwise not be satisfied with any applicable "know your customer" or similar identification requirements or Sanctions requirements, such 2020 STF Lender may, following a period of thirty days after the date on which the change of control occurred in which such 2020 STF Lender used its best endeavours to satisfy the applicable requirements, notify the 2020 STF Agent that it wishes to cancel its commitments and declare its participation immediately due and payable. Following such notification, the 2020 STF Agent shall, by not less than 15 Business Days' and not more than 20 Business Days' notice to the Borrower, cancel the commitments of that 2020 STF Lender and declare the participation of that 2020 STF Lender in the outstanding 2020 STF Loans together with accrued interest and all other amounts accrued under the 2020 STF Finance Documents immediately due and payable, at which time the commitments of that 2020 STF Lender will be cancelled and all such outstanding amounts will become immediately due and payable.

Default interest

Prior to the 2020 STF Final Maturity Date, if the Borrower fails to pay any amount payable by it under an 2020 STF Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 1 per cent. per annum higher than the rate which would have been payable if that amount had been a loan under the 2020 STF Facility.

With effect from the 2020 STF Final Maturity Date, interest shall accrue on each unpaid sum up to the date of actual payment (both before and after judgment) at the Post-Final Maturity Date Default Rate. For the purposes of this provision, "Post-Final Maturity Date Default Rate" means 4.695 per cent. per annum.

Events of default

The CTA Events of Default will apply in respect of the 2020 STF Facility (see the section "*Description of the Common Documents—Common Terms Agreement—CTA Events of Default*").

The ability of the 2020 STF Lenders to accelerate any sums owing to them under the 2020 Senior Term Facility Agreement upon or following the occurrence of a CTA Event of Default is subject to the STID.

Fees

Certain fees, costs, taxes and expenses are payable in respect of the 2020 STF Facility, including certain arrangement and underwriting fees payable to the 2020 STF Arrangers and certain agency fees payable to the facility agent under the 2020 Senior Term Facility Agreement.

Governing Law

The 2020 Senior Term Facility Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

2021 Senior Term Facility

General

On 30 June 2021, the Borrower and the 2021 STF Arrangers, amongst others, entered into the senior term facilities agreement of up to £170 million in respect of facility A and up to £95 million in respect of facility B (the "**2021 Senior Term Facilities Agreement**") to finance, refinance and replace amounts under the £275,000,000 5.000 per cent. Class B1 notes issued by Issuer on 7 July 2017 and related fees, costs, taxes, expenses thereto. The facilities made available under the 2021 Senior Term Facilities Agreement being the "**2021 Senior Term Facilities**" or the "**2021 STF Facilities**".

Maturity

Facility A of the 2021 STF Facilities will mature on 30 June 2025, and Facility B of the 2021 STF Facilities will mature on 30 June 2028 (each a "**2021 STF Final Maturity Date**" as applicable).

Margin and interest rate

Facility A of the 2021 STF Facilities is subject to a variable interest rate of SONIA plus a margin of 1.80 per cent. per annum (subject to adjustment relative to a ratings grid). Facility B of the 2021 STF Facilities is subject to a variable interest rate of SONIA plus a margin of 2.50 per cent. per annum (subject to adjustment relative to a ratings grid).

Interest periods

The Borrower may select interest periods of three or six months for the 2021 STF Loans. A shorter interest period may be selected for the interest period in respect of a Utilisation made on the first Utilisation Date if necessary to implement any hedging in relation to the 2021 STF Facility which is entered into in accordance with the Hedging Policy. Where the Borrower provides notice to the 2021 STF Agent that it reasonably believes that further Class A Notes and/or Class B Notes will be issued or primary syndication of the 2021 STF Facilities will close within three months of that notice, it may, in addition, select periods of one or two months or such other period as the Borrower and the 2021 STF Agent (acting on the instructions of all of the 2021 STF Lenders) may agree.

Representations, warranties, covenants and undertakings

The Obligors make representations and warranties, covenants and undertakings to (among others) the 2021 STF Arrangers, the 2021 STF Lenders and the 2021 STF Agent on the terms set out in the CTA (see "*Description of the Common Documents—Common Terms Agreement—Representations*" and "*Description of the Common Documents—Common Terms Agreement—Covenants*"), subject to certain amendments, exclusions, updates to, or additional, representations, warranties, covenants and undertakings in the 2021 STF Facilities Agreement.

Mandatory Prepayment

The 2021 STF Facilities (or amounts thereunder) shall be subject to cancellation and/or prepayment upon the occurrence of an Illegality Event and, at the option of the relevant 2021 STF Lender, if a Change of Control (as defined below) occurs. For the purposes of this provision, "Illegality Event" shall mean an event such that it becomes unlawful in any applicable jurisdiction for an 2021 STF Lender to perform any of its obligations as contemplated by the 2021 STF Facility Agreement or to fund or maintain its participation in a 2021 STF Loan after the date of the 2021 STF Facilities Agreement (or, if later, the date on which such 2021 STF Lender becomes Party to the 2021 STF Facilities Agreement as a new 2021 STF Lender).

Voluntary prepayments

The Borrower may, by giving not less than five Business Days' (or such shorter period as the 2021 STF Lenders holding, in aggregate, more than 66 2/3 per cent. of the total commitments under the 2021 STF Facilities may agree) prior notice to the 2021 STF Agent, prepay the whole or any part of a 2021 STF Loan (but, if in part, being an amount that reduces the amount of the 2021 STF Loan by a minimum amount of £2,000,000) (or such lesser amount as may be outstanding or as may be agreed by the 2021 STF Agent.

Change of Control

In the event of a change of control of Holdco (where a change of control event occurs where parties other than certain identified sponsors gain control of Holdco, including by way of acquiring more than 50 per cent. of the issued share capital of Holdco), the Obligors shall (and Holdco shall procure that each other member of the Holdco Group will) promptly comply with the "know your customer" requirements as set out in the CTA.

If, as a result of the change of control, a 2021 STF Lender is not, in its opinion (acting reasonably and in good faith), able to remain as a 2021 STF Lender because it would cause such 2021 STF Lender to breach, not comply with or otherwise not be satisfied with any applicable "know your customer" or similar identification requirements or Sanctions requirements, such 2021 STF Lender may, following a period of thirty days after the date on which the change of control occurred in which such 2021 STF Lender used its best endeavours to satisfy the applicable requirements, notify the 2021 STF Agent that it wishes to cancel its commitments and declare its participation immediately due and payable. Following such notification, the 2021 STF Agent shall, by not less than 15 Business Days' and not more than 20 Business Days' notice to the Borrower, cancel the commitments of that 2021 STF Lender and declare the participation of that 2021 STF Lender in the outstanding 2021 STF Loans together with accrued interest and all other amounts accrued under the 2021 STF Finance Documents immediately due and payable, at which time the commitments of that 2021 STF Lender will be cancelled and all such outstanding amounts will become immediately due and payable.

Default interest

Prior to the applicable 2021 STF Final Maturity Date, if the Borrower fails to pay any amount payable by it under a 2021 STF Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 1 per cent. per annum higher than the rate which would have been payable if that amount had been a loan under the 2021 STF Facilities.

With effect from the 2021 STF Final Maturity Date, interest shall accrue on each unpaid sum up to the date of actual payment (both before and after judgment) at the Post-Final Maturity Date Default Rate. For the purposes of this provision, "Post-Final Maturity Date Default Rate" means 4.695 per cent. per annum.

Events of default

The CTA Events of Default will apply in respect of the 2021 STF Facilities (see the section "*Description of the Common Documents—Common Terms Agreement—CTA Events of Default*").

The ability of the 2021 STF Lenders to accelerate any sums owing to them under the 2021 Senior Term Facilities Agreement upon or following the occurrence of a CTA Event of Default is subject to the STID.

Fees

Certain fees, costs, taxes and expenses are payable in respect of the 2021 STF Facilities, including certain arrangement and underwriting fees payable to the 2021 STF Arrangers and certain agency fees payable to the facility agent under the 2021 Senior Term Facilities Agreement.

Governing Law

The 2021 Senior Term Facilities Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

2022 Senior Term Facility

General

On 15 September 2022, the Borrower and the 2022 STF Arrangers, amongst others, entered into the backstop senior term facility Agreement of up to £300,000,000 million (the "**2022 Senior Term Facility Agreement**") to finance, refinance and replace amounts under the Class A1 Notes and related fees, costs, taxes, expenses thereto. The facility made available under the 2022 Senior Term Facilities Agreement being the "**2022 Senior Term Facility**" or the "**2022 STF Facility**". The 2020 Senior Term Facility Agreement, the 2021 Senior Term Facilities Agreement and 2022 Senior Term Facility Agreement shall each constitute a "**Senior Term Facility Agreement**" and together the "**Senior Term Facility Agreements**". The 2020

STF Facility, the 2021 STF Facilities and 2022 STF Facility shall each constitute a "**Senior Term Facility**" and together the "**Senior Term Facilities**".

Maturity and Availability

As at the date of this Base Prospectus, the 2022 STF Facility is undrawn. The availability period of the 2022 STF Facility is limited to the period from and including the date falling one Month prior to the Expected Maturity Date of the Class A1 Notes (being 6 May 2023) to and including the date falling one week following the Expected Maturity Date of the Existing Class A1 Notes.

The available commitments under the 2022 STF Facility automatically cancel in full at the end of its availability period if undrawn.

The available commitments under the 2022 STF Facility will be automatically cancelled in an amount equal to the net proceeds received from any issuance of Class A Notes after 15 September 2022.

If drawn, 2022 STF Facility will mature on the date falling 12 months after the first utilisation of the 2022 STF Facility, subject to the extension mechanics described below (the "**2022 STF Final Maturity Date**").

Extension Options

If the 2022 STF Facility is drawn, then the Borrower may, by prior notice to the 2022 STF Agent, extend the 2022 STF Final Maturity Date by 6 months and, if so extended, by a further 6 months provided that no CTA Event of Default is continuing at the time of submitting the relevant extension notice.

Margin and interest rate

The 2022 STF Facility is subject to a variable interest rate of SONIA plus a margin determined in accordance with the grid set out below:

Period from utilisation of 2022 STF Facility	Margin (per cent. per annum)
0 – 3 months	1.50
3 – 6 months	1.75
6 – 9 months	2.05
9 – 12 months	2.45
12 – 15 months	2.85
15 – 18 months	3.25
18 – 21 months	3.75
21 – 24 months	4.25

Interest periods

The Borrower may select interest periods of three or six months for the 2022 STF Loan. A shorter interest period may be selected for the interest period in respect of a Utilisation made on the first Utilisation Date if necessary to implement any hedging in relation to the 2022 STF Facility which is entered into in accordance with the Hedging Policy. Where the Borrower provides notice to the STF Agent that it reasonably believes that further Class A Notes and/or Class B Notes will be issued or primary syndication of the 2022 STF Facility will close within three months of that notice, it may, in addition, select periods of one or two months or such other period as the Borrower and the STF Agent (acting on the instructions of all of the 2022 STF Lenders) may agree.

Representations, warranties, covenants and undertakings

The Obligors make representations and warranties, covenants and undertakings to (among others) the STF Arrangers, the STF Lenders and the STF Agent on the terms set out in the CTA (see "*Description of the Common Documents—Common Terms Agreement—Representations*" and "*Description of the Common Documents—Common Terms Agreement—Covenants*"), subject to certain amendments, exclusions, updates to, or additional, representations, warranties, covenants and undertakings in the 2022 STF Facility Agreement.

Mandatory Prepayment and cancellation

The 2022 STF Facility (or amounts thereunder) shall be subject to cancellation and/or prepayment upon the occurrence of an Illegality Event and, at the option of the relevant 2022 STF Lender, if a Change of Control (as described below) occurs. For the purposes of this provision, "Illegality Event" shall mean an event such that it becomes unlawful in any applicable jurisdiction for a 2022 STF Lender to perform any of its obligations as contemplated by the 2022 STF Facility Agreement or to fund or maintain its participation in the 2022 STF Loan after the date of the 2022 STF Facilities Agreement (or, if later, the date on which such 2022 STF Lender becomes Party to the 2022 STF Facilities Agreement as a new 2022 STF Lender).

As stated above, the 2022 STF Facility is subject to mandatory prepayment (or cancellation to the extent undrawn) in an amount equal to the net proceeds of any Class A Notes issued by the Issuer following the date of the 2022 STF Facility Agreement.

Voluntary prepayments

The Borrower may, by giving not less than five Business Days' (or such shorter period as the 2022 STF Lenders holding, in aggregate, more than 66 2/3 per cent. of the total commitments under the 2021 STF Facilities may agree) prior notice to the 2022 STF Agent, prepay the whole or any part of a 2022 STF Loan (but, if in part, being an amount that reduces the amount of the STF Loan by a minimum amount of £2,000,000) (or such lesser amount as may be outstanding or as may be agreed by the 2022 STF Agent.

Change of Control

In the event of a change of control of Holdco (where a change of control event occurs where parties other than certain identified sponsors gain control of Holdco, including by way of acquiring more than 50 per cent. of the issued share capital of Holdco), the Obligors shall (and Holdco shall procure that each other member of the Holdco Group will) promptly comply with the "know your customer" requirements as set out in the CTA.

If, as a result of the change of control, a 2022 STF Lender is not, in its opinion (acting reasonably and in good faith), able to remain as a 2022 STF Lender because it would cause such 2022 STF Lender to breach, not comply with or otherwise not be satisfied with any applicable "know your customer" or similar identification requirements or Sanctions requirements, such 2022 STF Lender may, following a period of thirty days after the date on which the change of control occurred in which such 2022 STF Lender used its best endeavours to satisfy the applicable requirements, notify the 2022 STF Agent that it wishes to cancel its commitments and declare its participation immediately due and payable. Following such notification, the 2022 STF Agent shall, by not less than 15 Business Days' and not more than 20 Business Days' notice to the Borrower, cancel the commitments of that 2022 STF Lender and declare the participation of that 2022 STF Lender in the outstanding 2022 STF Loans together with accrued interest and all other amounts accrued under the 2022 STF Finance Documents immediately due and payable, at which time the commitments of that 2022 STF Lender will be cancelled and all such outstanding amounts will become immediately due and payable.

Default interest

Prior to the 2022 STF Final Maturity Date, if the Borrower fails to pay any amount payable by it under an STF Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 1 per cent. per annum higher than the rate which would have been payable if that amount had been a loan under the 2022 STF Facility.

With effect from the 2022 STF Final Maturity Date, interest shall accrue on each unpaid sum up to the date of actual payment (both before and after judgment) at the Post-Final Maturity Date Default Rate. For the purposes of this provision, "Post-Final Maturity Date Default Rate" means 4.695 per cent. per annum.

Events of default

The CTA Events of Default will apply in respect of the 2022 STF Facility (see the section "*Description of the Common Documents—Common Terms Agreement—CTA Events of Default*").

The ability of the STF Lenders to accelerate any sums owing to them under the 2022 Senior Term Facility Agreement upon or following the occurrence of a CTA Event of Default is subject to the STID.

Fees

Certain fees, costs, taxes and expenses are payable in respect of the 2021 STF Facilities, including certain arrangement and underwriting fees payable to the STF Arrangers and certain agency fees payable to the facility agent under the 2022 Senior Term Facility Agreement.

Governing Law

The 2022 Senior Term Facility Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

Working Capital Facility

General

On 31 January 2020, the Borrower and the WCF Arrangers, amongst others, entered into a working capital facility agreement (the "**Working Capital Facility Agreement**"). A credit facility made available to the Borrower by the WCF Lenders under the Working Capital Facility Agreement comprises a revolving working capital facility of up to £50 million (the "**WC Facility**" or the "**Working Capital Facility**"). Subject to the terms of the Working Capital Facility Agreement and any document relating to or evidencing the terms of an ancillary facility, a WCF Lender may make available ancillary facilities to the Borrower in place of all or part of their unutilised commitment under the Working Capital Facility. The proceeds of the Working Capital Facility shall be applied to: (a) finance, refinance or replace amounts under the Initial Working Capital Facility Agreement, (b) working capital purposes and/or (c) payment of certain fees, costs, expenses, stamp, registration and other taxes.

Maturity

The WC Facility will mature on 31 January 2025 (the "**WCF Final Maturity Date**"). The WC Facility will be available from and including 31 January 2020 to and including the date falling one month before the WCF Final Maturity Date.

Margin and interest rate

The rate of interest payable on each loan drawn under the Working Capital Facility is the aggregate of the applicable margin of 2.50 per cent. per annum plus SONIA. By way of a deed of amendment and restatement dated 25 October 2021, the Working Capital Facility was amended from being a LIBOR linked instrument to one linked to SONIA.

Interest periods

The Borrower may select interest periods of one, three or six months. Where the Borrower provides notice to the WCF Agent that it reasonably believes that further Class A Notes and/or Class B Notes will be issued or primary syndication of the WC Facility will close within three months of that notice, it may, in addition, select periods of one or two months or such other periods as the Borrower and the WCF Agent (acting on the instructions of all the WCF Lenders) may agree.

Representations, warranties, covenants and undertakings

The Obligors have made and will make representations and warranties, covenants and undertakings to (among others) the WCF Arrangers, the WCF Lenders and the WCF Agent on the terms set out in the CTA (See "*Description of the Common Documents—Common Terms Agreement—Representations*" and "*Description of the Common Documents—Common Terms Agreement—Covenants*"), subject to certain amendments, exclusions, updates to, or additional, representations, warranties, covenants and undertakings in the Working Capital Facility Agreement.

Mandatory prepayment

The Working Capital Facility (or amounts thereunder) shall be subject to cancellation and/or prepayment upon the occurrence of an Illegality Event (as defined above), or in respect of Disposal Proceeds, Excess Cashflow and Equity Cure Amounts in accordance with the provisions of the CTA (see "*Description of the Common Documents—Common Terms Agreement—Cash Management—Mandatory Prepayment from*

Disposal Proceeds" and "*Description of the Common Documents—Common Terms Agreement—Financial Covenants and Equity Cure*") and the STID (see "*Description of the Common Documents—Security Trust and Intercreditor Deed—Obligor Pre-acceleration Priority of Payments—Part B Excess Cashflow*").

Any amount of Excess Cashflow, Equity Cure Amount or Disposal Proceeds and any amount referred to in "*Description of the Common Documents—Common Terms Agreement—Financial Covenants and Equity Cure*" that is required to be applied in permanent prepayment of the WC Facility pursuant to the CTA or the STID shall be applied:

first, in prepayment of WCF Loans on a *pro rata* basis (and cancellation of corresponding commitments under the WC Facility);

second, in prepayment of the outstanding amounts due under any ancillary facility (and cancellation of corresponding commitments under that ancillary facility) on a *pro rata* basis (and cancellation of corresponding commitments under the WC Facility); and

to the extent that the amount to be prepaid exceeds the WCF Loans and outstanding amounts due under ancillary facilities at that time, the prepayment shall be effected by cancelling unutilised commitments under the WC Facility by an amount equal to the amount to be prepaid.

Voluntary Prepayment

The Borrower may, by giving not fewer than three Business Days prior notice to the WCF Agent, prepay the whole or any part of any the WC Facility Loan in a minimum amount of £2,000,000 (or such lesser amount as may be outstanding or as may be agreed by the WCF Agent (acting on the instructions of the WCF Lenders holding, in aggregate, commitments under the WCF Facility or more than 66 and 2/3 of the total commitments under the WC Facility)) (or such lesser amount as may be outstanding or such other amount as may be agreed by the WCF Agent).

Change of Control

In the event of a change of control of Holdco (where a change of control event occurs where parties other than certain identified sponsors gain control of Holdco, including by way of acquiring more than 50 per cent. of the issued share capital of Holdco), the Obligors shall (and Holdco shall procure that each other member of the Holdco Group will) promptly comply with the "know your customer" requirements as set out in the CTA.

If, as a result of the change of control, an WCF Lender is not, in its opinion (acting reasonably and in good faith), able to remain as an WCF Lender because it would cause such WCF Lender to breach, not comply with or otherwise not be satisfied with any applicable "know your customer" or similar identification requirements or Sanctions requirements, such WCF Lender may, following a period of thirty days after the date on which the change of control occurred in which such WCF Lender used its best endeavours to satisfy the applicable requirements, notify the WCF Agent that it wishes to cancel its commitments and declare its participation immediately due and payable. Following such notification, the WCF Agent shall, by not less than 15 Business Days' and not more than 20 Business Days' notice to the Borrower, cancel the commitments of that WCF Lender and declare the participation of that WCF Lender in the outstanding WCF Loans together with accrued interest and all other amounts accrued under the WCF Finance Documents immediately due and payable, at which time the commitments of that WCF Lender will be cancelled and all such outstanding amounts will become immediately due and payable.

Default interest

Prior to the WCF Final Maturity Date, if the Borrower fails to pay any amount payable by it under a WCF Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 1 per cent. per annum higher than the rate which would have been payable if that amount had been a loan under the WC Facility.

With effect from the WCF Final Maturity Date, interest shall accrue on each unpaid sum up to the date of actual payment (both before and after judgment) at the Post-Final Maturity Date Default Rate. For the purposes of this provision, "Post-Final Maturity Date Default Rate" means 4.695 per cent. per annum.

Events of default

The CTA Events of Default under the CTA will apply under the Working Capital Facility Agreement (see the section "*Description of the Common Documents—Common Terms Agreement—CTA Events of Default*").

The ability of the WCF Lenders to accelerate any sums owing to them under the Working Capital Facility Agreement upon or following the occurrence of a CTA Event of Default is subject to the STID.

Clean down

The Borrower is required to ensure that the aggregate amount of all the WCF Loans, any overdraft or cash loan element outstanding in respect of the ancillary facilities and any cash loans covered by a letter of credit or guarantee issued under an ancillary facility less any amount of Cash or Cash Equivalent Investments of the Holdco Group (other than any amount standing to the credit of a Designated Account) that is freely available to the Borrower for the purpose of discharging such indebtedness shall be reduced to zero for a period of not less than three successive Business Days in the period between the date of the first utilisation of the WC Facility and the financial year ending 31 December 2020 and in each subsequent financial year ending after the date of the first utilisation of the WC Facility. Not fewer than three months shall elapse between the end of one such clean down period and the beginning of the next.

Fees

The Borrower shall pay (or procure payment) to the WCF Agent (for the account of each WCF Lender) a commitment fee computed at the rate of 40 per cent. of the margin in respect of the Working Capital Facility per annum on the undrawn available commitments in respect of the Working Capital Facility. The accrued commitment fee will be payable on the last day of each successive three month period during the availability period of the Working Capital Facility, on the last day of the availability period of the Working Capital Facility and on the cancelled amount of the relevant WCF Lender's commitment in respect of the Working Capital Facility at the time the cancellation is effective.

Certain fees, costs, taxes and expenses will be payable in respect of the Working Capital Facility, including certain arrangement and underwriting fees payable to the WCF Arrangers and certain agency fees payable to the facility agent under the Working Capital Facility Agreement.

Governing law

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

Additional Authorised Credit Facilities

The Borrower is permitted to incur Financial Indebtedness under Authorised Credit Facilities with an Authorised Credit Provider subject to any applicable financial covenants and the terms of the CTA and the STID. Each Authorised Credit Provider will be party to the CTA and the STID.

DESCRIPTION OF THE CREDIT AND LIQUIDITY SUPPORT DOCUMENTS

Initial Liquidity Facility Agreement

On 6 May 2016, the Issuer and the Borrower entered into the Initial Liquidity Facility Agreement with, among others, the Liquidity Facility Providers, the Liquidity Facility Agent, the Cash Manager, the Issuer Security Trustee and the Obligor Security Trustee, pursuant to which the Liquidity Facility Providers will agree to make the Liquidity Facility available to meet certain Liquidity Shortfalls. The Initial Liquidity Facility Agreement was amended and restated on 30 April 2021.

Under the terms of the Initial Liquidity Facility Agreement, the Liquidity Facility Providers have provided a 364-day commitment in an aggregate amount equal to £90 million to permit drawings to be made (i) by the Issuer to enable the Issuer to service scheduled instalments of payments of principal (if any amortising debt exists), interest and fees payable in respect of the Class A Notes (but not any final payment on any Final Maturity Date and any Additional Class A Note Amounts) and certain payments under the Issuer Hedging Agreements (excluding any termination payments and all other unscheduled amounts payable to any Issuer Hedge Counterparty) together with other senior expenses of the Issuer, in the event of there being insufficient cash flow received from the Borrower under the Class A IBLA and (ii) by the Borrower to enable it to service scheduled instalments of payments of principal (if any amortising debt exists), interest and fees payable in respect of the Senior Term Facilities, certain payments under the Borrower Hedging Agreements (excluding any termination payments and all other unscheduled amounts payable to any Borrower Hedge Counterparty) and any Class A Authorised Credit Facility (other than any final payment on any Final Maturity Date and any Class A IBLA and any principal outstanding under a Working Capital Facility) together with certain other senior expenses of the Borrower.

The Initial Liquidity Facility Agreement provides that not more than 60 days or fewer than 30 days before the end of the term (as extended from time to time), the Issuer or the Borrower may request each Liquidity Facility Provider to extend the term for a further 364 days. If not renewed or replaced by any Liquidity Facility Provider, the Borrower and Issuer will have the right to term out on a standby basis for the remaining term of the Class A Notes in respect of each Liquidity Facility Provider who does not renew or is not replaced. There will not be an obligation on the Liquidity Facility Provider to extend the facility.

The Initial Liquidity Facility Agreement provides that the amounts drawn by the Issuer and the Borrower (as applicable) and repaid to the Liquidity Facility Providers may be redrawn.

Each Liquidity Facility Provider must be a bank or financial institution having a credit rating of at least BBB+ from S&P or such lower rating **provided that** such lower rating does not negatively affect the then current rating of the Class A Notes (the "**Requisite Rating**").

Interest will accrue on any drawing made under the Liquidity Facility in respect of (i) any Liquidity Drawing, at a rate equal to 2.25 per cent. per annum subject to a step up of 0.50 per cent. per annum every six months on drawn amounts, and (ii) any Standby Drawing, at a rate equal to 2.25 per cent. per annum (provided that, unless otherwise agreed with the relevant Liquidity Facility Providers, from 6 May 2026, the rate will be subject to a step up of 0.50 per cent. per annum every six months on drawn amounts). Step up amounts are subordinated and a failure to pay the step up amount will not amount to an event of default under the Initial Liquidity Facility Agreement unless and until the Issuer or the Borrower (as the case may be) has sufficient amounts available to it to pay the unpaid step-up amounts on any scheduled interest payment date and the Issuer/Borrower (as the case may be) does not make such payment.

In the event that there are four consecutive annual renewals of the Liquidity Facility by a Liquidity Facility Provider, unless the Liquidity Facility Provider has agreed to renew its commitment for a further period, there will be a Standby Drawing of the entire available commitment of the relevant Liquidity Facility Provider.

The Initial Liquidity Facility Agreement and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with English law.

Borrower Hedging Agreements

The Borrower may enter into various interest rate and currency swap transactions with the Borrower Hedge Counterparties in conformity with the Hedging Policy (see "*Description of the Common Documents—Common Terms Agreement—Hedging Policy*").

Issuer Hedging Agreements

The Issuer may enter into various interest rate and currency swap transactions with the Issuer Hedge Counterparties in conformity with the Hedging Policy (see "*Description of the Common Documents—Common Terms Agreement—Hedging Policy*"). The Issuer does not currently have any hedging transactions in place.

DESCRIPTION OF THE ISSUER TRANSACTION DOCUMENTS

Class A Note Trust Deed

General

On 6 May 2016, the Issuer and the Class A Note Trustee entered into the Class A Note Trust Deed pursuant to which the Class A Notes are constituted, as supplemented by a supplemental trust deed dated on or around the date of this Base Prospectus. The Class A Note Trust Deed includes the form of the Class A Notes and contain a covenant from the Issuer to the Class A Notes Trustee to pay all amounts due under the Class A Notes. The Class A Note Trustee will hold the benefit of that covenant on trust for itself and the Class A Noteholders, the Class A Receiptholders and the Class A Couponholders in accordance with their respective interests.

Enforcement

Notwithstanding the provisions of any other Issuer Class A Transaction Document, the Issuer Security shall only become enforceable upon the delivery of an Issuer Security Enforcement Notice in accordance with the Issuer Deed of Charge. Only the Class A Note Trustee may enforce the provisions of the Class A Notes or the Class A Note Trust Deed and no Class A Noteholder, Class A Receiptholder or Class A Couponholder shall be entitled to proceed directly against the Issuer unless the Class A Note Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

Waiver of a Class A Note Event of Default

The Class A Note Trustee may, without the consent or sanction of the Class A Noteholders, the Class A Receiptholders, the Class A Couponholders or any other Issuer Secured Creditor at any time (but only if and so far as in its opinion the interests of the Class A Noteholders shall not be materially prejudiced thereby (where "**materially prejudiced**" means that such waiver, authorisation or determination would have a material adverse effect on the ability of the Issuer to pay any amounts of principal or interest in respect of the Class A Notes on the relevant due date for payment thereof)) determine that any event which would otherwise constitute a Class A Note Event of Default or Potential Class A Note Event of Default shall not be treated as such for the purposes of the Class A Note Trust Deed **provided that** the Class A Note Trustee shall not exercise such powers in contravention of any express direction given by Class A Extraordinary Resolution of the Class A Noteholders or of a request in writing made by Class A Noteholders of not less than 25 per cent. in aggregate of the principal amount of the Class A Notes then outstanding, but no such direction or request shall affect any waiver or authorisation previously given or made or so as to authorise or waive any such proposed breach or breach relating to any Class A Basic Terms Modification and **provided further that**, to the extent that such event, matter or thing relates to an Issuer Secured Creditor Entrenched Right, each of the Affected Issuer Secured Creditors has given its prior written consent to the Issuer Security Trustee in accordance with the Issuer Deed of Charge or, where any Class A Noteholders are Affected Issuer Secured Creditors, the holders of each Sub-Class of the Class A Notes affected thereby have sanctioned such event, matter or thing in accordance with the Class A Note Trust Deed.

Modification

The Class A Note Trustee may without the consent or sanction of the Class A Noteholders, Class A Receiptholders or Class A Couponholders and without the consent of the other Issuer Secured Creditors (other than any Issuer Secured Creditor which is party to the relevant documents), at any time and from time to time concur with the Issuer and any other person, or direct the Issuer Security Trustee to concur with the Issuer or any other person, in making any modification (other than, in the case of paragraph (a) below, a Class A Basic Terms Modification) to the Class A Note Trust Deed, the Class A Conditions, the Class A Notes, the Class A Receipts, the Class A Coupons and/or the other Issuer Class A Transaction Documents and/or the Issuer Common Documents or other document to which it is party or in respect of which it holds security, **provided that** the Class A Note Trustee is of the opinion that such modification:

(a) will not be materially prejudicial (where "**materially prejudicial**" means that such modification would have a material adverse effect on the ability of the Issuer to pay any amounts of principal or interest in respect of the Class A Notes on the relevant due date for payment thereof); or

(b) is of a formal, minor administrative or technical nature, or required to correct a manifest error or an error in respect of which an English court would reasonably be expected to make a rectification order,

provided further that if any such modification relates to an Issuer Secured Creditor Entrenched Right (other than a Class A Basic Terms Modification), each of the Affected Issuer Secured Creditors has consented to the relevant event, matter or thing in accordance with the Issuer Deed of Charge or, where any Class A Noteholders are Affected Issuer Secured Creditors, the holders of the Sub-Class of Class A Notes affected thereby have sanctioned the relevant modification in accordance with the Class A Note Trust Deed.

The Class A Note Trust Deed provides that in connection with the exercise by it of any of its rights, trusts, powers, authorities or discretions under the Class A Note Trust Deed (including, without limitation, any modification, waiver, authorisation, determination or substitution) or any other Issuer Class A Transaction Document the Class A Note Trustee shall have regard to the general interests of the Class A Noteholders of each Sub-Class as a class (but shall not have regard to any interests arising from circumstances particular to individual Class A Noteholders, Class A Receiptholders or Class A Couponholders whatever their number).

The Class A Note Trustee will be authorised by each Class A Noteholder, to execute and deliver on its behalf all documentation required to implement, or direct the Issuer Security Trustee to implement any waivers, authorisation, modifications or consents which have been granted by the Class A Note Trustee in respect of the Class A Note Trust Deed, the Class A Conditions, the Class A Notes, the Class A Receipts, the Class A Coupons and/or any Issuer Class A Transaction Document or any Issuer Common Document (other than a Class A Basic Terms Modification) or other document to which it is a party or in respect of which the Issuer Security Trustee holds security. Such execution and delivery shall bind each Class A Noteholder as if such documentation had been duly executed by it.

The Class A Note Trustee will be empowered by the terms of the Class A Note Trust Deed to make appropriate amendments to the Issuer Class A Transaction Documents and/or the Issuer Common Documents (including instructing the Issuer Security Trustee in respect of the Issuer Common Documents) to give effect to the appointment by the Issuer of an additional rating agency to provide a rating in respect of the Class A Notes.

Action, proceedings and indemnification

The Class A Note Trustee shall not be bound to take any actions, proceedings, or steps in relation to the Class A Notes, the Class A Receipts, the Class A Coupons, any other Issuer Class A Transaction Document, any Common Document, any Issuer Common Document or the Class A Note Trust Deed unless respectively directed or requested to do so (i) by a Class A Extraordinary Resolution or (ii) in writing by the Class A Noteholders together holding or representing at least 25 per cent. or more of the aggregate Principal Amount Outstanding of the Class A Notes, and in either case only if it shall be indemnified and/or secured and/or prefunded to its satisfaction against Liabilities to which it may thereby render itself liable or which it may incur by doing so.

Subject to the Issuer Deed of Charge, only the Class A Note Trustee may enforce the provisions of the Class A Note Trust Deed, the other Issuer Class A Transaction Documents or any Issuer Common Document to which it is party.

Issuer representations

The Issuer will make representations (subject to detailed carve-outs, exceptions and qualifications set forth in the Class A Note Trust Deed) in the Class A Note Trust Deed as at the date of the Class A Note Trust Deed and at each Issue Date, including as to:

(a) its corporate status, power and authority and certain other legal matters;

(b) the enforceability of the Issuer Class A Transaction Documents and the Issuer Common Documents;

(c) the legality and validity of the Class A Notes;

(d) non-conflict with the documents binding on it, its constitutional documents, licences and laws;

(e) no existing Class A Note Event of Default or Potential Class A Note Event of Default;

(f) consents, licences, authorisations and approvals are obtained and complied with;

(g) no current litigation relating to the Issuer or relating to the assets of the Issuer;

(h) no Security Interest on any of its present or future revenues or assets other than pursuant to the Issuer Deed of Charge;

(i) no winding up or insolvency event in relation to it; and

(j) the legality, validity, enforceability and binding nature of the Issuer Security.

Issuer covenants

The covenants given by the Issuer in the Class A Note Trust Deed (subject to detailed carve-outs, exceptions and qualifications) include the following:

(a) maintain at all times at least one independent director who is not otherwise affiliated with the Holdco Group or the Sponsors;

(b) conduct its business in accordance with its obligations under the Class A Note Trust Deed;

(c) so far as permitted by applicable law and subject to any binding confidentiality restrictions give the Class A Note Trustee such documents needed to discharge or exercise its powers under the Class A Note Trust Deed or by operation of law;

(d) ensure compliance with legal and accounting requirements as set forth by the relevant Stock Exchange;

(e) keep proper books of account and allow the Class A Note Trustee free access to such books of account;

(f) at all times maintain separate books, records and accounts;

(g) not commingle its assets with the assets of any other entities;

(h) use its own stationery, invoice and cheques;

(i) not grant, create or permit to subsist any Security Interests (unless by operation of law) over its assets other than pursuant to the Issuer Class A Transaction Documents or the Issuer Common Documents (other than as permitted in accordance with their terms, including in relation to any Refinancing Escrow Accounts);

(j) not to have any subsidiaries or any employees or premises;

(k) not to acquire any leasehold, freehold or heritable property;

(l) not dispose of assets save as permitted by the Issuer Class A Transaction Documents or the Issuer Common Documents;

(m) not merge or legally consolidate save as permitted by the Issuer Class A Transaction Documents or the Issuer Common Documents;

(n) not to incur any financial indebtedness save as permitted by the Issuer Transaction Documents entered into from time to time;

(o) not to pay any dividend or make any distributions to its shareholders save as permitted by the Issuer Class A Transaction Documents or the Issuer Common Documents;

(p) subject to the Reservations not to permit any of the Issuer Class A Transaction Documents to become invalid;

(q) execute and perform such acts necessary in order for the Class A Note Trustee to discharge its functions under the Class A Note Trust Deed;

(r) procure the Class A Principal Paying Agent and the Class A Registrar notify the Class A Note Trustee in the event they do not receive payment of the full amount due in respect of the Class A Notes, Class A Receipts or Class A Coupons as the case may be;

(s) if the relevant Final Terms or Drawdown Prospectus indicate that the Class A Notes are to be listed on a relevant Stock Exchange, maintain the quotation or listing on the relevant Stock Exchange of those Class A Notes;

(t) send to the Class A Note Trustee the form of every notice to be given to the Class A Noteholders and obtain its approval, prior to the date on which any such notice is to be given;

(u) notify the Class A Note Trustee if payments by the Issuer become subject to withholding;

(v) deliver to the Class A Note Trustee a certificate setting out the total number and aggregate nominal amount of the Class A Notes which up to and including the date of such certificate have been purchased by the Issuer, the Borrower, or any other member of the Holdco Group and cancelled;

(w) give notice to the Class A Note Trustee of any proposed redemption of the Class A Notes;

(x) minimise Taxes and any other costs arising in connection with its payment obligations in respect of the Class A Notes;

(y) maintain its registered office and its centre of main interest in the UK; and

(z) give notice to the Class A Note Trustee of the occurrence of any Class A Note Event of Default or Potential Class A Note Event of Default.

Issuer Deed of Charge

General

The Issuer entered into the Issuer Deed of Charge with the Issuer Security Trustee, the Class A Note Trustee for itself and on behalf of the Class A Noteholders, the Liquidity Facility Providers, the Liquidity Facility Agent, the Issuer Account Bank, the Class A Registrar, the Class A Principal Paying Agent, the Class A Agent Bank, the Issuer Cash Manager, the Issuer Corporate Officer Provider, the Class A Transfer Agent, the Class A Exchange Agent, any receiver and any other creditor of the Issuer which accedes to the Issuer Deed of Charge (together the "**Issuer Secured Creditors**").

Issuer Security

Pursuant to the Issuer Deed of Charge, the Issuer has secured its obligations to the Issuer Secured Creditors by granting the following security (the "**Issuer Security**"):

(a) an assignment by the Issuer by way of first fixed security of its right title and interest and benefit, present and future, into and under the Issuer Charged Documents;

(b) a first fixed charge over the Issuer Accounts and any other bank account in which the Issuer may at any time acquire any rights (other than any Refinancing Escrow Account) and all interest paid or payable in relation to those amounts and all debts represented by those amounts;

(c) a first fixed charge of all its rights in respect of each Cash Equivalent Investment of the Issuer and all interest, moneys and proceeds paid or payable in relation to the Cash Equivalent Investments;

(d) a first floating charge over the whole of the Issuer's assets (including, without limitation, its uncalled capital) other than any assets at any time otherwise effectively charged or assigned by way of fixed charge or assignment under the Issuer Deed of Charge; and

(e) a first fixed charge of all of its rights in respect of the benefit of all authorisations held in connection with its use of any Issuer Secured Property (as defined below) and compensation payable to the Issuer in respect of those authorisations.

The Issuer Security is held on trust by the Issuer Security Trustee for itself and on behalf of the Issuer Secured Creditors in accordance with, and subject to the Issuer Deed of Charge.

Restrictions on the exercise of rights

The Issuer Deed of Charge contains certain restrictions on the Issuer Secured Creditors on the exercise of their rights. These include that, each of the Issuer Secured Creditors (other than, in the case of item (c) below, each Note Trustee and the Issuer Security Trustee) agrees with the Issuer and the Issuer Security Trustee that (a) only the Issuer Security Trustee may enforce the Issuer Security in accordance with the terms of the Issuer Deed of Charge; (b) it will not take any steps or proceedings to procure the winding up, administration or liquidation of the Issuer; and (c) it will not take any other steps or action against the Issuer or in relation to the Issuer Secured Property for the purpose of recovering any of the secured liabilities or enforcing any rights arising out of the Issuer Transaction Documents against the Issuer or take any other proceedings in respect of or concerning the Issuer or the Issuer Secured Property.

Furthermore, each of the Issuer Secured Creditors agrees that all obligations of the Issuer and Holdco to each Issuer Secured Creditor are limited in recourse to the property, assets, rights and undertakings of the Issuer that are subject to the Security Interests created in or pursuant to the Issuer Deed of Charge (the "**Issuer Secured Property**") if:

(a) there is no Issuer Secured Property remaining which is capable of being realised or otherwise converted into cash;

(b) all amounts available from the Issuer Secured Property have been applied to meet or provide for the relevant obligations in accordance with the provisions of the Issuer Deed of Charge; and

(c) there are insufficient amounts available from the Issuer Secured Property to pay in full the secured liabilities,

then the Issuer Secured Creditors shall have no further claim against the Issuer in respect of any amounts owing to them which remain unpaid and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be deemed to cease.

Priority of payments upon acceleration

Except in certain specified circumstances, the Issuer Cash Manager (or any substitute cash manager appointed by the Issuer Security Trustee to act on its behalf) shall (to the extent that such funds are available) apply all moneys received or recovered by the Issuer Security Trustee (or any Receiver appointed hereunder) following the service of a Note Acceleration Notice, other than amounts standing to the credit of the Issuer Liquidity Facility Standby Accounts (which are to be paid directly and only to the relevant Liquidity Facility Provider in accordance with the relevant Liquidity Facility Agreement), in accordance with the following Issuer priority of payments (the "**Issuer Post-Acceleration Priority of Payments**") including in each case any amount of or in respect of VAT payable thereon:

(a) *first*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts due and payable in respect of:

  (i) the fees and other remuneration and indemnity payments (if any) payable to the Issuer Security Trustee, Class A Note Trustee and any Class B Note Trustee and other appointees (if any), other than a Receiver appointed under paragraph (a)(ii) below, appointed by any of them under the Issuer Deed of Charge, the Class A Note Trust Deed and any Class B Note Trust Deed respectively and any costs, charges, liabilities and expenses (including interest on any of the foregoing) incurred by any of the Issuer Security Trustee, Class A Note Trustee and any Class B Note Trustee under the Issuer Deed of Charge, the Class A Note Trust Deed and any Class B Note Trust Deed respectively and any other amounts payable (other than amounts payable under the Class A Notes or the Class B Notes) to the Issuer Security Trustee, Class A Note Trustee and any Class B Note Trustee under the Issuer Deed of Charge, the Class A Note Trust Deed and any Class B Note Trust Deed respectively, together with interest thereon as provided for therein; and

  (ii) the fees and other remuneration and indemnity payments (if any) payable to the Receiver under any Issuer Transaction Document and any costs, charges, liabilities and expenses

incurred by the Receiver under the Issuer Deed of Charge, together with interest accrued thereon as provided for therein;

(b) *second*, in or towards satisfaction, pari passu and pro rata, of all amounts due and payable by the Issuer in respect of:

(i) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Issuer Corporate Officer Provider incurred under the Issuer Corporate Officer Agreement;

(ii) the fees, other remuneration, indemnity payments, costs, charges, liabilities and expenses of the Agents incurred under the Agency Agreements;

(iii) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Issuer Account Bank incurred under the Issuer Account Bank Agreement; and

(iv) the fees, other remuneration, indemnity payments, costs, charges, liabilities and expenses of the Issuer Cash Manager incurred under the Issuer Cash Management Agreement;

(c) *third*, in or towards satisfaction of payment of all amounts of interest, principal, fees, other remuneration, indemnity payments, costs, charges and expenses of each Liquidity Facility Provider and the Liquidity Facility Agent due and payable by the Issuer to each such Liquidity Facility Provider and the Liquidity Facility Agent under the Liquidity Facility Agreement (other than any Subordinated Liquidity Amounts and any Subordinated Increased Costs Amounts payable by the Issuer to a Liquidity Facility Provider);

(d) *fourth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts of interest due and payable under the Class A Notes;

(e) *fifth*, in or towards satisfaction, *pari passu* and *pro rata*, of:

(i) all amounts of principal and any Additional Class A Note Amounts due and payable under the Class A Notes; and

(ii) all termination payments (excluding Subordinated Hedge Amounts), any payments due as a result of "**Optional Early Termination**" or "**Mandatory Early Termination**" (as defined in the 2006 ISDA Definitions or any replacement thereof), principal exchange amounts, final payments on cross-currency swaps or other unscheduled sums due and payable to each Issuer Hedge Counterparty under any Issuer Hedging Agreement;

(f) *sixth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts of interest, principal and any Additional Class B Note Amounts due and payable under the Class B Notes, if any;

(g) *seventh*, in or towards satisfaction, *pari passu* and *pro rata* of:

(i) all Subordinated Liquidity Amounts due and payable by the Issuer under the Liquidity Facility Agreement;

(ii) Subordinated Hedge Amounts due and payable under any Issuer Hedging Agreement; and

(iii) all Subordinated Increased Costs Amounts payable by the Issuer under any Liquidity Facility Agreement; and

(h) *eighth*, after retaining the Issuer Profit Amount (with any UK corporation tax due and payable to HM Revenue & Customs in respect of the Issuer Profit Amount to be paid out of the Issuer Profit Amount), any remaining amount to the Borrower by way of rebate of the Facility Fees pursuant to the terms of the IBLAs or to any other party entitled thereto.

Enforcement of the Issuer Security

The Issuer Security Trustee will be bound to enforce the Issuer Security by delivering an Issuer Security Enforcement Notice to the Issuer and/or, in the case of the Issuer Share Security, a Voting Control Notice and take enforcement steps in relation to the Issuer Security, if directed to do so by the Qualifying Issuer Senior Creditors holding at least 25 per cent. of the aggregate Qualifying Issuer Senior Debt then

outstanding (including, in the case of the Class A Notes, the Class A Note Trustee acting on the directions of the holders of the Class A Notes), **subject to** the Issuer Security Trustee being indemnified and/or secured and/or prefunded to its satisfaction in relation to any liability.

With immediate effect from the time when the Issuer Security Trustee gives an Issuer Security Enforcement Notice to the Issuer, the whole of the Issuer Security shall become enforceable.

Certain consequential amendments, consents and waivers in respect of the Class A Transaction Documents and the Issuer Common Documents

Any consequential amendments, consents or waivers required to be made or granted pursuant to any Issuer Transaction Document (i) in connection with the issue of any Notes, (ii) in connection with the entry into any Authorised Credit Facility, (iii) in connection with the issue of any Class B Notes (for so long as any other Sub-Class of Class B Notes is not, or will not be, outstanding on the effective date of any amendments), to give effect to any amendments to the provisions of the Issuer Deed of Charge relating to the enforcement of the Issuer Security by the Class B Noteholders at a time when the Class B Noteholders constitute the Qualifying Issuer Creditors (and any definitions related thereto), (iv) to give effect to any increase of the minimum rating requirements in any Issuer Class A Transaction Document or Issuer Common Document where the Rating Agency is to upgrade the Rating of the Class A Notes to a rating which is higher than BBB- (sf), shall not constitute a Class A Voting Matter or require the consent of any Issuer Secured Creditor (that would be an Affected Issuer Secured Creditor, were it not for this limitation) or Qualifying Issuer Senior Creditor, **provided that** the provisions of the Issuer Class A Transaction Documents and Issuer Common Documents and the relevant conditions precedent set out in any Issuer Class A Transaction Document and/or Issuer Common Document to give effect to the issue of any Notes are satisfied and **provided further** that the Holdco Group Agent certifies in writing to the Issuer Security Trustee that the requirements set out in paragraph (j) of Class A Condition 14 (*Passing of resolutions by Class A Noteholders, Modification, Waiver and Substitution*) are met.

To the extent that a consequential amendment, consent or waiver is proposed to be effected in accordance with the Issuer Deed of Charge to the Class A Note Trust Deed, the Class A Agency Agreement or any other Issuer Transaction Document to which the Class A Note Trustee (but not the Issuer Security Trustee) is a party, the provisions described in the paragraph above shall apply *mutatis mutandis* to such amendment consent or waiver as if all references to the Issuer Security Trustee were to the Class A Note Trustee. The Class A Note Trustee shall, at the cost of the Issuer, execute and deliver any deed, documents or notices as may be required and which are provided to the Class A Note Trustee in order to give effect to such consequential amendments, consents or waivers and is hereby authorised by each other Issuer Secured Creditor to execute and deliver on its behalf all documentation required to implement any modification of the terms of any waiver or consent granted by the Class A Note Trustee and such execution and delivery by the Class A Note Trustee shall bind each Issuer Secured Creditor as if such documentation had been duly executed by it.

See paragraph (j) of Class A Condition 14 (*Passing of resolutions by Class A Noteholders, Modification, Waiver and Substitution*) for a detailed description.

Specific amendments, consents and waivers without consent

Any consequential amendments, consents or waivers required to be made or granted pursuant to any Issuer Transaction Document (i) for the purpose of complying with any change in the criteria of the Rating Agencies which may be applicable from time to time, (ii) in order to enable the Issuer and/or Hedge Counterparty to comply with EMIR, (iii) for the purposes of enabling the Class A Notes to be (or to remain) listed on the Stock Exchange, or (iv) for the purposes of enabling the Issuer or any of the other parties to the Issuer Transaction Documents to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), the new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU in the field of Taxation (as the same may be amended from time to time) or any other legislation or voluntary agreement implementing the Common Reporting Standard released by the Organisation for Economic Co-operation and Development in July 2014 (as the same may be amended from time to time), shall not constitute a Class A Voting Matter or require the consent of any Issuer Secured Creditor (that would be an Affected Issuer Secured Creditor, were it not for this limitation) or Qualifying Issuer Senior Creditor, **provided that** the Holdco Group Agent certifies in writing to the Issuer Security Trustee that at least 30 days' prior notice is given to the Issuer Security Trustee and the Class A Note Trustee and **provided further** that the Class A Noteholders forming part of the then

Qualifying Issuer Senior Creditors representing at least 25 per cent. of the Outstanding Principal Amount of the Qualifying Issuer Senior Debt have not objected within 30 days of the receipt by the Issuer Security Trustee and the Class A Note Trustee of the notice of such proposed modification.

To the extent that a consequential amendment, consent or waiver is proposed to be effected in accordance with the paragraph above to the Class A Note Trust Deed, the Class A Agency Agreement or any other Issuer Transaction Document to which the Class A Note Trustee (but not the Issuer Security Trustee) is a party, the provisions described in the paragraph above shall apply *mutatis mutandis* to such amendment consent or waiver as if all references to the Issuer Security Trustee were to the Class A Note Trustee. The Class A Note Trustee shall, at the cost of the Issuer, execute and deliver any deed, documents or notices as may be required and which are provided to the Class A Note Trustee in order to give effect to such consequential amendments, consents or waivers and is hereby authorised by each other Issuer Secured Creditor to execute and deliver on its behalf all documentation required to implement any modification of the terms of any waiver or consent granted by the Class A Note Trustee and such execution and delivery by the Class A Note Trustee shall bind each Issuer Secured Creditor as if such documentation had been duly executed by it.

See paragraph (k) of Class A Condition 14 (*Passing of resolutions by Class A Noteholders, Modification, Waiver and Substitution*) for a detailed description.

Modification, Authorisation, Waiver and Consent – Issuer Common Documents

Subject to the Issuer Secured Creditor Entrenched Rights, the Issuer Security Trustee shall concur with the Issuer or any other person in making any modification to any Issuer Common Document or giving any authorisation, waiver or consent to breach of, or matter or thing related to, any Issuer Common Document only if so directed in writing by:

(a) if there are Class A Notes outstanding, the Class A Note Trustee in accordance with the Class A Note Trust Deed or on the direction of a Class A Ordinary Resolution; or

(b) if there are no Class A Notes outstanding and to the extent Class B Notes are issued, any Class B Note Trustee in accordance with any Class B Note Trust Deed or on the direction of a Class B Ordinary Resolution.

Any modification, authorisation, waiver, consent or approval provided by the Issuer Security Trustee in accordance with the paragraph above will be binding on all of the Issuer Secured Creditors and all other parties to the Issuer Deed of Charge and each Party shall be bound to give effect to it.

Modification, Waiver and Consent – Class B Conditions

Subject to the satisfaction of certain conditions, the Class B Noteholders can make amendments, modifications or waivers to the Class B Conditions without obtaining the approval of the Class A Noteholders.

Class B Call Option

If a Class B Call Option Trigger Event set out in paragraph (a) of the definition thereof occurs:

(a) any one or more of the Class B Noteholders or any Class B Authorised Credit Providers, as applicable, shall be entitled, pursuant to the Class B Call Option, to purchase all (but not some only) of (x) the Sub-Class of Class A Notes which have not been paid on their Expected Maturity Date at a price equal to the aggregate Principal Amount Outstanding of such Sub-Class of Class A Notes together with accrued but unpaid interest thereon and (y) any Class A Authorised Credit Facility (other than a Class A IBLA) which has not been paid on its Final Maturity Date, in each case within the Class B Call Option Period and at a price equal to the Class B Call Option Purchase Price (as defined below) subject to the terms set out below; **provided that**, in the case of (y) above, each Class B Noteholder or Class B Authorised Credit Provider, as applicable, that wishes to exercise its right to purchase any Class A Authorised Credit Facility certifies to the borrower under the relevant Class A Authorised Credit Facility and the Obligor Security Trustee at the time of the exercise of the Class B Call Option that it is not, and, following exercise of the Class B Call Option, will not be, connected with the borrower under the relevant Class A Authorised Credit Facility for the purposes of Section 363 of the Corporation Tax Act 2009; and

(b) the relevant Class B Noteholder(s) or Class B Authorised Credit Provider(s), as applicable, may:

(i) surrender such Class A Notes to the Issuer for cancellation (and a corresponding amount of the Class A IBLA Advances made under the relevant Class A IBLA attributable to the relevant Sub-Class of Class A Note will be treated as prepaid) (or enter into an alternative arrangement which achieves the same commercial objective) and surrender and cancel any amount outstanding under any purchased Class A Authorised Credit Facility (or enter into an alternative arrangement which achieves the same commercial objective); **provided that** in each case, the relevant Class B Noteholder(s) or Class B Authorised Credit Provider(s), as applicable, shall provide a tax opinion from reputable tax counsel addressed to (x) the Issuer, the Class A Note Trustee, the Issuer Security Trustee, the Borrower and the Obligor Security Trustee in the case of the surrender of the Class A Notes and the deemed prepayment of the corresponding Class A IBLA and (y) the borrower under the relevant Class A Authorised Credit Facility and the Obligor Security Trustee, in the case of any cancellation of amounts outstanding under any Class A Authorised Credit Facility, to confirm that the surrender and cancellation of the Class A Notes, the Class A IBLA and/or the relevant Class A Authorised Credit Facility or the entry into any alternative arrangements to achieve the same commercial objective, as the case may be, will not result in any adverse tax consequences for the Issuer, the Borrower or borrower under the relevant Class A Authorised Credit Facility, as applicable; or

(ii) purchase all (but not some only) of any other Sub-Class of Class A Notes then outstanding within the Class B Call Option Period and at a price equal to the Class B Call Option Purchase Price in respect of any Sub-Class A Notes:

(A) if the relevant Sub-Class of Class A Notes is specified in the Final Terms or Drawdown Prospectus as a Fixed Rate Class A Note denominated in Sterling, at a price equal to the Redemption Amount of such Class A Notes as determined in accordance with Class A Condition 7(c) or as otherwise specified in the relevant Final Terms or Drawdown Prospectus, as the case may be;

(B) if the relevant Sub-Class of Class A Notes is specified in the Final Terms or Drawdown Prospectus as a Fixed Rate Class A Note denominated in Euro, U.S. dollar or any other currency (other than Sterling), at a price equal to the Redemption Amount of such Class A Notes as determined in accordance with Class A Condition 7(c) or as otherwise specified in the relevant Final Terms or Drawdown Prospectus, as the case may be; and

(C) if the relevant Sub-Class of Class A Notes is specified in the Final Terms or Drawdown Prospectus as a Floating Rate Class A Note, at a price equal to the Redemption Amount of such Class A Notes as determined in accordance with Class A Condition 7(c) or as otherwise specified in the relevant Final Terms or Drawdown Prospectus, as the case may be.

If a Class B Call Option Trigger Event set out in paragraph (b) of the definition thereof occurs, any one or more Class B Noteholders or Class B Authorised Credit Providers, as applicable, shall be entitled, pursuant to the Class B Call Option, to purchase all (but not some only) of (x) the Class A Notes then outstanding at a price equal to the aggregate Principal Amount Outstanding of the Class A Notes together with accrued but unpaid interest thereon and (y) each Class A Authorised Credit Facility (other than a Class A IBLA) which is then outstanding, in each case, within the Class B Call Option Period and at a price equal to the Outstanding Principal Amount of such Class A Authorised Credit Facility together with accrued but unpaid interest thereon, subject to the terms set out below **provided that**, in the case of (y) above, each Class B Noteholder or the Class B Authorised Credit Provider, as applicable, that wishes to exercise its right to purchase any Class A Authorised Credit Facility certifies to the borrower under the relevant Class A Authorised Credit Facility and the Obligor Security Trustee at the time of the exercise of the Class B Call Option that it is not, and, following exercise of the Class B Call Option, will not be, connected with the borrower under the relevant Class A Authorised Credit Facility for the purposes of Section 363 of the Corporation Tax Act 2009.

Within one Business Day of the occurrence of a Class B Call Option Trigger Event, the Issuer must publish (or cause the Class B Principal Paying Agent to publish) a notice (a "**Class B Call Option Notice**") to the

Class B Noteholders or Class B Authorised Credit Providers, as applicable, in accordance with the relevant Class B Conditions and on a regulatory information service (with a copy to the Class A Note Trustee and the Class B Note Trustee) detailing (A) the occurrence of the relevant Class B Call Option Trigger Event; (B) the right of the Class B Noteholders or the Class B Authorised Credit Providers, as applicable, to exercise the Class B Call Option in accordance with the terms of the Class A Conditions, the Class B Conditions, the STID and the Issuer Deed of Charge; and (C) contact information for the Issuer and information as to the procedures for how the Class B Noteholders or the Class B Authorised Credit Providers, as applicable, can, if they wish to exercise the Class B Call Option, do so (including, without limitation, procedures which must be complied with for the valid exercise of such option and appropriate instructions to be given to the Clearing Systems or otherwise as regards settlement).

Within one Business Day of the end of the Class B Call Option Period, the Issuer shall notify (or cause to be notified) the Class A Note Trustee, the Class A Noteholders, the Class B Note Trustee, the Obligor Security Trustee, the Class B Noteholders or Class B Authorised Credit Providers, as applicable, and each Principal Paying Agent whether or not any Class B Noteholder or the Class B Authorised Credit Providers, as applicable, has exercised its right to purchase the Class A Notes and any Class A Authorised Credit Facility. If any such Class B Noteholder or Class B Authorised Credit Provider, as applicable, or Class B Noteholders or Class B Authorised Credit Providers, as applicable, has or have elected to purchase the Class A Notes and any Class A Authorised Credit Facility then such notice must specify (A) the date of settlement (which must be no earlier than five Business Days and not later than 10 Business Days after the notice has been given); and (B) the amount of the Class B Call Option Purchase Price to be paid on the settlement date.

Where more than one Class B Noteholder or Class B Authorised Credit Provider, as applicable, notifies the Issuer that it wishes to exercise the Class B Call Option, then each Class B Noteholder or Class B Authorised Credit Provider, as applicable, shall:

(a) have the right to buy a proportionate principal amount of the Sub-Class of Class A Notes and a proportionate principal amount of the Class A Authorised Credit Facility relative to the principal amount of Class B Notes held by it when compared to the aggregate principal amount of Class B Notes held by Class B Noteholders or Class B Authorised Credit Providers, as applicable, providing such notification; and

(b) be obliged to pay the relevant proportion of the relevant purchase price to, or for the account of, the Class A Noteholders or the Class A Authorised Credit Providers, as the case may be.

Payment must be made (i) in respect of any purchase of Class A Notes, to the Class A Noteholders in freely transferable funds to their account maintained with the Clearing Systems unless otherwise agreed by the Class A Noteholders and (ii) in respect of any purchase of a Class A Authorised Credit Facility, to the Facility Agent in respect of such Class A Authorised Credit Facility in freely transferable funds unless otherwise agreed with the relevant Class A Authorised Credit Provider. Payment of the purchase price by all relevant Class B Noteholders or Class B Authorised Credit Providers, as applicable, will be a condition precedent to the obligation of any Class A Noteholders and Class A Authorised Credit Providers to transfer, or consent to the transfer, of the Class A Notes or the Class A Authorised Credit Facility held by them. For the avoidance of doubt, payment by the Class B Noteholders or Class B Authorised Credit Providers, as applicable, to the Class A Noteholders and/or the Facility Agent in respect of any Class A Authorised Credit Facility will not be made through the Class A Principal Paying Agent.

"**Class B Call Option Period**" means a 30-day period commencing on the date on which the Issuer publishes (or, where applicable, causes the Class B Principal Paying Agent to publish) a notice of the occurrence of a Class B Call Option Trigger Event to the Class B Noteholders in accordance with the Class B Conditions and the Holdco Group Agent notifies the Class B Authorised Credit Providers (other than the Issuer) of the occurrence of a Class B Call Option Trigger Event (whichever is the later).

"**Class B Call Option Trigger Event**" means any of the following events:

(a) prior to the delivery of a Class A Note Acceleration Notice, or a Loan Acceleration Notice, either (i) the occurrence of an Expected Maturity Date with respect to any Sub-Class of Class A Notes outstanding at any time and such Sub-Class of Class A Notes is not redeemed in full on its Expected Maturity Date or (ii) the occurrence of the Final Maturity Date with respect to any Class A

Authorised Credit Facility and such Class A Authorised Credit Facility is not repaid in full on its Final Maturity Date; or

(b) the delivery of a Class A Note Acceleration Notice to the Issuer or the delivery of a Loan Acceleration Notice to the Borrower.

Directions, Duties and Liabilities

The Issuer Security Trustee will not be liable or responsible for any liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of the Issuer Deed of Charge, except that nothing will in any case in which the Issuer Security Trustee has failed to show the degree of care and diligence required of it as security trustee having regard to the provisions of the Issuer Deed of Charge and the other Issuer Transaction Documents or Common Documents conferring on it any rights, trusts, powers, authorities or discretions exempt the Issuer Security Trustee from or indemnify it against any liability for any fraud, gross negligence or wilful default of which it or any of its employees may be guilty in relation to its duties under the Issuer Deed of Charge.

The Issuer Deed of Charge and any non-contractual obligations arising out of or in connection with it are governed by and constructed in accordance with English Law.

Issuer Corporate Officer Agreement

Wilmington Trust SP Services (London) Limited, which was appointed, on 6 May 2016 (in such capacity, the "**Issuer Corporate Officer Provider**"), as corporate officer provider to the Issuer pursuant to a corporate officer agreement (the "**Issuer Corporate Officer Agreement**"), is a limited liability company incorporated in England and Wales (acting through its office at Third Floor, 1 King's Arms Yard, London, EC2R 7AF, UK) and provides an independent director to the Issuer subject to and in accordance with the Issuer Corporate Officer Agreement.

The Issuer Corporate Officer Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

Class A Agency Agreement

Pursuant to the Class A Agency Agreement entered into on 6 May 2016 between the Issuer, the Class A Principal Paying Agent, the Class A Agent Bank, the Class A U.S. Paying Agent, the Class A Transfer Agent, the Class A Exchange Agent, the Class A Registrar and the Class A Note Trustee, provision is made for, amongst other things, payment of principal and interest in respect of the Class A Notes.

The Issuer may revoke the appointment of the Class A Principal Paying Agent with the prior written approval of the Class A Note Trustee and upon not less than 45 days' prior written notice to the Class A Principal Paying Agent. The appointment of the Class A Principal Paying Agent will terminate immediately if the Class A Principal Paying Agent becomes incapable of performing its obligations or upon the occurrence of certain insolvency-related events. In addition, the Class A Principal Paying Agent may resign from its role under the Class A Agency Agreement upon not less than 90 days' prior written notice to the Issuer and the Class A Note Trustee. The termination of the appointment of the Class A Principal Paying Agent (whether by the Issuer or by resignation) shall not be effective unless upon the expiry of the relevant notice there is a successor in place.

The Class A Agency Agreement and any non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with English law.

Issuer Cash Management Agreement

General

The Issuer has appointed RAC Group Limited as the Issuer Cash Manager pursuant to the Issuer Cash Management Agreement dated 6 May 2016. Pursuant to the Issuer Cash Management Agreement, the Issuer Cash Manager undertakes certain cash administration functions on behalf of the Issuer.

Cash management functions

As part of its duties under the Issuer Cash Management Agreement, the Issuer Cash Manager will, *inter alia*, (a) operate the Issuer Accounts and effect payments to and from the Issuer Accounts in accordance with the provisions of the relevant Issuer Transaction Documents **provided that** such moneys are at the relevant time available to the Issuer, (b) invest funds not immediately required by the Issuer in Cash Equivalent Investments in accordance with the provisions of the Issuer Cash Management Agreement, and (c) make determinations and perform certain obligations on behalf of the Issuer as set out in, and in accordance with, the provisions of the Initial Liquidity Facility Agreement including directing the Issuer to make drawings (or making drawings on behalf of the Issuer) under the Initial Liquidity Facility Agreement.

Liquidity facility

Allowing sufficient time to deliver any relevant drawdown notice under the Initial Liquidity Facility Agreement, the Issuer Cash Manager shall determine the amount of any anticipated Issuer Liquidity Shortfall on the relevant Class A Note Interest Payment Date after taking into account the balance standing to the credit of the Issuer Debt Service Reserve Account which will be available to the Issuer on the next Class A Note Interest Payment Date. Any amounts standing to the credit of the Issuer Debt Service Reserve Account (if any) will be applied to decrease the amount which would otherwise constitute an Issuer Liquidity Shortfall by applying such amount towards payment of items 1 to 6 (inclusive) of the Issuer Pre-Acceleration Priority of Payments (excluding any final payment on any Final Maturity Date and any termination payments and all other unscheduled amounts payable to any Issuer Hedge Counterparty and any Additional Class A Note Amounts). The Issuer, or the Issuer Cash Manager on its behalf, will issue a notice of drawing to the facility agent under the Initial Liquidity Facility Agreement to cover any such liquidity shortfall.

Pre-Acceleration Priority of Payments

Prior to the delivery of a Note Acceleration Notice by a Note Trustee in accordance with Class A Condition 10(b) (*Delivery of Class A Note Acceleration Notice*), amounts standing to the credit of the Issuer Transaction Accounts (subject to certain exceptions), will be applied by the Issuer Cash Manager (on behalf of the Issuer) in accordance with the following Issuer priority of payments (the "**Issuer Pre-Acceleration Priority of Payments**"):

1. *First*, in or towards satisfaction, *pari passu* and *pro rata*, of the amounts due and payable by the Issuer in respect of the fees, other remuneration, indemnity payments, costs, charges, liabilities and expenses of the Issuer Security Trustee and each Note Trustee (including any Appointee) under any Issuer Transaction Document.

2. *Second*, in or towards satisfaction, *pari passu* and *pro rata*, of the amounts due and payable by the Issuer in respect of:

    (a) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Issuer Corporate Officer Provider incurred under the Issuer Corporate Officer Agreement;

    (b) the fees, other remuneration, indemnity payments, costs, charges, liabilities and expenses of the Agents incurred under any Agency Agreement;

    (c) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Issuer Account Bank incurred under the Issuer Account Bank Agreement;

    (d) the fees, other remuneration, indemnity payments, costs, charges and expenses of the Issuer Cash Manager incurred under the Issuer Cash Management Agreement; and

    (e) the fees, other remuneration, costs, charges, liabilities and expenses of the Rating Agency.

3. *Third*, in or towards satisfaction, *pari passu* and *pro rata* of:

(a) the amounts due and payable by the Issuer to any third party creditors of the Issuer (other than those creditors otherwise specifically provided for in this priority of payments), or to become due and payable to any third party creditors of the Issuer (other than those creditors otherwise specifically provided for in this priority of payments) prior to the next Note Interest Payment Date, which amounts have been incurred without breach by the Issuer of the Issuer Transaction Documents to which it is a party (and for which payment has not been provided elsewhere in this priority of payments);

(b) the amounts due and payable by the Issuer in respect of the fees, other remuneration, indemnity payments, costs, charges and expenses of the stock exchange where the Class A Notes are listed (or any other listing authority) and the listing agent;

(c) an amount equal to the Issuer Profit Amount (with any UK corporation tax in respect of the Issuer Profit Amount to be paid out of the Issuer Profit Amount); and

(d) the amounts due and payable in respect of tax for which the Issuer is liable under the laws of any jurisdiction (other than corporation tax due and payable to HM Revenue & Customs in respect of the Issuer Profit Amount, which shall be met out of the Issuer Profit Amount).

4. *Fourth*, in or towards the satisfaction, *pari passu* and *pro rata*, of the amounts due and payable by the Issuer in respect of all amounts of interest, principal, fees, other remuneration, indemnity payments, costs, charges and expenses of each Liquidity Facility Provider and the Liquidity Facility Agent due and payable by the Issuer to each such Liquidity Facility Provider and the Liquidity Facility Agent under any Liquidity Facility Agreement (other than any Subordinated Liquidity Amounts or Subordinated Increased Costs Amounts payable by the Issuer to the Liquidity Facility Provider).

5. *Fifth*, in or towards satisfaction, *pari passu* and *pro rata*, of:

(a) all amounts of interest due and payable under the Class A Notes; and

(b) all scheduled amounts (other than principal exchange amounts, termination payments and final exchange payments on cross-currency swaps) due and payable to each Issuer Hedge Counterparty under any Issuer Hedging Agreement.

6. *Sixth*, in or towards satisfaction, *pari passu* and *pro rata*, of:

(a) all termination payments (excluding Subordinated Hedge Amounts), any payments due as a result of "Optional Early Termination" or "Mandatory Early Termination" (as defined in the 2006 ISDA Definitions or any replacement thereof), principal exchange amounts, final payments on cross-currency swaps, or other unscheduled sums due and payable to each Issuer Hedge Counterparty under any Issuer Hedging Agreement; and

(b) all scheduled amounts of principal under the Class A Notes and all Additional Class A Note Amounts.

7. *Seventh*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts of interest due and payable under the Class B Notes.

8. *Eighth*, in or towards satisfaction, *pari passu* and *pro rata*, of all amounts of principal and all other amounts due and payable under any Class B Notes.

9. *Ninth*, to the extent received from the Borrower under the Obligor Pre-Acceleration Priority of Payments, in or towards satisfaction, *pari passu* and *pro rata*, of:

(i) all Subordinated Liquidity Amounts and Subordinated Increased Costs Amounts due and payable by the Issuer under the Liquidity Facility Agreement; and

(ii) all Subordinated Hedge Amounts payable to the Issuer Hedge Counterparties under any Issuer Hedging Agreement.

10. *Tenth*, any remaining amount to the Borrower by way of rebate of the ongoing Facility Fees under the terms of the IBLAs.

Mandatory Termination

The Issuer may terminate the appointment of the Issuer Cash Manager (a) at any time with at least 30 days' prior written notice and the consent of the Issuer Security Trustee, (b) if default is made by the Issuer Cash Manager in the performance or observance of any of its material covenants and material obligations under the Issuer Cash Management Agreement subject to the applicable grace period, (c) if any Insolvency Event occurs in relation to the Issuer Cash Manager and (d) if an Issuer Security Enforcement Notice is given and the Issuer Security Trustee is of the opinion that the continuation of the appointment of the Issuer Cash Manager is materially prejudicial to the interests of the Issuer Secured Creditors.

Subject to certain conditions (including that a suitable successor Issuer Cash Manager has been appointed), the Issuer Cash Manager is entitled to resign upon giving 30 days' prior written notice of termination to the Issuer and the Issuer Security Trustee.

Governing Law

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

Issuer Account Bank Agreement

Pursuant to the Issuer Account Bank Agreement dated 6 May 2016 between the Issuer, the Issuer Security Trustee, the Issuer Cash Manager and the Issuer Account Bank, the Issuer Account Bank will maintain the Issuer Transaction Account, Issuer Liquidity Facility Standby Account and the Issuer Debt Service Reserve Account opened with the Issuer Account Bank pursuant to the standard terms and conditions of the Issuer Account Bank (together, the "**Issuer Accounts**"), all such accounts in the name of the Issuer, but subject to the control of the Issuer Security Trustee.

If the Issuer Account Bank ceases to be an Acceptable Bank then the Issuer will be required to arrange for the transfer of such accounts to an Acceptable Bank on terms acceptable to the Issuer Security Trustee.

The Issuer Account Bank Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

DESCRIPTION OF OTHER INDEBTEDNESS

The following summary of the material terms of Class B Notes, the Topco Payment Undertaking and the Topco Security Agreement does not purport to be complete and is subject to, and qualified in its entirety by reference to, any underlying documents.

The Class B2 Notes

The Issuer is permitted to issue Class B Notes, subject to the satisfaction of certain conditions set out in the CTA.

On 21 October 2021, the Issuer issued £345,000,000 5.250 per cent. Class B2 Notes with an expected maturity date of 4 November 2027 and a final maturity date of 4 November 2046. The proceeds of the issue of such Class B2 Notes were applied by the Issuer to make advances to the Borrower pursuant to the terms of a Class B2 IBLA (a "**Class B2 IBLA**"). Pursuant to such Class B2 IBLA, the Issuer provided to the Borrower a secured facility (a "**Class B2 Loan**") which is contractually subordinated to the Class A IBLAs, the Senior Term Facilities and all other Obligor Senior Secured Liabilities.

The economic terms and conditions of such Class B2 IBLA (including, among other things, in relation to the payment of interest and the repayment and prepayment of principal) align with the relevant terms and conditions of any Class B2 Notes.

The Borrower must repay such Class B2 Loan in full on 4 November 2027 and to the extent not repaid, prepaid or otherwise discharged in full prior to that date.

Topco Payment Undertaking

Pursuant to a deed of undertaking entered into on 14 July 2017, Topco has undertaken to pay or procure the payment to the Obligor Security Trustee an amount equal to the aggregate of:

(a) the then principal balance outstanding under any Class B Authorised Credit Facility;

(b) any accrued but unpaid interest outstanding in respect of any Class B Authorised Credit Facility;

(c) any additional amounts; and

(d) all other amounts (including, without limitation, any premium and interest on overdue amounts) outstanding under such Class B Authorised Credit Facility and any "Finance Documents" referred to in it,

each, a "**Class B Payment Amount**"), on the date specified in a Demand Notice served by the Obligor Security Trustee on Topco following the occurrence of a Share Enforcement Event or a Class B Event of Default **provided that** if a Share Enforcement Event or Class B Event of Default relating to the non-payment of principal when due occurs, then the obligation to make such payment will arise without any requirement for the service of a demand notice.

For these purposes:

"**Demand Notice**" means a notice from the Obligor Security Trustee (on instruction from the Topco Secured Creditor in accordance with the STID) to Topco demanding the payment of any aggregate Class B Payment Amounts to a specified account in accordance with and subject to the terms of the Topco Payment Undertaking.

Failure by Topco to pay such aggregate Class B Payment Amount will give the right to the Obligor Security Trustee (on instruction from the Topco Secured Creditors in accordance with the STID) to enforce the Topco Security, subject to the satisfaction of certain conditions set forth in the STID. The proceeds from the enforcement of the Topco Security must be applied in the most tax efficient manner at the relevant time, currently expected to be as a subscription of shares in Holdco and the Borrower who would then use the funds to prepay such Class B Authorised Credit Facilities.

Topco is required to procure that the Borrower will then apply such amounts in payment and/or prepayment of amounts outstanding under any Class B Authorised Credit Facilities. (See "*Summary of Common*

Documents—Security Trust Deed and Intercreditor Deed—Enforcement of the Topco Security" for a further description of the conditions to enforcement and voting regime.

The Obligor Security Trustee will apply all amounts received by it from the Borrower or, as the case may be, Topco, in accordance with the terms of the STID. Topco is required not to exercise any right of set-off or counterclaim which it might have under the Topco Payment Undertaking.

Topco's obligations under the Topco Payment Undertaking are limited recourse to the Topco Security (as defined below) and if there is no Topco Security remaining which is capable of being realised or otherwise converted into cash and all amounts available from the Topco Security have been applied to meet Topco's obligations thereunder, then Topco's obligations under the Topco Payment Undertaking will be deemed to be discharged in full.

The Topco Payment Undertaking and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

Topco Security Agreement

Under a security agreement (the "**Topco Security Agreement**") entered into between Topco and the Obligor Security Trustee on 14 July 2017, Topco has granted first-ranking fixed security by way of legal mortgage (to take effect in equity pending the delivery of a Topco Enforcement Instruction) over the entire issued share capital of Holdco and by way of a fixed charge and/or assignment in respect of any loans from Topco to any of its subsidiaries by way of a fixed security over any amounts deposited in the Class B Defeasance Account from time to time (the "**Topco Fixed Security**"). In addition, Topco granted a first floating charge over the whole of its undertaking and all of its property and, assets whatsoever and wheresoever situate, present and future, other than any property or assets effectively charged pursuant to the Topco Fixed Security (together with the Topco Fixed Security, the "**Topco Security**"). The Topco Security is continuing security for the payment discharge and performance of all of Topco's present and future obligations and liabilities (whether actual or contingent) to any Topco Secured Creditor under the Topco Payment Undertaking and each other Topco Transaction Document.

The proceeds of enforcement are to be applied by the Obligor Security Trustee pursuant to the terms of the Topco Security Agreement in accordance with the terms of the STID and, in respect of amounts received by the Issuer pursuant to the STID, by the Issuer Security Trustee in accordance with the Issuer Deed of Charge save that all amounts (if any) standing to the credit of the Class B Defeasance Account shall be applied by the Obligor Security Trustee or any Receiver (as applicable) in or towards repayment of the relevant Class B Authorised Credit Facilities to which they relate in respect of which such amounts were credited in accordance with the relevant Class B Authorised Credit Facility.

The Topco Security Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

USE OF PROCEEDS

The proceeds from each issue of Class A Notes under the Programme will be on-lent to the Borrower under the terms of a Class A IBLA. The Borrower will apply the proceeds of the Class A IBLA Advances under the Class A IBLAs:

(e) to refinance the existing indebtedness; or

(f) for general corporate purposes and as permitted pursuant to the Transaction Documents.

TERMS AND CONDITIONS OF THE CLASS A NOTES

The following is the text of the Class A Conditions which, subject to completion in accordance with the provisions of the relevant Final Terms or Drawdown Prospectus, as applicable, will be endorsed on each Class A Definitive Note issued under the Programme. The Class A Conditions applicable to any Class A Global Note will differ from those Class A Conditions which would apply to the Class A Definitive Note to the extent described under "Provisions Relating to the Class A Notes while in Global Form" below. For the avoidance of doubt, the Class A Conditions set out below are only applicable to Class A Notes issued on or after the date of this Base Prospectus.

References herein to the Class A Notes shall be references to the Sub-Class of the Class A Notes and shall mean:

(a) in relation to a Class A Global Note, units of each Specified Denomination in the Specified Currency;

(b) any Class A Global Note;

(c) any Class A Definitive Notes issued in exchange for a Class A Global Note in bearer form; and

(d) Class A Registered Notes (whether or not issued in definitive form and whether or not in exchange for a Class A Global Note in registered form).

RAC Bond Co plc (the "**Issuer**") has established a Note programme (the "**Programme**") for the issuance of Class A Notes (the "**Class A Notes**"). Class A Notes issued under the Programme on a particular Issue Date comprise a Sub-Class of the Class A Notes (each, a "**Sub-Class**") in an aggregate nominal amount from time to time outstanding not exceeding the Programme Limit.

Each Sub-Class of Class A Notes may be denominated in different currencies or have different interest rates, maturity dates or other terms. Each Sub-Class of the Class A Notes will be fixed rate ("**Fixed Rate Class A Notes**") and may be denominated in sterling, euro, U.S. dollars or in other currencies subject to compliance with applicable law or regulation.

The terms and conditions applicable to the Class A Notes are these terms and conditions (the "**Class A Conditions**") as may be completed by (a) Part A of a set of final terms in relation to each Sub-Class of the Class A Notes ("**Final Terms**") or (b) a prospectus relating to a Sub-Class of Class A Notes (a "**Drawdown Prospectus**"). In the event of any inconsistency between these Class A Conditions and the relevant Final Terms or the Drawdown Prospectus, as the case may be, the relevant Final Terms or Drawdown Prospectus shall prevail.

The Class A Notes have been constituted by a note trust deed dated 6 May 2016 as the same may be amended, supplemented, restated and/or novated from time to time (the "**Class A Note Trust Deed**"), between the Issuer and Deutsche Trustee Company Limited as trustee for the Class A Noteholders (as defined below) (the "**Class A Note Trustee**", which expression includes the trustee or trustees for the time being of the Class A Note Trust Deed).

The Class A Notes have the benefit (to the extent applicable) of an agency agreement (as amended, supplemented and/or restated from time to time, the "**Class A Agency Agreement**") dated 6 May 2016 (to which, among others, the Issuer, the Class A Note Trustee, the Class A Principal Paying Agent and the other Class A Paying Agents or the Class A Transfer Agents and the Class A Registrar are party). As used herein, each of "**Class A Principal Paying Agent**", "**Class A Paying Agents**", "**Class A Agent Bank**", "**Class A Transfer Agent**" and/or "**Class A Registrar**" means, in relation to the Class A Notes, the persons specified in the Class A Agency Agreement as the Class A Principal Paying Agent, Class A Paying Agents, Class A Agent Bank, Class A Transfer Agents and/or Class A Registrar, respectively, and, in each case, any successor to such person in such capacity. "**Agents**" shall mean the Class A Principal Paying Agent, the Class A Transfer Agent, the Class A Registrar, the Class A Agent Bank (as defined above) appointed thereunder and any additional Class A Paying Agents also appointed thereunder.

On 6 May 2016, the Issuer entered into a deed of charge (the "**Issuer Deed of Charge**") with Deutsche Trustee Company Limited (in this capacity the "**Issuer Security Trustee**") as security trustee, pursuant to which the Issuer grants certain fixed and floating charge security (the "**Issuer Security**") to the Issuer Security Trustee for itself and the other Issuer Secured Creditors (as defined below), the Class A Note

Trustee for itself and on behalf of the Class A Noteholders, the Class B Note Trustee for itself and on behalf of the Class B Noteholders, each Issuer Hedge Counterparty, each Liquidity Facility Provider, each Principal Paying Agent, each Paying Agent, each Transfer Agent, each Registrar, the Issuer Account Bank, the Class A Agent Bank, the Issuer Cash Manager, and the Issuer Corporate Officer Provider (each as defined below) (together the "**Issuer Secured Creditors**").

On 21 April 2016, the Issuer entered into a dealership agreement with the dealers named therein and on 24 March 2023, the Issuer entered into a supplement to that dealership agreement (together, the "**Class A Dealership Agreement**") with the dealers named in that supplement (the "**Dealers**") in respect of the Programme, pursuant to which any of the Dealers may enter into subscription agreements (each a "**Subscription Agreement"**) in relation to each Sub-Class of Class A Notes issued by the Issuer, and pursuant to which the Dealers will agree to subscribe for the relevant Class A Notes. In any Subscription Agreement relating to a Sub-Class of Class A Notes, any of the Dealers may agree to procure subscribers to subscribe for the relevant Sub-Class of Class A Notes.

On 6 May 2016, the Issuer entered into a liquidity facility agreement (the "**Initial Liquidity Facility Agreement**") with certain liquidity facility providers (each such provider from time to time a "**Liquidity Facility Provider**" and together, the "**Liquidity Facility Providers**") pursuant to which the Liquidity Facility Providers agree to make certain facilities available to meet liquidity shortfalls. The Initial Liquidity Facility Agreement was amended and restated on 30 April 2021. The Issuer may enter into further liquidity facility agreements (each, including the Initial Liquidity Facility Agreement, a "**Initial Liquidity Facility Agreement**") with other liquidity facility providers (each, together with each Liquidity Facility Providers, a "**Liquidity Facility Provider**" and together the "**Liquidity Facility Providers**") pursuant to which the Liquidity Facility Providers will agree to make certain facilities available to meet liquidity shortfalls.

The Issuer may enter into certain currency and interest rate hedging agreements (together, the "**Issuer Hedging Agreements**") with certain hedge counterparties (together, the "**Issuer Hedge Counterparties**") in respect of certain Sub-Classes of Class A Notes, pursuant to which the Issuer hedges certain of its currency and interest rate obligations.

On 6 May 2016 and as further amended from time to time, the Issuer entered into a common terms agreement with amongst others, the Obligors and the Obligor Secured Creditors (the "**CTA**") and a security trust and intercreditor deed between amongst others, the Obligors and the other Obligor Secured Creditors (the "**STID**").

The Class A Note Trust Deed, the Class A Notes (including the applicable Final Terms or Drawdown Prospectus), the Class A Agency Agreement, the Initial Liquidity Facility Agreement, the Issuer Hedging Agreements, each Class A IBLA and any related document (each, if not defined above, as defined below) are, in relation to the Class A Notes, together referred to as the "**Issuer Class A Transaction Documents**". The account bank agreement between, among others, the Issuer Account Bank, the Issuer and the Class A Note Trustee (the "**Issuer Account Bank Agreement**"), the Issuer Deed of Charge, the Issuer Cash Management Agreement and the Issuer Corporate Officer Agreement and any other agreement, instrument or deed designated as such by the Issuer and the Issuer Security Trustee (each, if not defined above, as defined below) are together referred to as the "**Issuer Common Documents**".

In these Class A Conditions, words denoting the singular number only shall include the plural number also and *vice versa*. Capitalised terms not otherwise defined in these Class A Conditions shall bear the meanings given to them in the master definitions agreement between, among others, the Issuer and the Class A Note Trustee dated 6 May 2016, as amended from time to time, (the "**Master Definitions Agreement**" or "**MDA**") and these Class A Conditions shall be construed in accordance with the principles of construction set out in the MDA.

Certain statements in these Class A Conditions are summaries of the detailed provisions appearing on the face of the Class A Notes (which expression shall include the body thereof), in the relevant Final Terms or Drawdown Prospectus or in the Class A Note Trust Deed, the STID, the CTA or the Issuer Deed of Charge. Copies of the Class A Note Trust Deed, STID, CTA, MDA and the Issuer Deed of Charge are available for inspection during normal business hours at the specified offices of the Class A Principal Paying Agent (in the case of Class A Bearer Notes) or the specified offices of the Class A Transfer Agents and the Class A Registrar (in the case of Class A Registered Notes), save that, if the relevant Class A Note is an unlisted Sub-Class of any Class A Notes, the applicable Final Terms or Drawdown Prospectus will only be obtainable by a Class A Noteholder holding one or more unlisted Class A Notes of that Sub-Class and such

Class A Noteholder must provide evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Class A Notes and identity.

The Class A Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Class A Note Trust Deed, the Issuer Deed of Charge, the STID, CTA and other Issuer Class A Transaction Documents, the Issuer Common Documents and the relevant Final Terms or Drawdown Prospectus and to have notice of those provisions of the Class A Agency Agreement and the other Issuer Class A Transaction Documents, the Issuer Common Documents, the STID, the CTA and the MDA applicable to them. In the event of any inconsistency between these Class A Conditions and the terms set out in the Class A Note Trust Deed, the STID, the Issuer Deed of Charge and the CTA, the terms of the Class A Note Trust Deed, the STID, the Issuer Deed of Charge or the CTA (as the case may be) shall prevail.

Any reference in the Conditions to a matter being "specified" means as the same may be specified in the relevant Final Terms or Drawdown Prospectus.

1. **Form, Denomination and Title**

(a) ***Form and Denomination***

The Class A Notes are in bearer form ("**Class A Bearer Notes**") or in registered form ("**Class A Registered Notes**") as specified in the applicable Final Terms or Drawdown Prospectus and, in the case of Class A Definitive Notes, serially numbered in the Specified Denomination(s) **provided that** in the case of any Class A Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation, the minimum Specified Denomination shall be £100,000, €100,000, U.S.$200,000 or not less than the equivalent of €100,000 in any other currency as at the date of issue of the relevant Class A Notes (or such other amount required by applicable law from time to time as stated in the applicable Final Terms or Drawdown Prospectus) and in the case of the Class A Notes in respect of which the publication of a prospectus is not required under the Prospectus Regulation the minimum Specified Denomination shall not be less than that required by applicable law as stated in the applicable Final Terms or Drawdown Prospectus. Class A Notes may be issued in such denomination and higher integral multiples of a smaller amount if specified in the applicable Final Terms or Drawdown Prospectus. Class A Notes of one Specified Denomination may not be exchanged for Class A Notes of another Specified Denomination and Class A Registered Notes may not be exchanged for Class A Bearer Notes. References in these Class A Conditions to "**Class A Notes**" include Class A Bearer Notes and Class A Registered Notes and all Sub-Classes of Class A Notes.

So long as the Class A Notes are represented by a temporary Class A Global Note or permanent Class A Global Note and the relevant clearing system(s) so permit, the Class A Notes shall be tradable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination).

The Class A Notes will be Fixed Rate Class A Notes.

Interest bearing Class A Bearer Notes are issued with Class A Coupons (as defined below) (and, where appropriate, a Class A Talon (as defined below)) attached. After all the Class A Coupons attached to, or issued in respect of, any Class A Bearer Note which was issued with a Class A Talon have matured, a coupon sheet comprising further Class A Coupons (other than Class A Coupons which would be void) and (if necessary) one further Class A Talon will be issued against presentation of the relevant Class A Talon at the specified office of any Class A Paying Agent. Any Class A Bearer Note the principal amount of which is redeemable in instalments may be issued with one or more Class A Receipts (as defined below) (and, where appropriate, a Class A Talon) attached thereto.

(b) ***Title***

Title to Class A Bearer Notes, Class A Coupons, Class A Receipts and Class A Talons (if any) passes by delivery. Title to Class A Registered Notes passes by registration in the register (the "**Class A Register**"), which the Issuer shall procure to be kept by the Class A Registrar.

In these Class A Conditions, subject as provided below, each reference to "**Class A Noteholder**" (in relation to a Class A Note, Class A Coupon, Class A Receipt or Class A Talon), "**holder**" and "**Holder**" means (i) in relation to a Class A Bearer Note, the bearer of any Class A Bearer Note, Class A Coupon, Class A Receipt or Class A Talon (as the case may be) and (ii) in relation to a Class A Registered Note, the person in whose name a Class A Registered Note is registered, as the case may be. The expressions "**Class A Noteholder**", "**holder**" and "**Holder**" include the holders of instalment receipts ("**Class A Receipts**") appertaining to the payment of principal by instalments (if any) attached to such Class A Notes in bearer form (the "**Class A Receiptholders**"), the holders of the coupons ("**Class A Coupons**") (if any) appertaining to interest bearing Class A Notes in bearer form (the "**Class A Couponholders**"), and the expression Class A Couponholders or Class A Receiptholders includes the holders of talons ("**Class A Talons**") in relation to Class A Coupons or Class A Receipts as applicable.

The bearer of any Class A Bearer Note, Class A Coupon, Class A Receipt or Class A Talon and the registered holder of any Class A Registered Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the relevant Class A Note, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Class A Registered Note, a duly executed transfer of such Class A Note in the form endorsed on the Class A Note in respect thereof) and no person will be liable for so treating the holder.

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

(c) ***Further Class A Notes***

The Issuer may, from time to time, without the consent of the Class A Noteholders, Class A Receiptholders or Class A Couponholders, create and issue further Class A Notes having the same terms and conditions as the Sub-Class of Class A Notes in all respects (or in all respects except for the first payment of interest). Accordingly, a Sub-Class of Class A Notes may comprise a number of tranches in addition to the initial tranche of such Sub-Class of Class A Notes. Such further tranches of the same Sub-Class of Class A Notes will be consolidated and form a single Sub-Class with the prior issues of that Sub-Class of Class A Notes.

2. **Exchanges of Class A Bearer Notes for Class A Registered Notes and Transfers of Class A Registered Notes**

(a) ***Exchange of Class A Notes***

Subject to Class A Condition 2(e) (*Closed Periods*), Class A Bearer Notes may, if so specified in the relevant Final Terms or Drawdown Prospectus, be exchanged at the expense of the transferor Class A Noteholder for the same aggregate principal amount of Class A Registered Notes at the request in writing of the relevant Class A Noteholder and upon surrender of the Class A Bearer Note to be exchanged together with all unmatured Class A Coupons, Class A Receipts and Class A Talons (if any) relating to it at the specified office of the Class A Registrar or any Class A Transfer Agent or Class A Paying Agent. Where, however, a Class A Bearer Note is surrendered for exchange after the

Record Date (as defined below) for any payment of interest or Class A Note Interest Amount (as defined below), the Class A Coupon in respect of that payment of interest or Class A Note Interest Amount need not be surrendered with it. Class A Registered Notes may not be exchanged for Class A Bearer Notes.

(b) ***Transfer of Class A Registered Notes***

A Class A Registered Note may be transferred upon the surrender of the relevant Class A Registered Definitive Note, together with the form of transfer endorsed on it duly completed and executed, at the specified office of any Class A Transfer Agent or the Class A Registrar. However, a Class A Registered Note may not be transferred unless (i) the principal amount of Class A Registered Notes proposed to be transferred and (ii) the principal amount of the balance of Class A Registered Notes to be retained by the relevant transferor are, in each case, Specified Denominations. In the case of a transfer of part only of a holding of Class A Registered Notes represented by a Class A Registered Definitive Note, a new Class A Registered Definitive Note in respect of the balance not transferred will be issued to the transferor within three business days (in the place of the specified office of the Class A Transfer Agent or the Class A Registrar) of receipt of such form of transfer.

(c) ***Delivery of New Class A Registered Definitive Notes***

Each new Class A Registered Definitive Note to be issued upon exchange of Class A Bearer Notes or transfer of Class A Registered Notes will, within three business days (in the place of the specified office of the Class A Transfer Agent or the Class A Registrar) of receipt of such request for exchange or form of transfer, be available for delivery at the specified office of the Class A Transfer Agent or the Class A Registrar stipulated in the request for exchange or form of transfer, or be mailed at the risk of the Class A Noteholder entitled to the Class A Registered Definitive Note to such address as may be specified in such request for exchange or form of transfer. For these purposes, a form of transfer or request for exchange received by the Class A Registrar after the Record Date (as defined below) in respect of any payment due in respect of Class A Registered Notes shall be deemed not to be effectively received by the Class A Registrar until the Business Day (as defined in Class A Condition 21 (*Definitions*) below) following the due date for such payment.

(d) ***Exchange at the Expense of Transferor Class A Noteholder***

Registration of Class A Notes on exchange or transfer will be effected at the expense of the transferor Class A Noteholder by or on behalf of the Issuer, the Class A Transfer Agent or the Class A Registrar, and upon payment of (or the giving of such indemnity as the Class A Transfer Agent or the Class A Registrar may require in respect of) any Tax which may be imposed in relation to such exchange or transfer.

(e) ***Closed Periods***

No transfer of a Class A Registered Note may be registered, nor may any exchange of a Class A Bearer Note for a Class A Registered Note occur during the period of 15 days ending on the due date for any payment of principal, interest, Class A Note Interest Amount (as defined below) or Redemption Amount (as defined below) on that Class A Note.

(f) ***Regulations Concerning the Transfer of Class A Registered Notes***

All transfers of Class A Registered Notes and entries on the Class A Register are subject to the detailed regulations concerning the transfer of Class A Registered Notes scheduled to the Class A Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Class A Principal Paying Agent, the Class A Note Trustee and the Class A Registrar. A copy of the current regulations will be mailed (free of charge) by the Class A Registrar to any Class A Noteholder who requests in writing a copy of such regulations.

3. **Status of Class A Notes**

(a) ***Status of the Class A Notes***

The Class A Notes, Class A Coupons, Class A Talons and Class A Receipts (if any) are direct and (subject to Class A Condition 19(a) (*Limited Recourse*) unconditional obligations of the Issuer, are secured in the manner described in Class A Condition 4(a) (*Security, Priority and Relationship with the Issuer Secured Creditors*) and rank *pari passu* without preference or priority among themselves.

(b) ***Class A Note Trustee not responsible for monitoring compliance***

The Class A Note Trustee shall not be responsible for monitoring compliance by the Issuer with any of its obligations under the Issuer Class A Transaction Documents and the Issuer Common Documents except by means of receipt of a certificate from the Issuer which will state, among other things, that no Class A Note Event of Default is outstanding. The Class A Note Trustee shall be entitled to rely on such certificates absolutely. The Class A Note Trustee is not responsible for monitoring compliance by any of the parties with their respective obligations under the Issuer Class A Transaction Documents and the Issuer Common Documents. The Class A Note Trustee may call for and is at liberty to accept as sufficient evidence a certificate signed by any one director of the Issuer, the Obligors (or any of them) or any other party to any Issuer Class A Transaction Document and the Issuer Common Documents to the effect that any particular dealing, transaction, step or thing is in the opinion of the persons so certifying suitable or expedient or as to any other fact or matter upon which the Class A Note Trustee may require to be satisfied. The Class A Note Trustee is in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such certificate although the same may contain some error or is not authentic. The Class A Note Trustee is entitled to rely upon any certificate believed by it to be genuine and will not be liable for so acting.

4. **Security, Priority and Relationship with the Issuer Secured Creditors**

(a) ***Security***

As continuing security for the payment or discharge of the Issuer Secured Liabilities (including all moneys payable in respect of the Class A Notes, Class A Coupons and Class A Receipts and otherwise under the Class A Note Trust Deed, the Issuer Deed of Charge (including the remuneration, expenses and other claims of the Class A Note Trustee, the Issuer Security Trustee and any Receiver appointed under the Issuer Deed of Charge), the Issuer has entered in to the Issuer Deed of Charge to create as far as permitted by and subject to compliance with any applicable law, the following security, (the "**Issuer Security**") in favour of the Issuer Security Trustee for itself and on trust for the other Issuer Secured Creditors:

(i) an assignment by the Issuer by way of a first fixed security of its right, title, interest and benefit, present and future, in, to and under the Issuer Charged Documents;

(ii) a first fixed charge over the Issuer Accounts, and amounts standing to the credit of the Issuer Accounts and charges over investments;

(iii) a first fixed charge over all the rights of the Issuer in respect of all investments in Cash Equivalent Investments of the Issuer; and

(iv) a first floating charge over all the Issuer's assets, including, without limitation, the Issuer's uncalled capital other than any assets at the time otherwise effectively charged or assigned by way of the first fixed charge or assignment above,

all as more particularly set out in the Issuer Deed of Charge.

Holdco, as first fixed continuing security for the payment or discharge of the Issuer Secured Liabilities by the Issuer charges and agrees to charge in favour of the Issuer Security Trustee by way of a first legal mortgage all of its right, title, interest and benefit, present and future, in and to the Issuer Shares belonging to it from time to time, as more particularly set out in the Issuer Deed of Charge.

All Class A Notes issued by the Issuer under the Programme will share in the Issuer Security constituted by the Issuer Deed of Charge, upon and subject to the terms thereof.

(b) ***Relationship among Class A Noteholders and with other Issuer Secured Creditors***

The Class A Noteholders from time to time are Issuer Secured Creditors. The Class A Note Trustee is an Issuer Secured Creditor on its own behalf and on behalf of the Class A Noteholders from time to time.

The Class A Note Trust Deed contains provisions detailing the Class A Note Trustee's obligations to consider the interests of Class A Noteholders as regards all discretions of the Class A Note Trustee (except where expressly provided or otherwise referred to in Class A Condition 15 (*Class A Note Trustee Protections*).

The Class A Note Trustee may give, or direct the Issuer Security Trustee to give, any consent or approval, exercise any right, power, authority or discretion or take any similar action (whether or not such consent, approval, right, power, authority, discretion or action is specifically referred to in the Class A Note Trust Deed) if it is satisfied that the interests of the Class A Noteholders of the relevant Class or Sub-Class will not be materially prejudiced (where materially prejudiced means that such consent or approval would have a material adverse effect on the ability of the Issuer to pay any amounts of principal or interest in respect of the Class A Notes or Sub-Class of Class A Notes on the relevant due date for payment therefor) thereby.

For so long as any Class A Notes are outstanding, prior to the delivery of a Class A Note Acceleration Notice, the Issuer shall be required to apply all amounts standing to the credit of the Issuer Transaction Account in accordance with the Issuer Pre-Acceleration Priority of Payments and, following the delivery of a Class A Note Acceleration Notice, the Issuer Post-Acceleration Priority of Payments.

(c) ***Enforceable Security***

In the event of the Issuer Security becoming enforceable as provided in the Issuer Deed of Charge, the Issuer Security Trustee shall, if instructed by the Qualifying Issuer Senior Creditors (in accordance with the terms of the Issuer Deed of Charge) enforce its rights with respect to the Issuer Security, but without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any particular Issuer Secured Creditor, **provided that** the Issuer Security Trustee shall not be obliged to take any action unless it is indemnified and/or secured and/or prefunded to its satisfaction.

(d) ***Application After Enforcement***

After enforcement of the Issuer Security, the Issuer Security Trustee shall (to the extent that such funds are available) use funds standing to the credit of the Issuer Accounts and proceeds of the enforcement of the Issuer Security to make payments in accordance with the Issuer Post-Acceleration Priority of Payments (as set out in the Issuer Deed of Charge).

(e) ***Issuer Security Trustee not liable for security***

The Issuer Security Trustee will not make, and will not be liable for any failure to make, any investigations in relation to the property which is the subject of the Issuer Security, and shall not be bound to enquire into or be liable for any defect or failure in the right or title of the Issuer to the Issuer Security, whether such defect or failure was known to the Issuer Security Trustee or might have been discovered upon examination or enquiry or

whether capable of remedy or not, nor will it have any liability for the enforceability of the Issuer Security created under the Issuer Deed of Charge whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting such Issuer Security or otherwise. The Issuer Security Trustee shall have no responsibility for the value of any such Issuer Security.

5. **Issuer Covenants**

So long as any of the Class A Notes remains outstanding, the Issuer has agreed to comply with the covenants as set out in the Class A Note Trust Deed.

The Class A Note Trustee shall be entitled to rely absolutely on a certificate of any director of the Issuer in relation to any matter relating to such covenants and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter stated in such certificate.

6. **Interest and other Calculations**

(a) ***Interest Rate and Accrual***

Each Class A Note bears interest on its Principal Amount Outstanding as defined below from the Class A Interest Commencement Date (as defined below) at the Class A Interest Rate (as defined below), such interest being payable in arrear (unless otherwise specified in the relevant Final Terms or Drawdown Prospectus) on each Class A Note Interest Payment Date (as defined below).

Interest will cease to accrue on each Class A Note (or, in the case of the redemption of part only of a Class A Note, that part only of such Class A Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after judgment) at the Class A Interest Rate that would otherwise apply in respect of unpaid amounts on such Class A Notes at such time to the Class A Note Relevant Date (as defined in Class A Condition 21 (*Definitions*).

If any maximum rate of interest or minimum rate of interest is specified in the relevant Final Terms or Drawdown Prospectus, then the Class A Interest Rate shall in no event be greater than the maximum or be less than the minimum so specified, as the case may be.

(b) ***Business Day Convention***

If any date referred to in these Class A Conditions or the relevant Final Terms or Drawdown Prospectus is specified to be subject to adjustment in accordance with a Business Day Convention and would otherwise fall on a day which is not a Business Day (as defined in Class A Condition 21 (*Definitions*)), then if the business day convention specified in the relevant Final Terms or Drawdown Prospectus is:

(i) the "**Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day;

(ii) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(iii) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Business Day.

(c) [Reserved]

(d) ***Fixed Rate Class A Notes***

This Class A Condition 6(d) is applicable only if the relevant Final Terms or Drawdown Prospectus specify the Class A Notes as Fixed Rate Class A Notes.

Subject to the next paragraph, the Class A Interest Rate applicable to the Class A Notes for each Class A Note Interest Period will be the Class A Initial Interest Rate specified in the relevant Final Terms or Drawdown Prospectus.

If a Class A Revised Interest Rate is specified in the relevant Final Terms or Drawdown Prospectus, the Class A Interest Rate applicable to the Class A Notes for each Class A Note Interest Period from (and including) the Expected Maturity Date to (and including) the Final Maturity Date will be such Class A Revised Interest Rate.

(e) ***Rounding***

For the purposes of any calculations required pursuant to these Class A Conditions (unless otherwise specified):

(i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with halves being rounded up);

(ii) all figures will be rounded to seven significant figures (with halves being rounded up); and

(iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes, "unit" means, with respect to any currency other than euro, the lowest amount of such currency which is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(f) ***Calculations***

The amount of interest payable in respect of any Class A Note for each Class A Note Interest Period shall be calculated by applying the Class A Interest Rate to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Class A Note divided by the Calculation Amount (as defined in Class A Condition 21 (*Definitions*)) unless a Class A Note Interest Amount is specified in respect of such period in the relevant Final Terms or Drawdown Prospectus, in which case the amount of interest payable in respect of such Class A Note for such Class A Note Interest Period will equal such Class A Note Interest Amount.

(g) ***Determination and Publication of Class A Interest Rates, Class A Note Interest Amount, Redemption Amounts and Instalment Amounts***

As soon as practicable after the Relevant Time on each Class A Interest Determination Date or such other time on such date as the Class A Agent Bank may be required to calculate any Redemption Amount or the amount of an instalment of scheduled principal (an "**Instalment Amount**"), obtain any quote or make any determination or calculation, the Class A Agent Bank will calculate the amount of interest payable (the "**Class A Note Interest Amount**") in respect of each Specified Denomination of Class A Notes for the relevant Class A Note Interest Period, calculate the Redemption Amount or Instalment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Class A Interest Rate and the Class A Note Interest Amount for each Class A Note Interest Period and the relevant Class A Note Interest Payment Date and, if required to be calculated, the Redemption Amount, Principal Amount Outstanding or any Instalment Amount to be notified to, in the case of Class A Bearer Notes, the Class A Paying Agents or in the case of Class A Registered Notes, the Class A Registrar, and, in each case, the Class A Note Trustee, the Issuer, the Class A Noteholders and the relevant Stock Exchange and each other listing authority, stock exchange and/or quotation system by which the relevant Class A Notes have then been admitted to listing, trading and/or quotation as soon as possible after its determination but in no event later than (i) (in case of notification to the relevant Stock Exchange and each other listing authority, stock

exchange and/or quotation system by which the relevant Class A Notes have then been admitted to listing, trading and/or quotation) the commencement of the relevant Class A Note Interest Period, if determined prior to such time, in the case of a Class A Interest Rate and Class A Note Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. The Class A Note Interest Amount and the Class A Note Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Class A Note Interest Period. Any such amendment will be promptly notified to each stock exchange or other relevant authority on which the relevant Class A Notes are for the time being listed or by which they have been admitted to listing, to the Class A Principal Paying Agent, the Class A Note Trustee and to the Class A Noteholders in accordance with Class A Condition 16 (*Notices*). If the Class A Notes become due and payable under Class A Condition 10 (*Class A Note Events of Default*), the accrued interest and the Class A Interest Rate payable in respect of the Class A Notes shall nevertheless continue to be calculated as previously provided in accordance with this Class A Condition but no publication of the Class A Interest Rate or the Class A Note Interest Amount so calculated need be made unless otherwise required by the Class A Note Trustee. The determination of each Class A Note Interest Amount, Redemption Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Class A Agent Bank or, as the case may be, the Class A Note Trustee, pursuant to this Class A Condition 6 (*Interest and Other Calculations*), shall (in the absence of manifest error) be final and binding upon all parties.

(h) ***Class A Agent Bank***

The Issuer will procure that there shall at all times be a Class A Agent Bank for so long as any of the Class A Notes are outstanding. If the Class A Agent Bank is unable or unwilling to act as such or if the Class A Agent Bank fails duly to calculate the Class A Note Interest Amount or any other requirements, the Issuer will appoint (with the prior written consent of the Class A Note Trustee) a successor to act as such in its place. The Class A Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

(i) ***Determination or Calculation by Class A Note Trustee***

If the Class A Agent Bank does not at any time for any reason determine any Class A Note Interest Amount, Redemption Amount, Instalment Amount or any other amount to be determined or calculated by it, the Class A Note Trustee shall (without liability to any person for so doing) determine such Class A Note Interest Amount, Redemption Amount, Instalment Amount or other amount as aforesaid in such amount as in its absolute discretion (having regard as it shall think fit to the procedures described above, but subject to the terms of the Class A Note Trust Deed) it shall deem fair and reasonable in all the circumstances or, subject as aforesaid, apply the foregoing provisions of this Class A Condition, with any consequential amendments, to the extent that, in its sole opinion, it can do so and in all other respects it shall do so in such manner as it shall, in its absolute discretion, deem fair and reasonable in the circumstances, and each such determination or calculation shall be deemed to have been made by the Class A Agent Bank. In making any such determination or calculation, the Class A Note Trustee may appoint and rely on a determination or calculation by a calculation agent (which shall be an investment bank or other suitable entity of international repute) and any costs in relation there to shall be met by the Issuer. Each such determination or calculation shall be deemed to have been made by the Class A Agent Bank.

(j) ***Certificates to be final***

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of Class A Condition 6 (*Interest and Other Calculations*) whether by the Class A Principal Paying Agent or the Class A Agent Bank shall (in the absence of wilful default, gross negligence, bad faith or manifest error) be binding on the Issuer, each Obligor, the Class A Agent Bank, the Class A Note Trustee, the Class A Principal Paying Agent, the other Agents and all Class A Noteholders, Class A Receiptholders and Class A Couponholders and (in the

absence as aforesaid) no liability to the Issuer, the Obligors, the Class A Note Trustee, the Class A Noteholders, the Class A Receiptholders or the Class A Couponholders shall attach to the Class A Principal Paying Agent or the Class A Agent Bank in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

7. **Redemption, Purchase and Cancellation**

(a) ***Expected Maturity***

Unless previously redeemed in full, or purchased and cancelled as provided below, or unless such Class A Note is stated in the relevant Final Terms or Drawdown Prospectus as having no fixed Expected Maturity Date, the Class A Notes will be redeemed on their Expected Maturity Date as follows and to the following extent:

(i) if, by the Expected Maturity Date, the Issuer has received repayment of the related advance (in accordance with the provisions of the relevant Class A IBLA) of a principal amount equal to the Principal Amount Outstanding, then the relevant Class A Notes will be redeemed in full (after exchange of such principal amount to the relevant currency pursuant to any Issuer Hedging Agreement, if such Issuer Hedging Agreement has been entered into); and

(ii) if, by the Expected Maturity Date, the Issuer has received repayment of the related advance (in accordance with the provisions of the relevant Class A IBLA) of a principal amount less than the Principal Amount Outstanding, then the relevant Class A Notes will be redeemed *pro rata* in part to the extent of the amount which is so deposited (after exchange of such principal amount to the relevant currency pursuant to the relevant Issuer Hedging Agreement, if such an Issuer Hedging Agreement has been entered into).

If the relevant Class A Notes are not redeemed in full by the Expected Maturity Date, then on each Class A Note Interest Payment Date which thereafter occurs, the Class A Notes will be redeemed in full or, as the case may be, *pro rata* in part to the extent of the principal amount (after exchange of such principal amount to the relevant currency pursuant to the relevant Issuer Hedging Agreement, if such an Issuer Hedging Agreement has been entered into or, if there is no longer an Issuer Hedging Agreement in place and the Class A Notes are denominated in a currency other than the currency of the related advance, at a spot rate of exchange) which, if any, is received by the Issuer in repayment of the related advance(s) (in accordance with the provisions the relevant Class A IBLA) until the earlier of (a) such time as the Class A Notes are redeemed in full or (b) the Final Maturity Date specified in the relevant Final Terms or Drawdown Prospectus for the Class A Notes.

(b) ***Final Redemption***

If the Sub-Class of the Class A Notes have not previously been redeemed in full, or purchased and cancelled, the Sub-Class of Class A Notes will be finally redeemed at the then Principal Amount Outstanding plus accrued but unpaid interest on the Final Maturity Date as specified in the relevant Final Terms or Drawdown Prospectus for such Sub-Class of Class A Notes.

(c) ***Optional Redemption***

Subject to Condition 7(k) ("*—Modified Optional Redemption*"), if an optional redemption of the Class A Notes by the Issuer is selected in the Final Terms or Drawdown Prospectus, subject as provided below, and **provided that** there is no Class A Note Event of Default or CTA Event of Default or Potential CTA Event of Default then outstanding, upon giving not more than 60 days' nor less than five Business Days' prior written notice (which notice shall be irrevocable) to the Class A Note Trustee, the Issuer Secured Creditors and the Class A Noteholders, the Issuer may (prior to the Expected Maturity Date applicable to a

particular Sub-Class of Class A Notes) redeem any Sub-Class of Class A Notes in whole or in part (but on a *pro rata* basis only) on any Class A Note Interest Payment Date applicable to such Sub-Class of Class A Notes or, in relation to Fixed Rate Class A Notes, on any date, at their Redemption Amount, as follows:

(i) In respect of Fixed Rate Class A Notes denominated in sterling, the Redemption Amount, unless otherwise specified in the relevant Final Terms or Drawdown Prospectus, will be, in the case of any Class A Notes where such redemption falls within the Par Call Period specified in the Final Terms as applicable to a particular Sub-Class of Class A Notes, their Principal Amount Outstanding (together with any accrued but unpaid interest) and, in the case of any redemption which falls at any time prior to any such Par Call Period, an amount equal to the higher of (i) their Principal Amount Outstanding and (ii) the price determined to be appropriate by a financial adviser in London (selected by the Issuer and approved by the Class A Note Trustee) as being the price at which the Gross Redemption Yield (as defined below) on such Sub-Class of Class A Notes on the Reference Date (as defined below) is equal to (x) the Gross Redemption Yield at 3:00 p.m. (London time) on the Reference Date on the Reference Gilt (as defined below) while that stock is in issue, and thereafter such UK government stock as the Issuer may, with the advice of three persons operating in the gilt-edged market (selected by the Issuer and approved by the Class A Note Trustee) determine to be appropriate, plus (y) the Redemption Margin, plus, in either case, accrued but unpaid interest on the Principal Amount Outstanding.

For the purposes of this Class A Condition 7(c)(i), "**Gross Redemption Yield**" means a yield expressed as a percentage and calculated on a basis consistent with the basis indicated by the United Kingdom Debt Management Office publication "Formulae for Calculating Gilt Prices from Yields" published on 8 June 1998 with effect from 1 November 1998 and updated on 15 January 2002 and 16 March 2005, page 5 or any replacement therefor, and, for the purposes of such calculation, the date of redemption of the relevant Fixed Rate Class A Notes shall be assumed to be the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date and not the Final Maturity Date and "**Reference Gilt**" means the treasury stock specified in the relevant Final Terms or Drawdown Prospectus, or if no such security is specified, the treasury stock whose modified duration most closely matches that of the Sub-Class of Class A Notes on the Reference Date with the advice of three persons operating in the gilt-edged market (selected by the Issuer and approved by the Class A Note Trustee).

(ii) [Reserved]

(iii) In respect of Fixed Rate Class A Notes denominated in euro, the Redemption Amount will, unless otherwise specified in the relevant Final Terms or Drawdown Prospectus, be, in the case of any Class A Notes where such redemption falls within the Par Call Period specified in the Final Terms as applicable to a particular Sub-Class of Class A Notes, their Principal Amount Outstanding (together with any accrued but unpaid interest) and, in the case of any redemption which falls at any time prior to any such Par Call Period, an amount equal to the higher of (i) their Principal Amount Outstanding and (ii) the present value at the Reference Date (as defined below) of (A) their Principal Amount Outstanding plus (B) all required interest payments which would otherwise be due on the Sub-Class of Class A Notes from and including the date on which the Class A Notes are to be redeemed (the "**Redemption Date**") to and excluding the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the

Expected Maturity Date, computed using a discount rate equal to (x) the Bund Rate as of the Reference Date and assuming the relevant Fixed Rate Class A Notes would otherwise have been redeemed on the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date, plus (y) the Redemption Margin plus, in either case, accrued but unpaid interest to the Redemption Date.

For the purposes of this Class A Condition 7(c)(iii), "**Bund Rate**" means, with respect to any Reference Date, the rate per annum equal to the equivalent yield to maturity as of such date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price on such date of determination; "**Comparable German Bund Issue**" means the German Bundesanleihe security specified in the relevant Final Terms or Drawdown Prospectus or, if no such security is specified or the specified security is no longer in issue, the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such Reference Date to the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date and that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities in a principal amount approximately equal to the then Principal Amount Outstanding of the Sub-Class of Class A Notes and of a maturity most nearly equal to the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date **provided, however, that** if the period from such Redemption Date to the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date is less than one year, a fixed maturity of one year shall be used; "**Comparable German Bund Price**" means, with respect to any relevant date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations or, if the Financial Adviser obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations; "**Financial Adviser**" means a financial adviser in Frankfurt (selected by the Issuer and approved by the Class A Note Trustee); "**Reference German Bund Dealer**" means any dealer of German Bundesanleihe securities appointed by the Financial Adviser; and "**Reference German Bund Dealer Quotations**" means, with respect to each Reference German Bund Dealer and any relevant date, the average as determined by the Financial Adviser of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Financial Adviser by such Reference German Bund Dealer at or about 3:30 p.m. (Frankfurt, Germany time) on the Reference Date.

(iv) In respect of Fixed Rate Class A Notes denominated in U.S. dollars, the Redemption Amount will, unless otherwise specified in the relevant Final Terms or Drawdown Prospectus, be, in the case of any Class A Notes where such redemption falls within the Par Call Period specified in the Final Terms as applicable to a particular Sub-Class of Class A Notes, their Principal Amount Outstanding (together with any accrued but unpaid interest) and, in the case of any redemption which falls at any time prior to any such Par Call Period, an amount equal to (i) the Principal Amount Outstanding plus (ii) the accrued but unpaid interest on the Principal Amount Outstanding, plus the greater of (A) one per cent. of the Principal Amount Outstanding and (B) the excess of: (1) the present value at as of the Reference Date of the redemption price of the

Sub-Class of Class A Notes at the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date, plus all required interest payments, that would otherwise be due to be paid on the Sub-Class of Class A Notes from and including such Reference Date to and excluding the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date, computed using a discount rate equal to the Treasury Rate (as defined below) at such Reference Date plus the Redemption Margin (or such other amount as may be specified in the relevant Final Terms of Drawdown Prospectus), over (2) the Principal Amount Outstanding on such Reference Date.

"**Treasury Rate**" means, with respect to any Reference Date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities", for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, in each case calculated on the third Business Day immediately preceding the redemption date, where:

"**Comparable Treasury Issue**" means the U.S. Treasury security selected by any Reference Treasury Dealer as having a maturity comparable to the remaining term of the Sub-Class of Class A Notes from the Reference Date to the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a maturity most nearly equal to the earlier of (A) the first day of the Par Call Period if any is specified in the Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes and (B) the Expected Maturity Date;

"**Comparable Treasury Price**" means, with respect to any redemption date, if clause (ii) of the definition of "Treasury Rate" is applicable, the average of all Reference Treasury Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference Treasury Dealer Quotations, of if the Issuer obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations;

"**Federal Reserve System**" means the central banking system of the United States;

"**Reference Treasury Dealer**" means any primary U.S. government securities dealer appointed by the Issuer; and

"**Reference Treasury Dealer Quotations**" means with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the

Issuer, of the bid and asked prices for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Issuer by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day immediately preceding such redemption date.

In any case, prior to giving any such notice, the Issuer shall deliver a certificate signed by two of its directors to the Class A Note Trustee stating that it will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Class A Notes as aforesaid and the Class A Note Trustee shall be entitled to rely on such certificate without liability to any person.

In the case of a partial redemption of a Sub-Class of Class A Notes represented by a Class A Global Note (as defined in the Class A Note Trust Deed) pursuant to this Class A Condition, the Class A Notes to be redeemed (the "**Redeemed Class A Notes**") will be selected in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). No exchange of the relevant Class A Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Class A Condition 7(c) and notice to that effect shall be given by the Issuer to the Class A Noteholders in accordance with Class A Condition 16 (*Notices*) at least five days (or such shorter period as is specified in the applicable Final Terms or Drawdown Prospectus) prior to the Selection Date. In the case of Redeemed Class A Notes in definitive form, a list of the serial numbers of such Redeemed Class A Notes will be published in accordance with Class A Condition 16 (*Notices*) not less than 15 days (or such shorter period as is specified in the applicable Final Terms or Drawdown Prospectus) prior to the date fixed for redemption.

(d) ***Redemption for Taxation or Other Reasons***

In addition, if at any time the Issuer satisfies the Class A Note Trustee:

(i) that the Issuer would become obliged to deduct or withhold from any payment of interest or principal in respect of the Class A Notes (other than in respect of default interest), any amount for or on account of Taxes by the laws or regulations of the UK or any political subdivision thereof, or any other authority thereof by reason of any change in or amendment to such laws or regulations or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction);

(ii) that the Issuer or any Paying Agent would be required to deduct or withhold any amount from any payment pursuant to FATCA;

(iii) that, by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, the Issuer is no longer a "securitisation company" (as defined in the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (for the purposes of this Class A Condition 7(d)(iii), the "**Regulations**")) and is otherwise unable to claim a Tax treatment in the United Kingdom that would prevent a material increase in the Tax liabilities of the Issuer compared to the treatment previously provided to the Issuer under the Regulations;

(iv) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date that the Borrower would on the next Class A Note Interest Payment Date be required to make any withholding or deduction for or on account of any Taxes from payments in respect of a Class A IBLA;

(v) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date that an Issuer Hedge Counterparty would be entitled to terminate a Hedging Agreement in accordance with its terms as a result of the Issuer or the Issuer Hedge Counterparty being required to make any withholding or deduction for or on account of any Taxes from payments in respect of an Issuer Hedging Agreement; or

(vi) by reason of a change in law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date that it has or will become unlawful for the Issuer to perform any of its obligations under any Class A IBLA or to fund or to maintain its participation in the Class A IBLA Advances,

then the Issuer may, in consultation with the Borrower and the Class A Note Trustee and in order to avoid the relevant deductions, withholding, Tax liabilities or illegality but is not obliged to, (i) use its reasonable endeavours to arrange the substitution of a company incorporated under the laws of another jurisdiction approved by the Class A Note Trustee as principal debtor under the Class A Notes and as lender under a Class A IBLA upon satisfying the conditions for substitution of the Issuer as set out in Class A Condition 14 (*Passing of resolutions by Class A Noteholders, Modification, Waiver and Substitution*) or (ii) exchange any Class A Bearer Notes into Class A Registered Notes in accordance with Class A Condition 2(a) (*Exchange of Class A Notes*) if such exchange will be effective to avoid the relevant deduction or withholding or Tax liabilities or illegality. If the Issuer elects not to seek to avoid the relevant deductions, withholding, Tax liabilities or illegality or is unable to arrange a substitution as described above having used reasonable endeavours to do so or an exchange of Class A Bearer Notes to Class A Registered Notes would not prevent any withholding or deduction or Tax liabilities or illegality and, as a result, the relevant deduction or withholding or Tax liabilities or illegality is continuing then the Issuer may redeem all (but not some only) of the affected Sub-Class of Class A Notes in accordance with the below.

If the Issuer satisfies the Class A Note Trustee immediately before giving the notice referred to below, that one or more of the events described in this Class A Condition 7(d) above is continuing and that the effect of the relevant event cannot be avoided by the Issuer taking reasonable measures available to it, then the Issuer may, on any Class A Note Interest Payment Date or, in relation to Fixed Rate Class A Notes, on any day, and having given not more than 60 days' nor less than five Business Days' notice (which notice shall be irrevocable), (or, in the case of an event described in this Class A Condition 7(d)(vi) above, such shorter period expiring on or before the latest date permitted by relevant law) to the Class A Note Trustee and the Class A Noteholders in accordance with Class A Condition 16 (*Notices*), redeem all, but not some only, of the Class A Notes at their respective Principal Amount Outstanding together with accrued but unpaid interest, if any, up to but excluding the date of redemption. Prior to giving any notice of redemption pursuant to Class A Condition 7(d) (*Redemption for Taxation or Other Reasons*), the Issuer shall deliver to the Class A Note Trustee (A) a certificate signed by two directors of the Issuer stating that (x) one or more of the events described in Class A Conditions 7(d)(i) to 7(d)(vi) above is continuing and that the effect of the relevant event cannot be avoided by the Issuer taking reasonable measures available to it; and (y) the Issuer will have the necessary funds to pay all principal and interest due, if any, in respect of the Class A Notes on the next Class A Note Interest Payment Date or, in relation to Class A Fixed Rate Notes, on the relevant payment date and to discharge all other amounts required to be paid by it on the next Class A Note Interest Payment Date in priority to, or *pari passu* with, the Class A Notes under the Issuer Pre-Acceleration Priority of Payments and (B) if required by the Class A Note Trustee, an opinion (in form and substance satisfactory to the Class A Note Trustee) of independent legal advisors of recognised standing opining on the relevant event described in (d).

The Class A Note Trustee shall be entitled to accept and rely without further enquiry on any certificate referred to in this Class A Condition 7(d) as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event they shall be

conclusive and binding on the Class A Noteholders, the Class A Receiptholders and the Class A Couponholders.

(e) ***Early Redemption on Prepayment of a Class A IBLA***

If:

(i) the Borrower gives notice to the Issuer under a Class A IBLA that it intends to voluntarily prepay all or part of any advance made under such Class A IBLA or the Borrower is required to prepay all or part of any advance made under any Class A IBLA; and

(ii) in each case, such advance was funded by the Issuer from the proceeds of a Sub-Class of Class A Notes,

the Issuer shall, upon giving not more than 60 days' nor less than five Business Days' notice (which notice shall be irrevocable) to the Class A Note Trustee, the Issuer Secured Creditors and the Class A Noteholders in accordance with Class A Condition 16 (*Notices*), (where such advance is being prepaid in whole) redeem all of the relevant Sub-Class of Class A Notes or (where part only of such advance is being prepaid) the proportion of the relevant Sub-Class of Class A Notes which the proposed prepayment amount bears to the amount of the relevant advance provided that the Issuer may delay giving such notice if the proceeds of the prepayment of the Class A IBLA Advance are deposited into the Refinancing Escrow Account which is secured for the corresponding Class A Noteholders and the Issuer shall give at least the required notice under this Class A Condition 7(e) to the Class A Noteholders prior to the intended date of redemption.

Other than where a prepayment or redemption is being effected as contemplated by Class A Condition 7(a) (*Expected Maturity*), Class A Condition 7(d) (*Redemption for Taxation or Other Reasons*) or Class A Condition 7(f) (*Early redemption following Loan Enforcement Notice*), any early redemption of the relevant Sub-Class of Class A Notes as a result of a prepayment of a Class A IBLA Advance will be effected at its Redemption Amount determined in accordance with Class A Condition 7(c) (*Optional Redemption*) plus accrued but unpaid interest on the relevant Sub-Class of Class A Notes up to the date of redemption.

(f) ***Early redemption following Loan Enforcement Notice***

If the Issuer receives (or is to receive) any monies from any Obligor following the service of an Loan Enforcement Notice or the application of any Deemed Available Enforcement Proceeds or the proceeds of any Distressed Disposal in accordance with the STID in repayment of all or any part of a Class A IBLA Advance, the Issuer shall, upon giving not more than 60 days' nor less than five Business Days' notice (which notice shall be irrevocable) to the Class A Note Trustee, the Issuer Secured Creditors and the Class A Noteholders in accordance with Class A Condition 16 (*Notices*) apply such monies to redeem the then outstanding relevant Sub-Class of Class A Notes corresponding to the advance under a Class A IBLA which is prepaid at their Principal Amount Outstanding plus accrued but unpaid interest on the next Class A Note Interest Payment Date (or, if sooner, Final Maturity Date) in accordance with the relevant Issuer Payments Priorities. In the event that there are insufficient monies to redeem all of the particular outstanding Sub-Class of Class A Notes, the Sub-Class of Class A Notes shall be redeemed in part in the proportion which the Principal Amount Outstanding of such Sub-Class of Class A Notes to be redeemed bears to the Principal Amount Outstanding of such Sub-Class of Class A Notes.

(g) ***Purchase of Class A Notes***

Provided that no Class A Note Event of Default has occurred and is continuing, the Issuer, the Borrower and any other members of the Holdco Group will be permitted, subject, in the case of the Borrower and any other member of the Holdco Group to the terms of the CTA, to purchase any of the Class A Notes (together with all unmatured Class

A Receipts and Class A Coupons) in the open market. If the purchaser of the Class A Notes is the Issuer, it shall cancel such Class A Notes and, if the purchaser of the Class A Notes is the Borrower or any other member of the Holdco Group, it shall surrender such Class A Notes to the Issuer and the Issuer shall cancel such Class A Notes and, in each case, a corresponding amount of the advances made under the relevant Class A IBLA attributable to the relevant Sub-Class of Class A Notes will be treated as prepaid at par.

Any Class A Note purchased by or on behalf of the Issuer, the Borrower or any other member of the Holdco Group shall, for so long as it is held by or on behalf of the Issuer, the Borrower or any member of the Holdco Group, cease to have any voting rights attributed thereto and shall be excluded from any quorum or voting calculations set out in the Class A Conditions, the Class A Note Trust Deed, the Issuer Deed of Charge or the STID, as the case may be.

(h) ***Class B Call Option***

(i) The Class A Notes are issued subject to the provisions of the Class B Call Option (as defined in and set out in the Issuer Deed of Charge). By holding any Class A Note, each Class A Noteholder acknowledges and agrees (A) that it is bound by the terms of the Class B Call Option and (B) that the Class A Note Trustee is party to the Issuer Deed of Charge and bound by the provisions thereof relating, *inter alia*, to the Class B Call Option.

(ii) If a Class B Call Option Trigger Event set out in paragraph (a) of the definition thereof occurs and the Class B Call Option is exercised during the Class B Call Option Period under the terms of the Issuer Deed of Charge, then:

(A) the relevant Class B Noteholders or Class B Authorised Credit Provider, as the case may be, will be obliged to purchase all (but not some) of (x) the Sub-Class of Class A Notes which have not been paid on their Expected Maturity Date and such Class A Noteholders will be obliged to sell all (but not some only) of their holdings of such Sub-Class of the Class A Notes to the relevant Class B Noteholders or Class B Authorised Credit Provider, as applicable, in accordance with the terms of the Issuer Deed of Charge, at a price equal to the aggregate Principal Amount Outstanding of such Sub-Class of Class A Notes together with accrued but unpaid interest thereon and (y) any other Class A Authorised Credit Facility (other than any Class A IBLA) which is due to mature on such Expected Maturity Date and such Class A Authorised Credit Provider will be obliged to assign or otherwise transfer all (but not some only) of their interest in such Class A Authorised Credit Facility to the relevant Class B Noteholders or Class B Authorised Credit Provider, in accordance with the terms of the Issuer Deed of Charge, at a price equal to the Outstanding Principal Amount of such Class A Authorised Credit Facility together with accrued but unpaid interest thereon; **provided that** in the case of (y) above, each Class B Noteholder or Class B Authorised Credit Provider, as the case may be, that wishes to exercise its right to purchase any Class A Authorised Credit Facility certifies to the borrower under the relevant Class A Authorised Credit Facility and the Obligor Security Trustee at the time of the exercise of the Class B Call Option that is not, and, following exercise of the Class B Call Option, will not be, connected with the borrower under the relevant Class A Authorised Credit Facility for purposes of Section 363 of the Corporation Tax Act 2009; and

(B) the relevant Class B Noteholder(s) or Class B Authorised Credit Providers, as the case may be, may:

(I) surrender such Class A Notes to the Issuer for cancellation (and a corresponding amount of the Class A IBLA Advances made under the relevant Class A IBLA attributable to the relevant Sub-Class of Class A Notes will be treated as prepaid) (or enter into an alternative arrangement which achieves the same commercial objective) and surrender and cancel any amount outstanding under any purchased Class A Authorised Credit Facility (or enter into an alternative arrangement which achieves the same commercial objective). In each case, the relevant Class B Noteholder(s) or Class B Authorised Credit Providers, as the case may be, shall provide a tax opinion from reputable tax counsel addressed to (x) the Issuer, the Class A Note Trustee, the Issuer Security Trustee, the borrower under the relevant Class A Authorised Credit Facility and the Obligor Security Trustee in the case of the surrender of the Class A Notes and the deemed prepayment of the related Class A IBLA and (y) the borrower under the relevant Class A Authorised Credit Facility and the Obligor Security Trustee, in the case of any cancellation of amounts outstanding under any Class A Authorised Credit Facility, to confirm that the surrender and cancellation of the Class A Notes, the Class A IBLA and/or the relevant Class A Authorised Credit Facility or the entry into any alternative arrangements to achieve the same commercial objective, as the case may be, will not result in any adverse tax consequences for the Issuer or the borrower under the relevant Class A Authorised Credit Facility, as applicable; or

(II) purchase all (but not some only) of each other Sub-Class of Class A Notes then outstanding at a price equal to:

(1) in the case of any Fixed Rate Class A Notes denominated in Sterling, at a price equal to the Redemption Amount of such Class A Notes as determined in accordance with Class A Condition 7(c) or as otherwise specified in the relevant Final Terms or Drawdown Prospectus, as the case may be; and

(2) in the case of any Fixed Rate Class A Notes denominated in euro or U.S. dollars, at a price equal to the Redemption Amount of such Class A Notes as determined in accordance with Class A Condition 7(c) or as otherwise specified in the relevant Final Terms or Drawdown Prospectus, as the case may be.

(3) [Reserved].

(iii) If a Class B Call Option Trigger Event set out in paragraph (b) of the definition thereof occurs and the Class B Call Option is exercised during the Class B Call Option Period under the terms of the Issuer Deed of Charge, then the relevant Class B Noteholders or Class B Authorised Credit Providers, as the case may be, will be obliged to purchase all (but not some) of (x) the Class A Notes then outstanding and the Class A Noteholders will be obliged to sell all (but not some only) of their holdings of such Class A Notes to the relevant Class B Noteholders or Class B Authorised Credit Providers, as the case may be, in accordance with the terms of the Issuer Deed of Charge, at a price equal to the aggregate Principal Amount Outstanding of the Class A Notes together with accrued but unpaid interest thereon and (y) each Class A Authorised

Credit Facility (other than any Class A IBLA) which is then outstanding and such Class A Authorised Credit Provider will be obliged to assign or otherwise transfer all (but not some only) of their interest in such Class A Authorised Credit Facility to the relevant Class B Noteholders or Class B Authorised Credit Providers, as the case may be, in accordance with the terms of the STID, at a price equal to the Outstanding Principal Amount of such Class A Authorised Credit Facility together with accrued but unpaid interest thereon; **provided that** in the case of (y) above, each Class B Noteholder or Class B Authorised Credit Provider, as the case may be, that wishes to exercise its right to purchase any Class A Authorised Credit Facility certifies to the borrower under the relevant Class A Authorised Credit Facility and the Obligor Security Trustee at the time of the exercise of the Class B Call Option, will not be, connected with the borrower under the relevant Class A Authorised Credit Facility for purposes of Section 363 of the Corporation Tax Act 2009.

(iv) The Issuer will be required, under the terms of the Issuer Deed of Charge, to notify the Class A Noteholders in accordance with Class A Condition 16 (*Notices*) and by publication on a Regulatory Information Service, with a copy to the Class A Note Trustee and the Class A Paying Agents, of any forthcoming actual or possible exercise of the Class B Call Option. Such notice will specify the arrangements for the settlement of the transfer of the Class A Notes and the settlement of the purchase price payable to the Class A Noteholders.

(i) ***Redemption by Instalments***

Unless previously redeemed or purchased and cancelled as provided in this Class A Condition 7, each Class A Note which provides for Instalment Dates (as specified in the relevant Final Terms or Drawdown Prospectus) and Instalment Amounts (as specified in the relevant Final Terms or Drawdown Prospectus) will be partially redeemed on each Instalment Date at the Instalment Amount in relation to which the provisions relation to partial redemption of Class A Notes in Class A Condition 7(c) shall apply.

(j) ***Cancellation***

Any Class A Bearer Notes or Class A Registered Notes which are: (i) redeemed by the Issuer; (ii) purchased or held by or on behalf of the Issuer or any other person specified in Class A Condition 7(g) (*Purchase of Class A Notes*) following a CTA Event of Default; or (iii) purchased by or on behalf of the Issuer or an Obligor or any equivalent or similar provision in any Authorised Credit Facility to the extent required to cure a Trigger Event in accordance with the CTA, shall, in each case, be surrendered to or to the order of the Class A Principal Paying Agent or the Class A Registrar, as the case may be, for cancellation and, if so surrendered, will, together with all Class A Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Class A Bearer Notes, all unmatured Class A Receipts and Class A Coupons and unexchanged Class A Talons attached thereto or surrendered therewith). Any Class A Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Class A Notes shall be discharged.

(k) ***Modified Optional Redemption***

If Modified Optional Redemption is selected in the Final Terms or Drawdown Prospectus, provided that there is no Class A Note Event of Default or CTA Event of Default or Potential CTA Event of Default then outstanding, upon giving written notice within the notice period specified in the Final Terms (which notice shall be irrevocable) to the Class A Note Trustee, the Issuer Secured Creditors and the Class A Noteholders, the Issuer may (prior to the Expected Maturity Date applicable to a particular Sub-Class of Class A Notes) redeem all but not some only of any Sub-Class of Class A Notes in whole on the Call Date or Call Dates at the Redemption Amount in each case specified in the Final Terms in respect of the relevant Call Date.

In any case, prior to giving such notice, the Issuer shall deliver a certificate signed by two of its directors to the Class A Note Trustee stating that it will have the funds, not subject to any interest (other than under the Issuer Security) of any other person, required to redeem the Class A Notes as aforesaid and the Class A Note Trustee shall be entitled to rely on such certificate without liability to any person.

For the purposes of this Class A Condition 7(k), "**Call Date**" means any date specified in the relevant Final Terms applicable to such Sub-Class of Class A Notes on which all the Class A Notes in any particular Sub-Class can be redeemed by the Issuer before the Expected Maturity Date pursuant to this Class A Condition 7(k).

8. **Payments**

(a) ***Class A Bearer Notes***

Payments to the Class A Noteholders of principal (or, as the case may be, Redemption Amounts or other amounts payable on redemption) and interest (or, as the case may be, Class A Note Interest Amount) in respect of Class A Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Class A Receipts (in the case of payment of Instalment Amounts other than on the due date for final redemption and **provided that** the Class A Receipt is presented for payment together with its relative Class A Note), Class A Notes (in the case of all other payments of principal and, in the case of interest, as specified in Class A Condition 8(f) (*Unmatured Class A Coupons and Class A Receipts and Unexchanged Class A Talons*) or Class A Coupons (in the case of interest, save as specified in Class A Condition 8(f) (*Unmatured Class A Coupons and Class A Receipts and Unexchanged Class A Talons*), as the case may be, at the specified office of any Class A Paying Agent outside the United States of America by transfer to an account denominated in the currency in which such payment is due with, or (in the case of Class A Notes in definitive form only) a cheque payable in that currency drawn on, a bank in (i) the principal financial centre of that currency **provided that** such currency is not euro, or (ii) the principal financial centre of any Participating Member State if that currency is euro.

No payment of principal and/or interest in respect of a Class A Bearer Note with an original maturity of more than one year will be made by a transfer of funds into an account maintained by the payee in the United States or by mailing a cheque to an address in the United States, except as provided in Class A Condition 8(c) (*Payments in the United States of America*).

(b) ***Class A Registered Notes***

Payments of principal (or, as the case may be, Redemption Amounts) in respect of Class A Registered Notes will be made to the holder (or the first named of joint holders) of such Class A Note against presentation and surrender of the relevant Class A Registered Note at the specified office of the Class A Registrar and in the manner provided in Class A Condition 8(a) (*Class A Bearer Notes*).

Payments of instalments in respect of Class A Registered Notes will be made to the holder (or the first named of joint holders) of such Class A Note against presentation of the relevant Class A Registered Note at the specified office of the Class A Registrar in the manner provided in Class A Condition 8(a) (*Class A Bearer Notes*) above and annotation of such payment on the Class A Register and the relevant Class A Note certificate.

Interest (or, as the case may be, Class A Note Interest Amount) on Class A Registered Notes payable on any Class A Note Interest Payment Date will be paid to the holder (or the first named if joint holders) on the 15th day before the due date for payment thereof (the "**Record Date**"). Payment of interest or Class A Note Interest Amount on each Class A Registered Note will be made in the currency in which such payment is due by cheque drawn on a bank in (a) the principal financial centre of the country of the currency concerned, **provided that** such currency is not euro, or (b) the principal financial centre of any Participating Member State if that currency is euro and mailed to the holder (or to

the first named of joint holders) of such Class A Note at its address appearing in the Class A Register. Upon application by the Class A Noteholder to the specified office of the Class A Registrar before the relevant Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in (a) the principal financial centre of the country of that currency **provided that** such currency is not euro, or (b) the principal financial centre of any Participating Member State if that currency is euro.

A record of each payment so made will be endorsed on the schedule to the Class A Global Note by or on behalf of the Class A Principal Paying Agent or the Class A Registrar, as the case may be, which endorsement shall be *prima facie* evidence that such payment has been made.

(c) ***Payments in the United States of America***

Notwithstanding the foregoing, if any Class A Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Class A Paying Agent in New York City in the same manner as aforesaid if:

(i) the Issuer shall have appointed Class A Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Class A Paying Agents would be able to make payment of the amounts on the Class A Notes in the manner provided above when due;

(ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and

(iii) such payment is then permitted by the law of the United States of America, without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(d) ***Payments subject to fiscal laws; payments on Class A Bearer Global Notes and Registered Class A Global Notes***

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of this Class A Condition 8. No commission or expenses shall be charged to the Class A Noteholders, Class A Couponholders or Class A Receiptholders (if any) in respect of such payments. All payments are also subject to any withholding or deduction required pursuant to an agreement described in section 1471(B) of the Code or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Class A Condition 9 (*Taxation*)) any law implementing an intergovernmental approach thereto ("**FATCA**").

The holder of a Class A Global Note shall be the only person entitled to receive payments of principal (or Redemption Amount) and interest (or Class A Note Interest Amount) on the Class A Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Class A Global Note in respect of each amount paid.

(e) ***Appointment of the Agents***

The Agents appointed by the Issuer (and their respective specified offices) are listed in the Class A Agency Agreement. The Agents act solely as agents of the Issuer (and, in the circumstances set out in the Class A Agency Agreement, the Class A Note Trustee) and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right, with the prior written consent of the Class A Note Trustee at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, **provided that** the Issuer will at all times maintain (i) a Class A Principal Paying

Agent (in the case of Class A Bearer Notes), or (ii) a Class A Registrar (in the case of Class A Registered Notes), (iii) a Class A Agent Bank and (iv) if and for so long as the Class A Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Class A Paying Agent, Class A Transfer Agent or Class A Registrar in any particular place, a Class A Paying Agent, Class A Transfer Agent and/or Class A Registrar, as applicable, having its specified office in the place required by such listing authority, stock exchange and/or quotation system, which, while any Class A Notes are admitted to the Official List and trading on the Irish Stock Exchange plc, trading as Euronext Dublin, shall be London. Notice of any such variation, termination or appointment will be given in accordance with Class A Condition 16 (*Notice*).

(f) ***Unmatured Class A Coupons and Class A Receipts and Unexchanged Class A Talons***

(i) Subject to the provisions of the relevant Final Terms or Drawdown Prospectus, upon the due date for redemption of any Class A Note which is a Class A Bearer Note (other than a Fixed Rate Class A Note, unless it has all unmatured Class A Coupons attached), unmatured Class A Coupons and Class A Receipts relating to such Class A Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the date for redemption of any Class A Note, any unmatured Class A Talon relating to such Class A Note (whether or not attached) shall become void and no Class A Coupon shall be delivered in respect of such Class A Talon.

(iii) Upon the due date for redemption of any Class A Note which is redeemable in instalments, all Class A Receipts relating to such Class A Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(iv) Where any Class A Note, which is a Class A Bearer Note and is a Fixed Rate Class A Note, is presented for redemption without all unmatured Class A Coupons and any unexchanged Class A Talon relating to it, a sum equal to the aggregate amount of the missing unmatured Class A Coupons will be deducted from the amount of principal due for payment and, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption of any Class A Note is not a Class A Note Interest Payment Date, interest accrued from the preceding Class A Note Interest Payment Date or the Class A Interest Commencement Date, as the case may be, or the Class A Note Interest Amount payable on such date for redemption shall only be payable against presentation (and surrender if appropriate) of the relevant Class A Note and Class A Coupon.

(g) ***Payment Business Days***

(i) *Class A Bearer Notes*: If the due date for payment of any amount in respect of any Class A Bearer Note or Class A Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(ii) *Class A Registered Notes*: Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due

date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Class A Note is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Class A Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Class A Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (A) a cheque mailed in accordance with this Class A Condition 8(g) arriving after the due date for payment or being lost in the mail.

(h) ***Class A Talons***

On or after the Class A Note Interest Payment Date for the final Class A Coupon forming part of a coupon sheet issued in respect of any Class A Note, the Class A Talon forming part of such coupon sheet may be surrendered at the specified office of any Class A Paying Agent in exchange for a further coupon sheet (and if necessary another Class A Talon for a further coupon sheet) (but excluding any Class A Coupons which may have become void pursuant to Class A Condition 12 (*Prescription*).

9. **Taxation**

All payments in respect of the Class A Notes, Class A Receipts or Class A Coupons will be made (whether by the Issuer, any Class A Paying Agent, the Class A Registrar or the Class A Note Trustee) free and clear of, and without withholding or deduction for, or on account of, any present or future Taxes unless such withholding or deduction is required by applicable law (including FATCA). In that event, the Issuer, such Class A Paying Agent, the Class A Registrar or the Class A Note Trustee, as the case may be, shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. None of the Issuer, any Class A Paying Agent, the Class A Registrar or the Class A Note Trustee will be obliged to make any additional payments to the Class A Noteholders, Class A Receiptholders or the Class A Couponholders in respect of such withholding or deduction. The Issuer, any Class A Paying Agent, the Class A Registrar or the Class A Note Trustee may require holders to provide such certifications and other documents as required by applicable law in order to qualify for exemptions from applicable tax laws.

10. **Class A Note Events of Default**

(a) ***Class A Note Event of Default***

Each and any of the following events shall be treated as a "**Class A Note Event of Default**":

(i) *Non-payment*: default is made by the Issuer for a period of five Business Days in the payment of interest or principal on any Sub-Class of the Class A Notes when due in accordance with these Class A Conditions;

(ii) *Breach of other obligations*: default is made by the Issuer in the performance or observance of any other obligation, condition, provision, representation or warranty binding upon or made by it under the Class A Notes or the Issuer Class A Transaction Documents and the Issuer Common Documents (other than any obligation whose breach would give rise to the Class A Note Event of Default provided for in Class A Condition 10(a)(i) (*Non-payment*) and, except where in the opinion of the Class A Note Trustee the such default is not capable of remedy, such default continues for a period of 30 Business Days and, in either case, **provided that** the Class A Note Trustee shall have determined that such

event is, in its opinion, materially prejudicial to the interests of the Class A Noteholders;

(iii) *Issuer Insolvency Event*: an Issuer Insolvency Event occurs; or

(iv) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Class A Notes or the Issuer Class A Transaction Documents and the Issuer Common Documents.

(b) ***Delivery of Class A Note Acceleration Notice***

If any Class A Note Event of Default occurs and is continuing, the Class A Note Trustee (i) may, at any time, at its discretion and (ii) shall, upon being so directed in writing by the holders of at least 25 per cent. of the aggregate Principal Amount Outstanding of all of the Class A Notes then outstanding or if so directed by a Class A Extraordinary Resolution of all the Class A Noteholders, deliver a notice (a "**Class A Note Acceleration Notice**") to the Issuer declaring all of the Class A Notes immediately due and payable **provided that**, in either case, it is indemnified and/or secured and/or prefunded to its satisfaction. Upon the delivery of a Class A Note Acceleration Notice, the Class A Notes shall become immediately due and payable at their Principal Amount Outstanding together with accrued and unpaid interest.

(c) ***Enforcement of the Issuer Security***

Subject to the Issuer Deed of Charge, at any time after the service of a Class A Note Acceleration Notice by the Class A Note Trustee in accordance with Class A Condition 10(a) (*Class A Note Event of Default*) above, the Issuer Security Trustee at its absolute discretion may, and if so directed in writing by Qualifying Issuer Senior Creditors holdings at least 25 per cent. of the aggregate Qualifying Issuer Senior Debt then outstanding, shall (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction in accordance with the Issuer Deed of Charge) take enforcement steps in relation to the Issuer Security.

Under the terms of the Issuer Deed of Charge, if the Issuer Security Trustee is directed to take enforcement steps in relation to the Issuer Security, the Issuer Security Trustee is required to give a notice (the "**Issuer Security Enforcement Notice**") to the Issuer declaring the whole of the Issuer Security to be enforceable.

(d) ***Confirmation of no Class A Note Event of Default***

The Issuer, pursuant to the terms of the Class A Note Trust Deed, shall provide written confirmation to the Class A Note Trustee, on an annual basis (and at any other time on request of the Class A Note Trustee), that no Class A Note Event of Default has occurred.

11. **Enforcement Against Issuer**

No Class A Noteholder, Class A Receiptholder, Class A Couponholder or other Issuer Secured Creditor is entitled to take any action against the Issuer or any other member of the Holdco Group or against any assets of the Issuer or any other member of the Holdco Group to enforce its rights in respect of the Class A Notes or to enforce any of the Issuer Security unless the Class A Note Trustee or, as the case may be, the Issuer Security Trustee, having become bound so to proceed, fails or neglects to do so within a reasonable period and such failure or neglect is continuing. The Issuer Security Trustee shall, subject to being indemnified and/or secured and/or pre-funded to its satisfaction against all fees, costs, expenses, liabilities, claims and demands to which it may thereby become liable or which it may incur by so doing, upon being so directed in writing by the Qualifying Issuer Senior Creditors together holding or representing at least 25 per cent. or more of the Qualifying Issuer Senior Debt, enforce the Issuer Security in accordance with the Issuer Deed of Charge.

None of the Class A Note Trustee, the Issuer Security Trustee, the Class A Noteholders, the Class A Receiptholders, the Class A Couponholders or the other Issuer Secured Creditors may institute

against, or join any person in instituting against, the Issuer or any other member of the Holdco Group any bankruptcy, winding up, re organisation, arrangement, insolvency or liquidation proceeding (except for the taking of any enforcement action under the Issuer Deed of Charge including the appointment of a Receiver pursuant to the terms of the Issuer Deed of Charge) or other proceeding under any similar law for so long as any Class A Notes are outstanding or for two years and a day after the latest Final Maturity Date on which any Sub-Class of Class A Notes is due to mature.

12. **Prescription**

Claims against the Issuer for payment in respect of the Class A Notes, Class A Receipts or Class A Coupons (which, for this purpose, shall not include Class A Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Class A Note Relevant Date (as defined in Class A Condition 21 (*Definitions*)) in respect thereof.

13. **Replacement of Class A Notes, Class A Coupons, Class A Receipts and Class A Talons**

If any Class A Bearer Note, Class A Registered Note, Class A Receipt, Class A Coupon or Class A Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and requirements of the Stock Exchange (in the case of listed Class A Notes) (and each other listing authority, stock exchange and or quotation system upon which the relevant Class A Notes have then been admitted to listing, trading and/or quotation), at the specified office of the Class A Principal Paying Agent or, as the case may be, the Class A Registrar upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require. Mutilated or defaced Class A Notes, Class A Receipts, Class A Coupons or Class A Talons must be surrendered before replacements will be issued.

14. **Passing of resolutions by Class A Noteholders, Modification, Waiver and Substitution**

(a) ***General***

No physical meetings will be required in respect of any Class A Voting Matter and a Class A Noteholder may only Vote in respect of any Class A Voting Matter by means of a Block Voting Instruction. However, the Class A Note Trustee may, without the consent of the Issuer or the Class A Noteholders, prescribe such further regulations regarding voting by the Class A Noteholders in respect of all Class A Voting Matters except Obligor STID Proposals as the Class A Note Trustee may in its sole discretion think fit, including the calling of one or more meetings of Class A Noteholders in order to approve any resolution to be put to the Class A Noteholders where the Class A Note Trustee, in its sole discretion, considers it to be appropriate to hold a meeting.

(b) ***STID Decision Matters***

In respect of any STID Decision Matter (other than an NIG LAN Notice):

(i) on receipt of a STID Voting Request, the Class A Note Trustee shall promptly send a copy of such STID Voting Request to the Class A Noteholders in accordance with Class A Condition 16 (*Notices*);

(ii) each Class A Noteholder may only vote on such STID Decision Matter by way of Block Voting Instruction and each Class A Noteholder shall have one vote in respect of each £1 (or its equivalent expressed in sterling on the basis of the Exchange Rate) of the Principal Amount Outstanding of Class A Notes held by it;

(iii) each Class A Noteholder must vote on or prior to the time specified by the Class A Principal Paying Agent or, as the case may be, Class A Registrar and/or relevant clearing system in order to enable the Class A

Principal Paying Agent or, as the case may be, a Class A Paying Agent or the Class A Registrar to issue a Block Voting Instruction on the Voting Date, provided that if a Class A Noteholder does not vote in sufficient time to allow the Class A Principal Paying Agent, or, as the case may be, a Class A Paying Agent or the Class A Registrar to issue a Block Voting Instruction in respect of its Class A Notes prior to the end of the Voting Period, the Votes of such Class A Noteholder may not be counted;

(iv) in respect of such STID Decision Matter, the Class A Note Trustee shall vote as the Secured Creditor Representative of the Class A Noteholders in respect of each Sub-Class of Class A Notes then outstanding by notifying the Obligor Security Trustee, the Issuer and the Issuer Security Trustee, in accordance with the STID promptly following the receipt by it of such Votes (and in any case not later than the Business Day following receipt of each such Vote), of each Vote comprised in a Block Voting Instruction received by it from a Class A Paying Agent or the Class A Registrar on or prior to the Voting Date (or, if earlier the relevant Voting Closure Date); and

(v) each STID Decision Matter duly approved by the Qualifying Obligor Secured Creditors in accordance with the STID shall be binding on all Class A Noteholders, Class A Receiptholders and Class A Couponholders (subject as provided in the STID including in respect of an Entrenched Right STID Proposal). The Issuer shall, following receipt from the Holdco Group Agent of the result of any vote in respect of such Obligor STID Proposal, promptly notify the Class A Noteholders in accordance with Class A Condition 16 (*Notices*).

(c) ***STID Direction Matters***

(i) In respect of any STID Direction Matters, the Class A Note Trustee shall notify the Obligor Security Trustee, the Issuer and the Issuer Security Trustee, in accordance with the STID of any instruction it receives from a Class A Noteholder whether in writing (accompanied by a proof of holding as to the Principal Amount Outstanding of the Class A Notes that it holds) or by way of a Vote, which in either case requests the Obligor Security Trustee to:

(A) deliver a Determination Dissenting Notice to the Holdco Group Agent in accordance with the STID; and/or

(B) object to any consequential amendment, consent or waiver proposed pursuant to and in accordance with clause 27 of the STID.

(ii) The Class A Note Trustee shall if directed to do so by Class A Noteholders representing not less than 10 per cent. of the Outstanding Principal Amount of the Class A Notes whether in writing (accompanied by a proof of holding as to the Principal Amount Outstanding of the Class A Notes that it holds) or by way of a Vote instruct the Obligor Security Trustee to deliver an Entrenched Right Dissenting Notice to the Holdco Group Agent with respect to any Entrenched Right STID Proposal in accordance with the STID.

(iii) Any such notification or instruction shall be made promptly following the receipt by the Class A Note Trustee of such written instruction or Vote, as the case may be (and in any case not later than the Business Day following receipt of each such written instruction or Vote).

(d) ***Issuer Deed of Charge Direction Matters***

(i) The Class A Note Trustee shall notify the Issuer and the Issuer Security Trustee of any instruction it receives from a Class A Noteholder whether in writing (accompanied by a proof of holding as to the Principal Amount Outstanding of the Class A Notes that it holds) or by way of a Vote, in either case in connection with any objection to any amendment, consent or waiver proposed pursuant to and in accordance with the Issuer Deed of Charge as summarised in Class A Condition 14(j)(ii) below.

(ii) Any such notification shall be made promptly following the receipt by the Class A Note Trustee of such written instruction or Vote, as the case may be (and in any case not later than the Business Day following receipt of each such written instruction or Vote).

(e) ***Other Class A Voting Matters (other than NIG LAN Notices)***

In respect of any Class A Voting Matter (other than NIG LAN Notices):

(i) the Issuer or the Class A Note Trustee may at any time, and the Class A Note Trustee must if:

(A) it receives an Entrenched Right STID Proposal; or

(B) directed to do so by Class A Noteholders representing not less than 10 per cent. of the aggregate Principal Amount Outstanding of the Class A Notes,

request that such Class A Voting Matter be considered by the Class A Noteholders.

(ii) any Class A Voting Matter shall be passed by the Class A Noteholders if approved by a Class A Ordinary Resolution or, if paragraph (iv) below applies, in accordance with the STID, save that the following matters may only be approved by the Class A Noteholders if they are approved by the passing of a Class A Extraordinary Resolution:

(A) Power to sanction any compromise or arrangement proposed to be made between the Issuer, the Class A Note Trustee, any Appointee and the Class A Noteholders, Class A Receiptholders and Class A Couponholders or any of them.

(B) Power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Class A Note Trustee, any Appointee, the Class A Noteholders, Class A Receiptholders and Class A Couponholders or the Issuer or against any other or others of them or against any of their property whether such rights shall arise under the Class A Note Trust Deed or otherwise.

(C) Power to give any authority or sanction which under the provisions of the Class A Note Trust Deed or any Issuer Class A Transaction Document or Issuer Common Document is required to be given by a Class A Extraordinary Resolution.

(D) Power to appoint any persons (whether Class A Noteholders or not) as a committee or committees to represent the interests of the Class A Noteholders and to confer upon such committee or committees any powers or discretions which the Class A Noteholders could themselves exercise by a Class A Extraordinary Resolution.

(E) Power to discharge or exonerate the Class A Note Trustee and/or any Appointee from all liability in respect of any act or omission

for which the Class A Note Trustee and/or such Appointee may have become or may become responsible under the Class A Note Trust Deed.

(F) Power to authorise the Class A Note Trustee and/or any Appointee to (subject to it being indemnified and/or secured and/or prefunded to its satisfaction) concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Class A Extraordinary Resolution, except where the Issuer Class A Transaction Documents or the Issuer Common Documents provide express authority to execute such documents.

(G) Power to sanction any scheme or proposal for the exchange or sale of the Class A Notes for or the conversion of the Class A Notes into or the cancellation of the Class A Notes in consideration of shares, stock, notes, notes, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, notes, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash and for the appointment of some person with power on behalf of the Class A Noteholders to execute an instrument of transfer of the Class A Notes held by them in favour of the persons with or to whom the Class A Notes are to be exchanged or sold respectively.

(H) Without prejudice to Clause 27 (*Substitution*) of the Class A Note Trust Deed, power to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Class A Note Trust Deed.

(I) Power to sanction an Entrenched Right STID Proposal.

(J) Power to approve any Class A Basic Terms Modification.

(iii) Any resolution of the Class A Noteholders that is required to approve any Class A Extraordinary Resolution or any Class A Ordinary Resolution shall be carried out in accordance with the provisions for voting set out in the Class A Note Trust Deed.

(iv) The Class A Note Trustee shall notify the Obligor Security Trustee of any resolution of the Class A Noteholders relating to any Class A Voting Matter under limb (b) of the definition thereof that is passed in accordance with the provisions for voting set out at Schedule 5 (Provisions for Voting) of the Class A Note Trust Deed. To the extent the relevant Class A Voting Matter constitutes a Class A Relevant Matter under the STID, the implementation of the relevant modifications or waivers to the Class A Issuer Transaction Document sanctioned by such resolution shall be subject to satisfying the relevant conditions set out under the STID in connection therewith.

(f) ***Noteholder Voting***

(i) Promptly on receipt of any request that any Class A Voting Matter be considered by any Class or Sub-Class of Class A Noteholders in accordance with the above provisions, the Issuer or the Class A Note Trustee (as applicable) shall send a notice (a "**Voting Notice**") to the

Class A Noteholders of each affected Class or Sub-Class of Class A Notes in accordance with Class A Condition 16 (*Notices*).

(ii) Each Voting Notice shall give at least 15 Business Days' notice (exclusive of the day on which the notice is given and the Voting Date) specifying the Voting Date to the Class A Noteholders. Such Voting Notice, which shall be in the English language, shall state the Class A Voting Matter(s) including the terms of any resolution to be proposed.

(iii) For the purposes of determining the Votes cast in respect of a Class A Voting Matter by a Class or Sub-Class of Class A Noteholders, each Noteholder of the relevant Class or Sub-Class shall have one vote in respect of each £1 (or its equivalent expressed in Sterling on the basis of the Exchange Rate) of Principal Amount Outstanding of the Class A Notes or Sub-Class thereof held or represented by it.

(iv) Each Class A Noteholder of the Class or Sub-Class must vote prior to the close of business (London time) 24 hours prior to the Voting Date so that his votes can be included in a Block Voting Instruction which needs to be deposited at least 24 hours before the Voting Date.

(v) If the Class A Voting Matter relates to an Entrenched Right STID Proposal, on or before the Business Day immediately preceding the Voting Date, the Class A Note Trustee shall notify the Obligor Security Trustee, the Issuer and the Issuer Security Trustee in writing whether or not the holders of each affected Sub-Class of Class A Notes then outstanding have passed a Class A Extraordinary Resolution approving the relevant Entrenched Right STID Proposal.

(vi) In order for a Class A Ordinary Resolution to be approved by the Class A Noteholders, one or more Class A Noteholders representing 25 per cent. or more of the aggregate Principal Amount Outstanding of the Class A Notes who for the time being are entitled to receive notice of a Class A Voting Matter need to participate in any initial Vote.

(vii) In order for a Class A Extraordinary Resolution to be approved by the Class A Noteholders, excluding where such Class A Extraordinary Resolution involves the consideration and approval of a Basic Terms Modification, one or more Class A Noteholders representing 50 per cent. or more of the aggregate Principal Amount Outstanding of the Class A Notes who for the time being are entitled to receive notice of a Class A Voting Matter, need to participate in any initial Vote.

(viii) In order for a Class A Extraordinary Resolution to be approved by the Class A Noteholders in respect of a Basic Terms Modification, one or more Class A Noteholders representing 75 per cent. or more of the aggregate Principal Amount Outstanding of Class A Notes, who for the time being are entitled to receive notice of a Class A Voting Matter, need to participate in any initial Vote. A Class A Extraordinary Resolution in respect of a Basic Terms Modification as set out in sub-paragraphs (a), (b) and (c) of the definition of "Basic Terms Modification" (as defined in Class A Condition 21) needs only to be passed by the holders of each Sub-Class of Class A Notes affected by such Basic Terms Modification but is not required to be passed by the holders of Sub-Classes of Class A Notes which are not affected thereby.

(ix) The above percentage requirements of Class A Noteholders who need to participate in a particular Class A Voting Matter are referred to herein as the "**quorum requirements**".

(x) If, on a Voting Date, the quorum requirements are not satisfied for the transaction of any particular business then, subject and without prejudice to the transaction of the business (if any) for which the quorum requirements are satisfied, such Voting Date shall be postponed to the same day in the next week (or if such day is a public holiday the next succeeding business day) (an "**Adjourned Voting Date**") except where a Class A Extraordinary Resolution is to be proposed in which case the Adjourned Voting Date shall be a day (being a business day) during the period, being not less than seven clear days nor more than 14 clear days, subsequent to such Voting Date, and approved by the Class A Note Trustee. On any Adjourned Voting Date, the Class A Noteholders exercising one or more Votes (whatever the Principal Amount Outstanding of the Class A Notes then outstanding so held or represented by them) shall (subject as provided below) form a quorum and shall have the power to pass any Class A Extraordinary Resolution or Class A Ordinary Resolution and to decide upon all matters which could properly have been dealt with through the original Vote had the requisite quorum requirements been met, provided that on any Adjourned Voting Date the quorum requirements for the consideration and approval of transaction of a Basic Terms Modification shall be at least 25 per cent. of the aggregate Principal Amount Outstanding of the Class A Notes of the relevant Class or Sub-Class, who for the time being are entitled to receive notice of a Class A Voting Matter.

(xi) Notice of any Adjourned Voting Date at which a Class A Extraordinary Resolution is to be voted upon shall be given in the same manner as a Voting Notice but as if seven days' notice were substituted for 15 Business Days' notice in paragraph (ii) above and such notice shall state the relevant quorum. Subject as aforesaid it shall not be necessary to give any notice of an Adjourned Voting Date.

(xii) The following matters may only be approved by the Class A Noteholders if they are approved by the passing of a Class A Extraordinary Resolution:

(A) Power to sanction any compromise or arrangement proposed to be made between the Issuer, the Class A Note Trustee, any Appointee and the Class A Noteholders, Class A Receiptholders and Class A Couponholders or any of them.

(B) Power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Class A Note Trustee, any Appointee, the Class A Noteholders, the Class A Receiptholders, Class A Couponholders or the Issuer or against any other or others of them or against any of their property whether such rights shall arise under the Class A Note Trust Deed or otherwise.

(C) Power to give any authority or sanction which under the provisions of the Class A Note Trust Deed, any Issuer Class A Transaction Document or any Issuer Common Document is required to be given by Class A Extraordinary Resolution.

(D) Power to appoint any persons (whether Class A Noteholders or not) as a committee or committees to represent the interests of the Class A Noteholders and to confer upon such committee or committees any powers or discretions which the Class A Noteholders could themselves exercise by Class A Extraordinary Resolution.

(E) Power to discharge or exonerate the Class A Note Trustee and/or any Appointee from all liability in respect of any act or omission

for which the Class A Note Trustee and/or such Appointee may have become or may become responsible under the Class A Note Trust Deed.

(F) Power to authorise the Class A Note Trustee and/or any Appointee (subject to it being indemnified and/or secured and/or prefunded to its satisfaction) to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Class A Extraordinary Resolution, except where the Issuer Class A Transaction Documents, the Common Documents or the Issuer Common Documents provide express authority to execute such documents.

(G) Power to sanction any scheme or proposal for the exchange or sale of the Class A Notes for or the conversion of the Class A Notes into or the cancellation of the Class A Notes in consideration of shares, stock, notes, notes, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, notes, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash and for the appointment of some person with power on behalf of the Class A Noteholders to execute an instrument of transfer of the Class A Registered Notes held by them in favour of the persons with or to whom the Class A Notes are to be exchanged or sold respectively.

(H) Without prejudice to Condition 14 (Passing of resolutions by Class A Noteholders, Modification, Waiver and Substitution), power to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under this Class A Note Trust Deed.

(I) Power to sanction an Entrenched Right STID Proposal.

(J) Power to approve any Class A Basic Terms Modification.

(xiii) Subject as provided in Class A Condition 14(g) below, any resolution approved by the Class A Noteholders of the relevant Class or Sub-Class in accordance with the terms hereof shall be binding upon all the Class A Noteholders whether or not voting and each of them shall be bound to give effect thereto accordingly and the approval of any such resolution shall be conclusive evidence that the circumstances justify the approval thereof.

(xiv) Notice of the result of the voting on any resolution duly approved by the Class A Noteholders shall be published in accordance with Class A Condition 16 (Notices) by the Class A Principal Paying Agent or the Class A Registrar, as applicable, on behalf of the Issuer within seven days of such result being known, provided that the non-publication of such notice shall not invalidate such result.

(xv) Subject to all other provisions of the Class A Note Trust Deed, the Class A Note Trustee may, without the consent of the Issuer or the Class A Noteholders, prescribe such further regulations regarding voting by the Class A Noteholders in respect of any Class A Voting Matter (but, not for the avoidance of doubt, in respect of any STID Decision Matter or STID Direction Matter) as the Class A Note Trustee may in its sole

discretion think fit, including the calling of one or more meetings of Class A Noteholders (or any Sub-Class thereof) in order to approve any resolution to be put to the Noteholders of the relevant Class (or any Sub-Class thereof) where the Class A Note Trustee, in its sole discretion, considers it to be appropriate to hold a meeting.

(g) ***Classes and Sub-Classes of Notes***

If and whenever the Issuer shall have issued and have outstanding more than one Sub-Class of Notes the foregoing provisions of this Class A Condition 14 shall have effect subject to the following modifications:

(i) subject to paragraph (v) below a resolution which in the opinion of the Class A Note Trustee affects only one Sub-Class of Class A Notes shall be deemed to have been duly approved if approved through a separate Vote of the holders of that Sub-Class of Class A Notes;

(ii) subject to paragraph (v) below a resolution which in the opinion of the Class A Note Trustee affects holders of more than one Sub-Class of Class A Notes but does not give rise to a conflict of interest between the holders of any of the Sub-Classes of Class A Notes so affected shall be deemed to have been duly approved if approved through a Vote of the holders of all the Sub-Class of the Class A Notes so affected;

(iii) subject to paragraph (v) below a resolution which in the opinion of the Class A Note Trustee affects more than one Sub- Class of Class A Notes and gives or may give rise to a conflict of interest between the holders of one Sub-Class of Class A Notes so affected and the holders of another Sub-Class of Class A Notes so affected shall be deemed to have been duly approved only if approved through separate Votes of the holders of each such Sub-Class of the Class A Notes;

(iv) in respect of all such approvals all the preceding provisions of this Condition shall apply mutatis mutandis as though references therein to the Class A Notes and Class A Noteholders thereof were references to the Sub-Class of the Class A Notes in question or to the holders of such Sub-Class of the Class A Notes, as the case may be;

(v) no Class A Extraordinary Resolution involving a Class A Basic Terms Modification (other than a Class A Basic Terms Modification of the kind specified in limbs (a), (b) and (c) of the definition thereof, which must be passed by the holders of each affected Sub-Class of the Class A Notes in accordance with (vi) below) that is approved by the holders of one Sub-Class of the Class A Notes shall be effective unless it is sanctioned by a Class A Extraordinary Resolution of the holders of each of the other Sub-Classes of the Class A Notes (to the extent that there are Class A Notes outstanding in such other Sub-Class); and

(vi) a Class A Extraordinary Resolution involving a Class A Basic Terms Modification of the kind specified in limbs (a), (b) and (c) of the definition thereof must be approved by the holders of each Sub-Class of Class A Notes adversely affected by such Class A Basic Terms Modification (but need not be approved by the holders of Sub-Classes of Class A Notes which are not adversely affected thereby).

(h) ***NIG LAN Notices***

In respect of a STID Decision Matter that relates to a NIG LAN Notice:

(i) if the Class A Note Trustee receives a NIG LAN Notice it must request that such NIG LAN Notice be considered by the Class A Noteholders. The Issuer or the Class A Note Trustee shall send a notice (a "**Voting**

Notice") to the Class A Noteholders, specifying the Voting Date (which shall be set with at least 20 Business Days' notice (exclusive of the day on which notice is given and the Voting Date) and the details of the proposed NIG LAN Resolution;

(ii) each Class A Noteholder shall have one vote in respect of each £1 (or its equivalent expressed in Sterling on the basis of the Exchange Rate) of Principal Amount Outstanding of the Class A Notes held or represented by it;

(iii) each Class A Noteholder must vote prior to the close of business (London time) 24 hours prior to the Voting Date so that his votes can be included in a Block Voting Instruction which needs to be deposited at least 24 hours before the Voting Date; and

(iv) on or before the Business Day immediately preceding the last day of the Decision Period, the Class A Note Trustee shall notify the Obligor Security Trustee, the Issuer and the Issuer Security Trustee in writing of whether or not the holders of the Class A Notes then outstanding have passed a NIG LAN Resolution approving the relevant NIG LAN Notice.

In order for a NIG LAN Resolution to be approved by the Class A Noteholders (subject as provided below), one or more Class A Noteholders representing in aggregate at least 75 per cent. or more of the aggregate Principal Amount Outstanding of the Class A Notes for the time being outstanding need to participate in any Vote.

Any NIG LAN Resolution approved by the Class A Noteholders in accordance with the terms hereof shall be binding upon all the Class A Noteholders whether or not voting and upon all relevant Class A Couponholders and each of them shall be bound to give effect thereto accordingly and the approval of any such resolution shall be conclusive evidence that the circumstances justify the approval thereof. Notice of the result of the voting on any NIG LAN Resolution duly approved by the Class A Noteholders shall be published in accordance with Class A Condition 16 (Notices) by the Class A Principal Paying Agent or the Class A Registrar, as applicable, on behalf of the Issuer within seven days of such result being known, provided that the non-publication of such notice shall not invalidate such result.

(i) ***Modification, waiver and substitution***

The powers of modification, consent, waiver and substitution described in this Class A Condition 14(i) (*Modification, consent, waiver and substitution*) shall not apply in respect of any modification to the Class A Note Trust Deed, these Class A Conditions, the Class A Notes and/or the other Issuer Class A Transaction Documents and/or Issuer Common Documents and/or any Class A IBLA or other document to which the Class A Note Trustee or the Issuer Security Trustee is a party or in respect of which the Issuer Security Trustee holds security that results from any modification which constitutes a STID Discretion Matter, a STID Decision Matter, or a STID Direction Matter that, in each case, is duly approved in accordance with the provisions of the STID and, in the case of a STID Decision Matter or a STID Direction Matter, the provisions described in Class A Condition 14(b) (*STID Decision Matters*) and Class A Condition 14(c) (*STID Direction Matters*) above, and pursuant to the terms of the Class A Note Trust Deed and the Issuer Deed of Charge, the Class A Note Trustee and the Issuer Security Trustee are authorised and empowered to, concur with the Issuer or any other person in making such modification or, as applicable, provide the consent or waiver or make the authorisation or determination, made or given in respect of the Class A Conditions, the Class A Notes or the other Issuer Class A Transaction Documents and/or Issuer Common Document, in each case without any further consent or sanction of the Class A Noteholders or any other Issuer Secured Creditor, to give effect to the relevant modification, waiver, authorisation, determination or direction granted pursuant to the STID Discretion Matter, STID Decision Matter or STID Direction Matter and to execute and deliver on behalf of each Issuer Secured Creditor all documentation required to implement any such modification, waiver,

authorisation, consent or approval. For the avoidance of doubt, the consent of the Class A Note Trustee or the Issuer Security Trustee (as applicable) will not be required for amendments to an Issuer Hedging Agreement that are made in accordance with the Hedging Policy.

As set out in the Class A Note Trust Deed and the Issuer Deed of Charge (and subject to the conditions and qualifications therein), the Class A Note Trustee may, without the consent of the Class A Noteholders, Class A Couponholders and the Class A Receiptholders or (subject as provided below) any other Issuer Secured Creditor concur with the Issuer or any other person or direct the Issuer Security Trustee to concur with the Issuer or any other person in making (i) any modification to the Class A Note Trust Deed, the Class A Conditions, the Class A Notes, the Class A Receipts, the Class A Coupons and/or the Issuer Class A Transaction Documents or the Issuer Common Documents (other than a Class A Basic Terms Modification) or other document to which it is a party or in respect of which it holds security **provided that** the Class A Note Trustee is of the opinion that such modification will not be materially prejudicial (where materially prejudicial means that such modification would have a material adverse effect on the ability of the Issuer to pay any amounts of principal or interest in respect of the Class A Notes on the relevant due date for payment therefor) to the interests of the Class A Noteholders, Class A Receiptholders and Class A Couponholders or (ii) any modification to the Class A Note Trust Deed, the Class A Conditions, the Class A Notes, the Class A Receipts, the Class A Coupons or the other Issuer Class A Transaction Documents or Issuer Common Documents or other documents to which it is a party or in respect of which it holds security which is, in the opinion of the Class A Note Trustee, of a formal, minor, administrative or technical nature, to correct a manifest error or an error which an English court could reasonably be expected to make a rectification order, and in relation to (i) and (ii) above, **provided further that** if any such modification relates to an Issuer Secured Creditor Entrenched Right, each of the Affected Issuer Secured Creditors has consented to the relevant event, matter or thing in accordance with the Issuer Deed of Charge or, where any Class A Noteholders are Affected Issuer Secured Creditors, the holders of each Sub-Class of the Class A Notes affected thereby have sanctioned such modification in accordance with the Class A Note Trust Deed. Any such modification may be made on such terms and subject to such conditions (if any) as the Class A Note Trustee may determine, shall be binding upon the Class A Noteholders, the related Class A Receiptholders and/or the Class A Couponholders and, unless the Class A Note Trustee agrees otherwise, shall be notified by the Issuer to the Class A Noteholders in accordance with Class A Condition 16 (*Notices*) as soon as practicable thereafter.

Where the Class A Note Trustee is required to have regard to the interests of the Class A Noteholders, it shall have regard to the interests of such Class A Noteholders as a class and, in particular but without prejudice to the generality of the foregoing shall not have regard to, or be in any way liable for, the interests arising from circumstances particular to individual Class A Noteholders (whatever their number) and in particular but without limitation shall not have regard to the consequences of such exercise for individual Class A Noteholders (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, and the Class A Note Trustee shall not be entitled to require, nor shall any Class A Noteholder be entitled to claim, from the Issuer, the Class A Note Trustee, the Issuer Security Trustee or any other person, any indemnification or payment in respect of any tax consequence (including, for the avoidance of doubt, any stamp duty consequence) of any such exercise upon individual Class A Noteholders.

As more fully set out in the Class A Note Trust Deed and the Issuer Deed of Charge (and subject to the conditions and qualifications therein), the Class A Note Trustee may, without the consent or sanction of the Class A Noteholders, the Class A Receiptholders, the Class A Couponholders (subject as provided below) or any other Issuer Secured Creditor and without prejudice to its rights in respect of any subsequent breach or Class A Note Event of Default, from time to time and at any time but only if and in so far as in its opinion the interests of the holders of the Class A Notes or Sub-Class of Class A Notes shall not be materially prejudiced thereby (where "materially prejudiced" means that such waiver, authorisation or determination would have a material adverse effect on the ability

of the Issuer to pay any amounts of principal or interest in respect of the Class A Notes or Sub-Class of Class A Notes on the relevant due date for payment therefor), on such terms and subject to such conditions as to it shall seem expedient waive or authorise (or instruct the Issuer Security Trustee to waive or authorise) any breach or proposed breach by the Issuer of any of the covenants or provisions contained in the Class A Conditions, Class A Notes, Class A Receipts, Class A Coupons, the Issuer Class A Transaction Document or the Issuer Common Documents to which it is a party or in respect of which it or the Issuer Security Trustee holds security or determine that any event which would otherwise constitute a Class A Note Event of Default shall not be treated as such for the purposes of the Class A Note Trust Deed **provided that** to the extent such event, matter or thing relates to an Issuer Secured Creditor Entrenched Right, each of the Affected Issuer Secured Creditors has given its prior written consent and provided further that the Class A Note Trustee shall not exercise such powers in contravention of any express direction given by a Class A Extraordinary Resolution (or of a request in writing made by, holders of not less than 25 per cent. in aggregate of the principal amount of the Class A Notes then outstanding) but no such direction or request shall affect any waiver or authorisation previously given or made or so as to authorise or waive any such proposed breach or breach relating to any Class A Basic Terms Modification.

Any such modification, waiver or authorisation shall be binding on the Class A Noteholders of each relevant Sub-Class of Class A Notes and the holders of all relevant Class A Receipts and Class A Coupons and the other Issuer Secured Creditors and, unless the Class A Note Trustee agrees otherwise, notice thereof shall be given by the Issuer to the Class A Noteholders as soon as practicable thereafter.

Notwithstanding that none of the Class A Note Trustee, the Class A Noteholders or the other Issuer Secured Creditors may have any right of recourse against the Rating Agency in respect of any Rating Confirmation given by them and relied upon by the Class A Note Trustee, the Class A Note Trustee shall be entitled to assume without liability, for the purposes of exercising any right, power, trust, authority, duty or discretion under or in relation to the Class A Notes or any Issuer Class A Transaction Document or Issuer Common Document, that such exercise will not be materially prejudicial to the interests of the Class A Noteholders if any Rating Agency has provided a Rating Confirmation. The Class A Note Trustee and the Class A Noteholders agree and acknowledge that being entitled to rely on the fact that the Rating Agency has delivered a Rating Confirmation does not impose or extend any actual or contingent liability for such Rating Agency to the Class A Note Trustee, the Class A Noteholders, any other Issuer Secured Creditor or any other person or create any legal relations between such Rating Agency and the Class A Note Trustee, the Class A Noteholders, any other Issuer Secured Creditor or any other person whether by way of contract or otherwise.

As more fully set forth in the Class A Note Trust Deed (and subject to the conditions and qualifications therein), the Class A Note Trustee may, without the consent of the Class A Noteholders or any other Issuer Secured Creditor, also agree with the Issuer to the substitution of another corporation in place of the Issuer as principal debtor in respect of the Class A Note Trust Deed and the Class A Notes.

The Class A Note Trustee will be empowered by the terms of the Class A Note Trust Deed to make appropriate amendments to the Issuer Class A Transaction Documents (including instructing the Issuer Security Trustee in respect of the Issuer Common Documents) to reflect the appointment by the Issuer of a second rating agency to provide a rating in respect of the Class A Notes.

(j) ***Certain consequential amendments, consents and waivers in respect of the Issuer Class A Transaction Documents and the Issuer Common Documents***

(i) Pursuant to the terms of the Issuer Deed of Charge, any consequential amendments, consents or waivers required to be made or granted pursuant to any Issuer Class A Transaction Document or Issuer Common Document:

(A) in connection with and to give effect to the issue of any Class A Notes; or

(B) in connection with and to give effect to the entry into any Authorised Credit Facility; or

(C) in connection with the issuance of any Class B Notes (for so long as any other Sub-Class of Class B Notes is not, or will not be, outstanding on the effective date of any amendments), to give effect to any amendments to the provisions of any Issuer Common Document relating to the enforcement of the Issuer Security by the Class B Noteholders (and any definitions related thereto) at a point in time when the Class B Noteholders would be the Qualifying Issuer Creditors; or

(D) to give effect to any increase of the minimum rating requirements in any Issuer Class A Transaction Document or Issuer Common Document where the Rating Agency is to upgrade the Rating of the Class A Notes to a rating which is higher than BBB-(sf),

shall not constitute a Class A Voting Matter (notwithstanding that such amendment, consent or waiver would be a Class A Voting Matter were it not for this limitation) and there shall be no requirement to obtain the consent of any Issuer Secured Creditor (that would be an Affected Issuer Secured Creditor, were it not for this limitation) or any Qualifying Issuer Senior Creditor, to give effect to such amendment, consent or waiver, **provided that** the provisions of the Issuer Class A Transaction Documents and Issuer Common Documents and the relevant conditions precedent set out in any Issuer Class A Transaction Document and/or Issuer Common Document to give effect to the issue of any Class A Notes are satisfied.

(ii) If the Holdco Group Agent certifies in writing (such certificate to be signed by a director or two authorised signatories of the Holdco Group Agent) to the Issuer Security Trustee that the above conditions are satisfied, then the Issuer Security Trustee shall, at the cost of the Issuer, execute and deliver any deeds, documents or notices as may be required to be executed and/or delivered and which are provided to the Issuer Security Trustee in order to give effect to any such consequential amendments, consents or waivers.

(iii) To the extent that a consequential amendment, consent or waiver is proposed to be effected in accordance with the preceding provisions of this Class A Condition 14(j) to (i) the Class A Note Trust Deed, (ii) the Class A Agency Agreement or (iii) any other Issuer Transaction Document to which the Class A Note Trustee (but not the Issuer Security Trustee) is a party, the provisions of paragraphs (i) and (ii) of this Class A Condition 14(j) shall apply *mutatis mutandis* to such amendment, consent or waiver (as applicable) as if all references to the Issuer Security Trustee in such paragraphs were references to the Class A Note Trustee, then the Class A Note Trustee shall, at the cost of the Issuer, execute and deliver any deeds, documents or notices as may be required to be executed and/or delivered and which are provided to the Class A Note Trustee in order to give effect to any such consequential amendments, consents or waivers.

(iv) The Issuer Security Trustee shall not be obliged to consent to any such amendment, consent or waiver to the extent that doing so would, in the opinion of the Issuer Security Trustee, have the effect of increasing the liabilities, obligations or duties or decreasing the rights or protections, of the Issuer Security Trustee.

(k) ***Specific amendments, consents and waivers without consent***

(i) Pursuant to the terms of the Issuer Deed of Charge, any consequential amendments, consents or waivers required to be made or granted pursuant to any Issuer Class A Transaction Document or Issuer Common Document (other than in respect of a Basic Terms Modification):

(A) for the purpose of complying with, or implementing or reflecting, any change in the criteria of the Rating Agency which may be applicable from time to time; or

(B) in order to enable the Issuer and/or any Issuer Hedge Counterparty to comply with:

(1) any obligation which applies to it under Articles 9, 10 and 11 of Regulation (EU) 648/2012 of the European Parliament and of the Council of OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) ("**EMIR**"); or

(2) any other obligation which applies to it under EMIR; or

(C) for the purpose of enabling the Class A Notes to be (or to remain) listed on the Stock Exchange; or

(D) for the purposes of enabling the Issuer or any of the other Parties to the Issuer Transaction Documents to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), the automatic exchange of information regime implemented under Council Directive (EU) 2018/822 (amending Council Directive 2011/16/EU) as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements (as the same may be amended from time to time) or any other legislation or voluntary agreement implementing the Common Reporting Standard released by the Organisation for Economic Co-operation and Development in July 2014 (as the same may be amended from time to time),

shall not constitute a Class A Voting Matter (notwithstanding that such amendment, consent or waiver would be a Class A Voting Matter were it not for this limitation) and there shall be no requirement to obtain the consent of any Issuer Secured Creditor (that would be an Affected Issuer Secured Creditor, were it not for this limitation) or any Qualifying Issuer Senior Creditor, to give effect to such amendment, consent or waiver, provided that:

(E) the Holdco Group Agent certifies in writing to the Issuer Security Trustee that such proposed amendment, consent or waiver does not give rise to an Issuer Secured Creditor Entrenched Right and is required solely for the purpose contemplated in the relevant aforementioned paragraph and has been drafted solely to such effect (a "**Modification Certificate**"), and:

(1) at least 30 days' prior written notice of any such proposed modification has been given to the Issuer Security Trustee and the Class A Note Trustee;

(2) the Modification Certificate in relation to such modification is provided to the Issuer Security Trustee both at the time the Issuer Security Trustee is notified of the proposed modification and on the date that such modification takes effect;

(3) save for paragraph (i)(B) above, the Holdco Group Agent:

- obtains from the Rating Agency written confirmation (or certifies in the Modification Certificate that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at the Rating Agency) that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned the Class A Notes or any Sub-Class thereof by the Rating Agency; or (y) the Rating Agency placing any Class A Notes on rating watch negative (or equivalent); or

- certifies in the Modification Certificate that it has informed the Rating Agency of the proposed modification and the Rating Agency has not indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Class A Notes or any Sub-Class thereof by such Rating Agency or (y) such Rating Agency placing any Class A Notes on rating watch negative (or equivalent); and

(4) the Class A Noteholders forming part of the then Qualifying Issuer Senior Creditors representing at least 25 per cent. of the Outstanding Principal Amount of the Qualifying Issuer Senior Debt have not objected to such amendment, consent or waiver within 30 days of receipt by the Issuer Security Trustee and the Class A Note Trustee of the written notice of any such proposed modification as contemplated in paragraph (A)(1) above.

(ii) If the conditions set forth in paragraph (i)(E) above (as applicable) are satisfied and there has been no objection to such amendment, consent or waiver, as contemplated in paragraph (4) above, then the Issuer Security Trustee shall, at the cost of the Issuer, execute and deliver any deeds, documents or notices as may be required to be executed and/or delivered and which are provided to the Issuer Security Trustee in order to give effect to any such consequential amendments, consents or waivers and the Issuer Security Trustee is authorised by the Issuer Secured Creditors to execute and deliver on their behalf all documentation required to implement any modification or the terms of any waiver or consent granted by the Issuer Security Trustee in respect to this Class A Condition and such execution and delivery by the Issuer Security Trustee shall bind the Issuer Secured Creditors.

(iii) To the extent that a consequential amendment, consent or waiver is proposed to be effected in accordance with the preceding provisions of this Class A Condition 14(k) to the Class A Note Trust Deed, the Class A Agency Agreement or any other Issuer Transaction Document to which the Class A Note Trustee (but not the Issuer Security Trustee) is a party, the provisions described in the paragraph above shall apply *mutatis*

mutandis to such amendment consent or waiver as if all references to the Issuer Security Trustee were to the Class A Note Trustee. The Class A Note Trustee shall, at the cost of the Issuer, execute and deliver any deed, documents or notices as may be required and which are provided to the Class A Note Trustee in order to give effect to such consequential amendments, consents or waivers and is hereby authorised by each other Issuer Secured Creditor to execute and deliver on its behalf all documentation required to implement any modification of the terms of any waiver or consent granted by the Class A Note Trustee and such execution and delivery by the Class A Note Trustee shall bind each Issuer Secured Creditor as if such documentation had been duly executed by it.

(iv) The Issuer Security Trustee shall not be obliged to consent to any such amendment, consent or waiver pursuant to the extent that doing so would, in the opinion of the Issuer Security Trustee, have the effect of increasing the liabilities, obligations or duties or decreasing the rights or protections, of the Issuer Security Trustee.

15. **Class A Note Trustee Protections**

(a) ***Trustee considerations***

Subject to Class A Condition 15(b) (*Exercise of rights by Class A Note Trustee*), in connection with the exercise, under these Class A Conditions, the Class A Note Trust Deed, any Issuer Class A Transaction Document, any Issuer Common Document, of its rights, powers, trusts, authorities and discretions (including any modification, consent, waiver or authorisation), the Class A Note Trustee shall have regard to the interests of the holders of the Class A Notes then outstanding **provided that**, if, in the Class A Note Trustee's opinion, there is a conflict of interest between the holders of two or more Sub-Classes of Class A Notes, it shall have regard to the interests of the holders of the Sub-Class of Class A Notes then outstanding with the greatest Principal Amount Outstanding and will not have regard to the consequences of such exercise for the holders of other Sub-Classes of Class A Notes or, in any event, have regard to the consequences for individual Class A Noteholders, resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. The Class A Note Trustee shall not be entitled to require from the Issuer, nor shall any Class A Noteholders be entitled to claim from the Issuer, the Class A Note Trustee, any indemnification or other payment in respect of any consequence (including any tax consequence, including, for the avoidance of doubt, any stamp duty consequence) for individual Class A Noteholders of any such exercise.

(b) ***Exercise of rights by Class A Note Trustee***

Subject as provided in these Class A Conditions and the Class A Note Trust Deed, the Class A Note Trustee will exercise its rights under, or in relation to, the Class A Note Trust Deed, the Class A Conditions, and any Issuer Class A Transaction Documents or Issuer Common Documents in accordance with the directions of the relevant Class A Noteholders, but the Class A Note Trustee shall not be bound to take any such action unless it has (i) (a) been so requested in writing by the holders of at least 25 per cent. in nominal amount of the Class A Notes outstanding or (b) been so directed by a Class A Extraordinary Resolution and (ii) been indemnified and/or secured and/or prefunded to its satisfaction.

16. **Notices**

Notices to holders of Class A Registered Notes will be posted to them at their respective addresses in the Class A Register and deemed to have been given on the date of posting. Other notices to Class A Noteholders will be valid if published in a manner which complies with the rules and regulations of the relevant Stock Exchange and any other listing authority, stock exchange and/or quotation system on which the Class A Notes are for the time being listed. Any such notice (other than to holders of Class A Registered Notes as specified above) shall be deemed to have been given

on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made. Class A Couponholders and Class A Receiptholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Class A Bearer Notes in accordance with this Class A Condition 16.

So long as any Class A Notes are represented by Class A Global Notes, notices in respect of those Class A Notes may be given only by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg or any other relevant clearing system as specified in the relevant Final Terms or Drawdown Prospectus for communication by them to entitled account holders. Such notices shall be deemed to have been received by the Class A Noteholders on the day of delivery to such clearing systems.

The Class A Note Trustee will provide the Rating Agency, at its request, from time to time and **provided that** the Class A Note Trustee will not contravene any law or regulation in so doing, with all notices, written information and reports that the Class A Note Trustee makes available to the Class A Noteholders except to the extent that such notices, information or reports, contain information confidential to third parties.

17. **Indemnification Of The Class A Note Trustee and the Issuer Security Trustee**

(a) ***Indemnification of the Class A Note Trustee***

The Class A Note Trust Deed contains provisions for indemnification of the Class A Note Trustee, and for its relief from responsibility, including provisions relieving it from taking any action including taking proceedings against the Issuer and/or any other person unless indemnified and/or secured and/or prefunded to its satisfaction. The Issuer Deed of Charge contains provisions for indemnification of the Issuer Security Trustee and for its relief from responsibility, including provisions relieving it from enforcing the Issuer Security unless it has been indemnified and/or secured and/or prefunded to its satisfaction.

The Class A Note Trust Deed and the Issuer Deed of Charge also contain provisions pursuant to which the Class A Note Trustee and the Issuer Security Trustee and their related companies are entitled, amongst other things, to (a) enter into business transactions with the Issuer and/or any other party to any of the Issuer Class A Transaction Documents or Issuer Common Documents and to act as trustees for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Issuer Class A Transaction Documents or Issuer Common Documents, (b) exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Class A Noteholders, and (c) retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

(b) ***Directions, Duties and Liabilities***

The Class A Note Trustee, in the absence of its own wilful default, gross negligence or fraud, and in all cases when acting as directed by or subject to the agreement of the Class A Noteholders shall not in any way be responsible for any loss, costs, damages or expenses or other liability, which may result from the exercise or non-exercise of any consent, waiver, right, power, trust, authority or discretion vested in the Class A Note Trustee pursuant to these Class A Conditions, any Issuer Class A Transaction Document or Issuer Common Document or any ancillary document.

18. [deleted]

19. **Limited Recourse**

Notwithstanding any other Class A Condition or any provision of any Issuer Class A Transaction Document, all obligations of the Issuer to the Class A Noteholders are limited in recourse to the property, assets and undertakings of the Issuer that are the subject of any security created by the Issuer Deed of Charge (the "**Issuer Secured Property**"). If, following any Class A Note Event of

Default (whether on a Final Maturity Date or before) and the delivery of an Issuer Security enforcement Notice, all sums due under the Class A Notes have not yet been repaid in full and:

(a) there is no Issuer Secured Property remaining which is capable of being realised or otherwise converted into cash;

(b) all amounts available from the Issuer Secured Property have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Issuer Deed of Charge; and

(c) there are insufficient amounts available from the Issuer Secured Property to pay in full, in accordance with the provisions of the Issuer Deed of Charge, all amounts outstanding under the Class A Notes (including payments of principal and interest),

then the Class A Noteholders shall have no further claim against the Issuer in respect of any amounts owing to them which remain unpaid (including, for the avoidance of doubt, payments of principal and/or premium (if any) and/or interest in respect of the Class A Notes) and such unpaid amounts shall be discharged in full and any relevant payment rights shall be deemed to cease.

20. **Miscellaneous**

(a) ***Governing Law***

The Class A Note Trust Deed, the Issuer Deed of Charge, the Class A Notes, the Class A Coupons, the Class A Receipts, the Class A Talons (if any) and the other Issuer Class A Transaction Documents and Issuer Common Documents and any and all non-contractual or other obligations arising out of or in connection with such documents are governed by, and shall be construed in accordance with, English law.

(b) ***Jurisdiction***

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute that may arise out of or in connection with the Class A Note Trust Deed, the Issuer Deed of Charge, the Class A Notes, the Class A Coupons, the Class A Receipts, the Class A Talons and the other Issuer Class A Transaction Documents and Issuer Common Documents and accordingly any legal action or proceedings arising out of or in connection with the Class A Notes, the Class A Coupons, the Class A Receipts, the Class A Talons (if any) and/or the Issuer Class A Transaction Documents and Issuer Common Documents may be brought in such courts. the Issuer has in each of the Issuer Class A Transaction Documents and Issuer Common Documents to which it is a party irrevocably submitted to the jurisdiction of such courts.

(c) ***Third party Rights***

No person shall have any right to enforce any term or condition of the Class A Notes or the Class A Note Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

(d) ***Rights Against the Issuer***

Under the Class A Note Trust Deed, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to interests in the Class A Notes will (subject to the terms of the Class A Note Trust Deed) acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Class A Global Note became void, they had been the registered holders of Class A Notes in an aggregate principal amount equal to the principal amount of Class A Notes they were shown as holding in the records of Euroclear, Clearstream, Luxembourg or any other relevant clearing system (as the case may be).

(e) ***Clearing System Accountholders***

References in the Class A Conditions of the Class A Notes to "**Noteholder**" are references to the bearer of the relevant Bearer Global Note or the registered holder of a Class A Regulation S Global Note.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, as the case may be, as being entitled to an interest in a Class A Global Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer, to such Accountholder and in relation to all other rights arising under the Class A Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under a Class A Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system (as the case may be) from time to time. For so long as the relevant Class A Notes are represented by a Class A Global Note, Accountholders shall have no claim directly against the Issuer.

21. **Definitions**

In these Class A Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below.

"**Basic Terms Modification**" means any STID Decision Matter or Class A Voting Matter the business of which includes any one of the following matters:

(a) to change any date fixed for payment of principal or interest in respect of any Sub-Class of Class A Notes, to reduce or cancel the amount of principal or interest payable on any date in respect of any Sub-Class of Class A Notes or (other than as specified in Class A Condition 7 (Redemption, Purchase and Cancellation)) to alter the method of calculating the amount of any payment in respect of any Sub-Class of Class A Notes on redemption or maturity;

(b) to effect the exchange, conversion or substitution of any Sub-Class of Class A Notes for, or their conversion into, shares, notes or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;

(c) to change the currency in which amounts due in respect of any Sub-Class of Class A Notes are payable;

(d) to alter any of the Issuer Payment Priorities insofar as such alteration would adversely affect the Class A Notes (or any Sub-Class thereof);

(e) to change the quorum required or the majority required to pass a Class A Extraordinary Resolution;

(f) to release any Issuer Security (except where such release is expressly permitted by the Issuer Deed of Charge); or

(g) to amend this definition.

"**Block Voting Instruction**" means:

(a) in relation to voting by the holders of Class A Bearer Notes:

(i) a document in the English language issued by a Class A Paying Agent;

(ii) certifying that the Deposited Class A Notes have been deposited with such Class A Paying Agent (or to its order at a bank or other depositary)

or blocked in an account with a clearing system and will not be released until the earlier of:

(A) close of business (London time) on the Voting Date; and

(B) the surrender to such Class A Paying Agent, not less than 24 hours before the Voting Date of the receipt for the Deposited Class A Notes and notification thereof by such Class A Paying Agent to the Class A Note Trustee;

(iii) certifying that the depositor of each Deposited Class A Note or a duly authorised person on its behalf has instructed the relevant Class A Paying Agent that the Votes attributable to such Deposited Class A Note are to be cast in a particular way on a Class A Voting Matter and that, until the end of the Voting Period, such instructions may not be amended or revoked;

(iv) listing the aggregate principal amount and (if in definitive form) the serial numbers of the Deposited Class A Notes, distinguishing between those in respect of which instructions have been given to Vote for, or against, such Class A Voting Matter; and

(v) authorising the Class A Note Trustee to vote in respect of the Deposited Class A Notes in connection with such Class A Voting Matter in accordance with such instructions and the provisions of the Class A Note Trust Deed.

(b) in relation to voting by the holders of Class A Registered Notes:

(i) a document in the English language issued by the Class A Registrar or the Class A Principal Paying Agent;

(ii) certifying:

(A) (where the Class A Registered Notes are represented by a Global Note) that certain specified Class A Registered Notes (each a "**Blocked Note**") have been blocked in an account with a clearing system and will not be released until close of business (London time) on the Voting Date and that the holder of each Blocked Note or a duly authorised person on its behalf has instructed the Class A Registrar that the Votes attributable to such Blocked Note are to be cast in a particular way on a Class A Voting Matter; or

(B) (where the Class A Registered Notes are represented by Class A Registered Definitive Notes) that each registered holder of certain specified Class A Registered Notes (each a "**Relevant Note**") or a duly authorised person on its behalf has instructed the Class A Registrar that that Votes attributable to each Relevant Note held by it are to be cast in a particular way on such Class A Voting Matter; and

in each case that, until the end of the Voting Period, such instructions may not be amended or revoked;

(iii) listing the aggregate principal amount of the Blocked Notes and the Relevant Class A Notes, distinguishing between those in respect of which instructions have been given to Vote for, or against, such Class A Voting Matter; and

(iv) authorising the Class A Note Trustee to vote in respect of the Blocked Class A Notes and the Relevant Class A Notes in connection with such

Class A Voting Matter in accordance with such instructions and the provisions of the Class A Note Trust Deed.

"**Business Day**" means:

(a) in relation to any sum payable in sterling, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange currency deposits in London);

(b) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in London and each (if any) additional city or cities specified in the relevant Final Terms or Drawdown Prospectus;

(c) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments, in the principal financial centre of the relevant currency (which in the case of a payment in U.S. Dollars shall be New York), in London and in each (if any) additional city or cities specified in the relevant Final Terms or Drawdown Prospectus; and

(d) otherwise, a day (other than a Saturday or Sunday) on which banks are open for general business in London.

"**Business Day Convention**" means the business day convention specified in the Final Terms or Drawdown Prospectus.

"**Calculation Amount**" means the amount specified as such in the relevant Final Terms or Drawdown Prospectus.

"**Class A Extraordinary Resolution**" means (a) a resolution approved by the Class A Noteholders by a majority of not less than 75 per cent. of the aggregate Principal Amount Outstanding of the outstanding Class A Notes or Sub-Class who (i) for the time being are entitled to receive notice of a Class A Voting Matter and (ii) have participated in the approval process in respect of such resolution, subject to the quorum requirements set out in paragraph (f) of Condition 14 (*Passing of resolutions by Class A Noteholders, Modification, Waiver and Substitution*); or (b) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the aggregate Principal Amount Outstanding of the outstanding Class A Notes or Sub-Class who for the time being are entitled to receive notice of a Class A Voting Matter, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Class A Noteholders of such Class or Sub-Class

"**Class A Initial Interest Rate**" means the rate specified as such in the relevant Final Terms or Drawdown Prospectus.

"**Class A Interest Commencement Date**" means the Issue Date or such other date as may be specified in the relevant Final Terms or Drawdown Prospectus.

"**Class A Interest Determination Date**" means, with respect to a Class A Interest Rate and a Class A Note Interest Period, the date specified as such in the relevant Final Terms or Drawdown Prospectus or, if none is so specified, the day falling two Business Days prior to the first day of such Class A Note Interest Period (or if the specified currency is sterling the first day of such Class A Note Interest Period) (as adjusted in accordance with any Business Day Convention (as defined above) specified in the relevant Final Terms or Drawdown Prospectus).

"**Class A Interest Rate"** means the Class A Initial Interest Rate or the Class A Revised Interest Rate, as the case may be.

"**Class A Note Interest Payment Date**" means the date(s) specified as such in the relevant Final Terms or Drawdown Prospectus.

"**Class A Note Interest Period"** means the period beginning on (and including) the Class A Interest Commencement Date and ending on (but excluding) the first Class A Note Interest

Payment Date and each successive period beginning on (and including) a Class A Note Interest Payment Date and ending on (but excluding) the next succeeding Class A Note Interest Payment Date.

"**Class A Note Relevant Date**" means, in respect of any Sub-Class of the Class A Notes, the earlier of (a) the date on which all amounts in respect of the Class A Notes have been paid, and (b) five days after the date on which all of the Principal Amount Outstanding has been received by the Class A Principal Paying Agent or the Class A Registrar, as the case may be, and notice to that effect has been given to the Class A Noteholders in accordance with Class A Condition 16 (*Notices*).

"**Class A Ordinary Resolution**" means (a) a resolution approved by the Class A Noteholders by a simple majority of the aggregate Principal Amount Outstanding of the Class A Notes or Sub-Class who (i) for the time being are entitled to receive notice of a Class A Voting Matter and (ii) have participated in the approval process in respect of such resolution, subject to the quorum requirements set out in paragraph (f) of Condition 14 (*Passing of resolutions by Class A Noteholders, Modification, Waiver and Substitution*); or (b) a resolution in writing signed by or on behalf of the holders of not less than half of the aggregate Principal Amount Outstanding of the Class A Notes Sub-Class who for the time being are entitled to receive notice of a Class A Voting Matter, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Class A Noteholders of such Class or Sub-Class.

"**Class A Revised Interest Rate**" means the rate specified as such in the relevant Final Terms or Drawdown Prospectus.

"**Class A Voting Matter**" means any matter other than a STID Decision Matter which is required to be approved by the Class A Noteholders including, without limitation:

(a) any Entrenched Rights STID Proposal;

(b) any request by the Issuer or the Borrower to amend or waive the terms of any Class A IBLA or the Initial Liquidity Facility Agreement, which is not capable of being approved by Class A Note Trustee under the Class A Note Trust Deed;

(c) any directions required or entitled to be given by Class A Noteholders pursuant to the Issuer Class A Transaction Documents and/or Issuer Common Documents; and

(d) any other matter which requires the approval of or consent of the Class A Noteholders.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Class A Note for any period of time (whether or not constituting a Class A Note Interest Period, the "**Calculation Period**"):

(a) if "Actual/Actual (ICMA)" is specified:

(i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(ii) if the Calculation Period is longer than one Determination Period, the sum of:

(A) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

"**Determination Date**" means, the date specified as such in the Final Terms or Drawdown Prospectus or, if none if is so specified the Class A Note Interest Payment Date;

(b) if "Actual/365" or "Actual/Actual" is specified, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366, and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(c) if "Actual/365 (Fixed)" is specified, the actual number of days in the Calculation Period divided by 365;

(d) if "Actual/360" is specified, the actual number of days in the Calculation Period divided by 360;

(e) if "30/360", "360/360" or "Note Basis" is specified, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days (unless (1) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30 day month, or (2) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30 day month)); and

(f) if "30E/360" or "EuroNote Basis" is specified, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the last day of such period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30 day month).

"**Decision Period**" means the period of time within which the approval of the Obligor Security Trustee is sought as specified in relation to each type of voting matter in the STID.

"**Entrenched Right STID Proposal**" means any STID Proposal the business of which gives rise to an Entrenched Right in relation to which the Issuer is an Affected Obligor Secured Creditor.

"**euro**" means the lawful currency of the Participating Member States.

"**Expected Maturity Date**" has, in respect of any Sub-Class of Class A Notes, the meaning given to it in the applicable Final Terms or Drawdown Prospectus.

"**Final Maturity Date**" means the date specified in the relevant Final Terms or Drawdown Prospectus as the final date on which the principal amount of the Class A Note is due and payable.

"**Interest Payment Date**" means the date(s) specified as such in the relevant Final Terms or Drawdown Prospectus.

"**ISDA Definitions**" means the 2006 ISDA Definitions (as amended and updated as at the date of the issue of the first Sub-Class of Class A Notes as published by the International Swaps and Derivatives Association, Inc.).

"**Issue Date**" means the date specified as such in the relevant Final Terms or Drawdown Prospectus.

"**Issuer Insolvency Event**" means:

(a) the Issuer is unable or admits inability to pay its debts as they fall due, or suspends making payments on any of its debts after taking into account amounts available to it under the Liquidity Facility Agreement at the relevant time;

(b) a moratorium is declared in respect of any indebtedness of the Issuer;

(c) the commencement of negotiations by the Issuer with one or more creditors of the Issuer with a view to rescheduling any indebtedness of the Issuer;

(d) any corporate action, legal proceedings or other procedure or step is taken (whether out of court or otherwise) in relation to:

(i) the appointment of an Insolvency Official (excluding the Issuer Security Trustee or a Receiver appointed by the Issuer Security Trustee pursuant to the Issuer Deed of Charge) in relation to the Issuer or in relation to the whole or any part of the undertaking of the Issuer;

(ii) an encumbrancer (excluding the Issuer Security Trustee or any Receiver appointed by the Issuer Security Trustee pursuant to the Issuer Deed of Charge) taking possession of the whole or any part of the undertaking or assets of the Issuer;

(iii) the making of an arrangement, composition or compromise (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditors (or any class of creditors) of the Issuer, a reorganisation of the Issuer, the winding up of the Issuer, a conveyance to or assignment for the benefit of creditors of the Issuer (or any class of creditors) or the making of an application to a court of competent jurisdiction for protection from the creditors of the Issuer (or any class of creditors); or

(iv) any analogous procedure or step is taken in any jurisdiction; or

(e) any distress, execution, diligence, attachment or other process being levied or enforced or imposed upon or against the whole or any part of the undertaking or assets of the Issuer (excluding by the Issuer Security Trustee or any Receiver appointed by the Issuer Security Trustee pursuant to the Issuer Deed of Charge) and such order, appointment, possession or process (as the case may be) not being discharged or otherwise ceasing to apply within 30 days.

"**Margin**" means the rate per annum (expressed as a percentage) specified as such in the relevant Final Terms or Drawdown Prospectus.

"**NIG LAN Notice**" means a notice from the Obligor Security Trustee to the Qualifying Obligor Secured Creditors requesting an instruction from the Note Instructing Group or the Class A Instructing Group, as the case may be, in the form of a resolution of the Note Instructing Group or the Class A Instructing Group, as applicable as to whether it should consent to or approve a Distressed Disposal of a Permitted Business and/or deliver a Loan Acceleration Notice to accelerate all of the Obligor Secured Liabilities.

"**NIG LAN Resolution**" means:

(a) a resolution approved by the Class A Noteholders by a majority of not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Class A Notes of a Sub-Class who have participated in the vote on such NIG LAN Resolution, **provided that** the aggregate Principal Amount Outstanding of the Class A Notes which have approved such NIG LAN Resolution represents more than 50 per cent. of all Class A Notes then outstanding; or

(b) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the aggregate Principal Amount Outstanding of the outstanding Class A Notes which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Class A Noteholders.

"**Notes**" means the Class A Notes and/or the Class B Notes.

"**Participating Member State**" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty establishing the European Communities (as amended), and "**Participating Member States**" means all of them.

"**Payment Business Day**" means:

(a) if the currency of payment is euro, any day which is:

(i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(ii) in the case of payment by transfer to an account, a day on which the TARGET2 system is open and a day on which dealings in foreign currencies may be carried on in the Relevant Financial Centre specified in the relevant Final Terms or Drawdown Prospectus; or

(b) if the currency of payment is not euro, any day which is:

(i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies;

(ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Relevant Financial Centre specified in the relevant Final Terms or Drawdown Prospectus.

"**Principal Amount Outstanding**" means in relation to a Class A Note or a Sub-Class, the original face value thereof less any repayment of principal made to the relevant Class A Noteholders in respect of such Class A Note or Sub-Class.

"**Qualifying Issuer Senior Creditors**" means the holders of the Class A Notes and (for the purposes of giving an Issuer Security Enforcement Notice only) each Issuer Hedge Counterparty that is party to an Issuer Hedging Agreement in respect of the Class A Notes.

"**Qualifying Issuer Senior Debt**" means the sum of (i) the Principal Amount Outstanding of the Class A Notes and (ii) the mark-to-market value of all transactions arising under Issuer Hedging Agreements in respect of the Class A Notes to the extent that such value represents an amount which would be payable to the relevant Issuer Hedge Counterparties if an early termination date was designated at the relevant date in respect of such transactions as determined by the relevant Issuer Hedge Counterparty in accordance with the Issuer Hedging Agreements, as certified by the relevant Issuer Hedge Counterparty to the Class A Note Trustee.

"**Redemption Amount**" means the amount provided under Class A Condition 7(c) (*Optional Redemption*), unless otherwise specified in the relevant Final Terms or Drawdown Prospectus.

"**Reference Date**" means the date which is three Business Days prior to (i) the despatch of the notice of redemption under Class A Condition 7(c) (*Optional Redemption*), Class A Condition 7(e) or 7(k), as the case may be, or (as applicable) (ii) the date of purchase under Class A Condition 7(h) (*Class B Call Option*).

"**Relevant Financial Centre"** means, with respect to any Class A Note, the financial centre specified as such in the relevant Final Terms or Drawdown Prospectus.

"**Specified Currency**" has the meaning given to it in the applicable Final Terms or Drawdown Prospectus.

"**Specified Denomination**" has the meaning given to it in the applicable Final Terms or Drawdown Prospectus.

"**STID Decision Matter**" means any instruction, resolution or approval sought from the Qualifying Obligor Secured Creditors through their Secured Creditor Representatives pursuant to the STID including, without limitation, in connection with:

(a) any Ordinary Voting Matter;

(b) any Extraordinary Voting Matter;

(c) any Direction Notice from the Qualifying Obligor Secured Creditors;

(d) any Enforcement Instruction Notice (other than any NIG LAN Notice);

(e) any Further Enforcement Instruction Notice (other than any NIG LAN Notice);

(f) any Qualifying Obligor Secured Creditor Instruction Notice;

(g) any Distressed Disposal Resolution (other than any NIG LAN Notice); or

(h) any NIG LAN Notice.

"**STID Direction Matter**" means any matter on which a Class A Note Trustee may be instructed pursuant to the voting provisions set out in the Note Trust Deed.

"**STID Discretion Matter**" means any Discretion Matter.

"**Stock Exchange**" means the Irish Stock Exchange plc, trading as Euronext Dublin or any other or further stock exchange(s) on which any Class A Notes from time to time may be listed and references to the ***relevant Stock Exchange*** shall, in relation to any Class A Notes, be references to the Stock Exchange on which such Class A Notes are, from time to time, or are intended to be, listed.

"**sub-unit**" means in the case of any currency, the lowest amount of such currency that was available as legal tender in the country of such currency.

"**TARGET Settlement Day**" means any day on which the TARGET2 system is open.

"**TARGET2 system**" means the Trans European Automated Real Time Gross Settlement Express Transfer system (TARGET or TARGET2).

"**Vote**" means an instruction from a Class A Noteholder to the Class A Note Trustee to vote on its behalf in respect of a Class A Voting Matter, such instructions to be given in accordance with the Class A Note Trust Deed.

"**Voting Closure Date**" means:

(a) in relation to an Ordinary STID Resolution, the earlier of (i) the date on which the Obligor Security Trustee has received votes sufficient to pass such Ordinary STID Resolution pursuant to the STID; and (ii) the Voting Date; and

(b) in relation to an Extraordinary STID Resolution, the earlier of (i) the date on which the Obligor Security Trustee has received votes sufficient to pass such Extraordinary STID Resolution pursuant to the STID; and (ii) the Voting Date.

"**Voting Date**" means:

(a) in respect of a STID Decision Matter:

(i) in respect of a Decision Period, the Business Day immediately preceding the last day of such Decision Period; and

(ii) in respect of a Decision Period that is extended in respect of an Ordinary Voting Matter or an Extraordinary Voting Matter in accordance with the relevant provisions of the STID, means the last date of such extended Decision Period; and

(b) in respect of any other Class A Voting Matter, the date set out in the relevant Voting Notice.

"**Voting Matter**" means a Class A Voting Matter or a Class B Voting Matter, as the context may require.

"**Voting Period**" means the period ending on the Voting Date or, if earlier, the date of the Voting Notice issued by the Obligor Security Trustee in respect of such Voting Matter (if applicable).

FORMS OF THE CLASS A NOTES

Class A Notes may, subject to all applicable legal and regulatory requirements, be issued in Sub-Classes comprising either Class A Bearer Notes or Class A Registered Notes, as specified in the relevant Final Terms or Drawdown Prospectus. The Class A Notes may comprise one or more Sub-Classes.

Class A Bearer Notes

Each Sub-Class of Class A Notes initially issued in bearer form will be issued either as a temporary global note, without Class A Receipts, Class A Coupons or Class A Talons attached, or a permanent global note, without Class A Receipts, Class A Coupons or Class A Talons attached, in each case as specified in the relevant Final Terms or Drawdown Prospectus. Each temporary global note or, as the case may be, permanent global note (each a "**Bearer Global Note**") which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Final Terms or Drawdown Prospectus, will be delivered on or prior to the Issue Date of the relevant Sub-Class of the Class A Notes to a Common Depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system on or about the Issue Date of the relevant Sub-Class. Each Bearer Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms or Drawdown Prospectus, will be delivered on or prior to the Issue Date of the relevant Sub-Class of the Class A Notes to a Common Safekeeper for Euroclear and/or Clearstream, Luxembourg.

Where the Class A Bearer Global Notes issued in respect of any Sub-Class of Class A Notes are in NGN form, Euroclear and Clearstream, Luxembourg will be notified by or on behalf of the Issuer whether or not such Class A Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Class A Bearer Global Notes are to be so held does not necessarily mean that the relevant Sub-Class of Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg.

In the case of each Sub-Class of Class A Notes in bearer form the relevant Final Terms or Drawdown Prospectus will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Class A Notes or, if the Class A Notes do not have a maturity of more than one year, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms or Drawdown Prospectus specify the form of Class A Notes as being represented by "Temporary Global Note exchangeable for a Permanent Global Note", then the Class A Notes will initially be in the form of a temporary global note which will be exchangeable, in whole or in part, for interests in a permanent global note, without Class A Receipts, Class A Coupons or Class A Talons attached, not earlier than 40 days after the Issue Date of the relevant Sub-Class of the Class A Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the temporary global note unless exchange for interests in the permanent global note is improperly withheld or refused. In addition, payments of interest in respect of the Class A Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in a temporary global note is to be exchanged for an interest in a permanent global note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such permanent global note, duly authenticated, to the bearer of the temporary global note or (in the case of any subsequent exchange) an increase in the principal amount of the permanent global note in accordance with its terms against:

(i) presentation and (in the case of final exchange) surrender of the temporary global note at the specified office of the Class A Principal Paying Agent; and

(ii) receipt by the Class A Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, within seven days of the bearer requesting such exchange.

The principal amount of the permanent global note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; **provided, however, that** in no circumstances shall the principal amount of the permanent global note exceed the aggregate initial principal amount of the temporary global note and any temporary global note representing a fungible Sub-Class of Class A Notes with the Sub-Class of Class A Notes represented by the first temporary global note.

The permanent global note will be exchangeable in whole, but not in part, for Notes in definitive form (each, a "**Definitive Note**"):

(i) if the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system satisfactory to the Class A Note Trustee is available; or

(ii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Class A Notes in definitive form and a certificate to such effect from two Directors of the Issuer has been given to the Class A Note Trustee.

Whenever the permanent global note is to be exchanged for Class A Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Class A Definitive Notes, duly authenticated and with Class A Receipts, Class A Coupons and Class A Talons attached (if so specified in the relevant Final Terms or Drawdown Prospectus), in an aggregate principal amount equal to the principal amount of the permanent global note to the bearer of the permanent global note against the surrender of the permanent global note at the specified office of the Class A Principal Paying Agent within 30 days of the bearer requesting such exchange but not earlier than 40 days after the Issue Date of such Class A Notes.

Temporary Global Note exchangeable for Class A Definitive Notes

If the relevant Final Terms or Drawdown Prospectus specify the form of Class A Notes as being "Temporary Global Note exchangeable for Class A Definitive Notes" and also specifies that the TEFRA D Rules are applicable or that neither the TEFRA C Rules nor the TEFRA D Rules are applicable, then the Class A Notes will initially be in the form of a temporary global note which will be exchangeable, in whole but not in part, for Class A Definitive Notes not earlier than 40 days after the Issue Date of the relevant Sub-Class of the Class A Notes.

If the relevant Final Terms or Drawdown Prospectus specifies the form of Class A Notes as being "Temporary Global Note exchangeable for Class A Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Class A Notes will initially be in the form of a temporary global note which will be exchangeable, in whole or in part, for Class A Definitive Notes not earlier than 40 days after the Issue Date of the relevant Sub-Class of the Class A Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Class A Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the temporary global note is to be exchanged for Class A Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Class A Definitive Notes, duly authenticated and with Class A Receipts, Class A Coupons and Class A Talons attached (if so specified in the relevant Final Terms or Drawdown Prospectus), in an aggregate principal amount equal to the principal amount of the temporary global note so exchanged to the bearer of the temporary global note against the presentation (and in the case of final exchange, surrender) of the temporary global note at the specified office of the Class A Principal Paying Agent within 30 days of the bearer requesting such exchange but not earlier than 40 days after the issue of such Class A Notes.

If the relevant Final Terms or Drawdown Prospectus specify the form of Class A Notes as being "Temporary Global Note exchangeable for Class A Definitive Notes", such temporary global notes and Class A Definitive Notes may only be issued and traded in denominations equal to the Specified Denomination and integral multiples thereof.

Permanent Global Note exchangeable for Class A Definitive Notes

If the relevant Final Terms or Drawdown Prospectus specifies the form of Class A Notes as being "Permanent Global Note exchangeable for Class A Definitive Notes" and also specifies that the TEFRA C

Rules are applicable or that TEFRA does not apply, then the Class A Notes will initially be in the form of a permanent global note which will be exchangeable in whole, but not in part, for Class A Definitive Notes:

(i) if the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system satisfactory to the Class A Note Trustee is available; or

(ii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Class A Notes in definitive form and a certificate to such effect from two Directors of the Issuer has been given to the Class A Note Trustee.

Whenever the permanent global note is to be exchanged for Class A Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Class A Definitive Notes, duly authenticated and with Class A Receipts, Class A Coupons and Class A Talons attached (if so specified in the relevant Final Terms or Drawdown Prospectus), in an aggregate principal amount equal to the principal amount of the permanent global note to the bearer of the permanent global note against the surrender of the permanent global note at the specified office of the Class A Principal Paying Agent within 30 days of the bearer requesting such exchange but not earlier than 40 days after the Issue Date of such Class A Notes.

In the event that a Global Note is exchanged for Class A Definitive Notes, such Class A Definitive Notes shall be issued in Specified Denomination(s) only. Noteholders who hold Class A Notes in the relevant clearing system in amounts that are not integral multiples of a Specified Denomination may need to purchase or sell, on or before the relevant date of exchange, a principal amount of Class A Notes such that their holding is an integral multiple of a Specified Denomination in order to receive a Class A Definitive Note in respect of their holding.

Conditions applicable to the Class A Notes

The terms and conditions applicable to any Class A Definitive Note will be endorsed on that Class A Note and will consist of the Class A Conditions set out under "*Terms and Conditions of the Class A Notes*" above and the provisions of the relevant Final Terms or Drawdown Prospectus which complete those Class A Conditions.

The terms and conditions applicable to any Class A Global Note will differ from those Class A Conditions which would apply to the Class A Definitive Note to the extent described under "*Provisions Relating to the Class A Notes while in Global Form*" below.

Legend concerning United States persons

Class A Global Notes and Class A Definitive Notes having a maturity of more than one year and any Class A Receipts, Class A Coupons and Class A Talons appertaining thereto will bear a legend to the following effect unless the relevant Final Terms or Drawdown Prospectus specifies that the TEFRA C Rules are applicable or that TEFRA does not apply:

"*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*".

The sections referred to in such legend provide that a United States person who holds a Class A Note, Class A Receipt, Class A Coupon or Class A Talon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Class A Note, Class A Receipt, Class A Coupon or Class A Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

Class A Notes issued in bearer form will only be transferable in accordance with the procedures of the Euroclear or Clearstream, Luxembourg and/or any other relevant clearing system (as applicable).

Class A Registered Notes

Any Registered Note will be represented on issue by a Class A Regulation S Global Note in the case of Class A Registered Notes sold outside the United States to non-U.S. persons in reliance on Regulation S.

Each Class A Regulation S Global Note will be deposited on or about the Issue Date with a Common Depositary for Euroclear and Clearstream, Luxembourg and/or any other relevant clearing system and registered in the name or a nominee of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Beneficial interests in a Class A Regulation S Global Note may be held only through Euroclear or Clearstream, Luxembourg or their participants at any time. See "*Book-Entry Clearance Procedure*".

Beneficial interests in Class A Regulation S Global Notes will be subject to certain restrictions on transfer set out in this Base Prospectus and in the Class A Agency Agreement, and such Class A Regulation S Global Notes will bear the applicable legends regarding such restrictions.

Except in the limited circumstances described below, owners of beneficial interests in Class A Regulation S Global Notes will not be entitled to receive physical delivery of certificated Class A Notes.

Exchange for Class A Registered Definitive Notes

Each Class A Regulation S Global Note will be exchangeable, free of charge to the holder, on or after its Individual Exchange Date (as defined below), in whole but not in part, for definitive Class A Notes in fully registered form (a "**Class A Registered Definitive Note**"):

(i) in the case of a Class A Regulation S Global Note that is held (directly or indirectly) on behalf of Euroclear and/or Clearstream, Luxembourg, if the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system satisfactory to the Class A Note Trustee is available;

(ii) [Reserved]; and

(iii) in any case, if the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Class A Notes in definitive form and a certificate to such effect from two Directors of the Issuer has been given to the Class A Note Trustee.

The Class A Registrar will not register the transfer of, or exchange of interests in, Class A Regulation S Global Notes for Class A Registered Definitive Notes for a period of 15 calendar days ending on the date for any payment of principal or interest in respect of the relevant Sub-Class of Class A Notes.

If only one of the Class A Regulation S Global Notes becomes exchangeable for Class A Registered Definitive Notes in accordance with the above paragraphs, transfers of Class A Notes may not take place between, on the one hand, persons holding Class A Registered Definitive Notes issued in exchange for beneficial interests in the Exchanged Class A Regulation S Global Notes and on the other hand, persons wishing to purchase beneficial interests in the other Class A Regulation S Global Notes.

"**Individual Exchange Date**" means a day falling not less than 30 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Class A Registrar and any Class A Transfer Agent is located.

In such circumstances, the relevant Class A Regulation S Global Note shall be exchanged in full for Class A Registered Definitive Notes and the Issuer will, at the cost of the Issuer (but against such indemnity as the Class A Registrar or any relevant Class A Transfer Agent may require in respect of any Tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Class A Registered Definitive Notes to be executed and delivered to the Class A Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Class A Regulation S Global Note must provide the Class A Registrar with a written order containing instructions and such other information as the Issuer and the Class A Registrar may require to complete, execute and deliver such Class A Registered Definitive Notes.

Legends and Transfers

The holder of a Class A Registered Definitive Note may transfer the Class A Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering it at the specified office of the Class A Registrar or any Class A Transfer Agent, together with the completed form of transfer thereon.

Provisions Relating to the Class A Notes while in Global Form

Class A Global Notes will contain provisions that apply to the Class A Notes which they represent, some of which modify the effect of the Class A Conditions of the Class A Notes as set out in this Base Prospectus. The following is a summary of certain of those provisions:

(i) *Cancellation*: Cancellation of any Note represented by a Class A Global Note that is required by the Class A Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Class A Global Note.

(ii) *Notices*: So long as any Class A Notes are represented by a Class A Global Note and such Class A Global Note is held on behalf of Euroclear, Clearstream, Luxembourg or any other relevant clearing system, notices to the Class A Noteholders may be given, subject always to listing requirements, by delivery of the relevant notice to Euroclear, Clearstream, Luxembourg or any other relevant clearing system for communication by it to entitled Accountholders in substitution for publication as provided in the Class A Conditions. Such notices shall be deemed to have been received by the Class A Noteholders on the date of delivery to such clearing systems.

(iii) *Record date*: Each payment in respect of a Class A Global Note will be made to the person shown as the Holder in the Class A Register on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System Business Day**" means a day on which each clearing system for which the Class A Global Note is being held is open for business.

(iv) *Payments*: All payments in respect of the Class A Global Notes which, according to the Class A Conditions, require presentation and/or surrender of a Class A Note or Class A Coupon, will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Class A Global Note to or to the order of any Class A Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Class A Notes. On each occasion on which a payment of principal or interest is made in respect of the Class A Global Notes, the Issuer shall procure that the payment is noted in a schedule thereto and the payment is entered *pro rata* in the records of Euroclear or Clearstream, Luxembourg, as applicable.

(v) *Payment Business Day*: Notwithstanding the definition of "Payment Business Day" in Class A Condition 21 (*Definitions*), while all the Class A Notes are represented by a Class A Permanent Bearer Global Note (or by a permanent global note and/or a temporary global note) or a Class A Regulation S Global Note and the Class A Permanent Bearer Global Note is (or the permanent global note and/or the temporary global note are), or the Class A Regulation S Global Note is deposited with a depositary or a Common Depositary or a Common Safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, "**Payment Business Day**" means:

(a) if the currency of payment is euro, any day on which the TARGET2 system is open and a day on which dealings in foreign currencies may be carried on in the Relevant Financial Centre specified in the relevant Final Terms or Drawdown Prospectus; or

(b) if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Relevant Financial Centre specified in the relevant Final Terms or Drawdown Prospectus.

(vi) *Redemption at the Option of the Issuer:* For so long as all of the Class A Notes are represented by one or both of the Class A Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, no selection of Class A Notes to be redeemed will be required under Class A Condition 7(c) (*Optional Redemption*) in the event that the Issuer exercises its option pursuant to Class A Condition 7(c) (*Optional Redemption*) in respect of less than the aggregate principal amount of the Class A Notes outstanding at such time. In such event, the partial

redemption will be effected *pro rata* in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg.

BOOK-ENTRY CLEARANCE PROCEDURE

The information set out below has been obtained from Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**"*). The Issuer accepts responsibility for the accurate reproduction of such information from information published by the Clearing Systems and so far as the Issuer is aware and is able to ascertain from the information published by the Clearing Systems, no facts have been omitted which would render the reproduced information inaccurate or misleading. In particular, such information is subject to any change in or reinterpretation of the rules, regulations and procedures of the Clearing Systems currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. The information set out below is applicable to any Sub-Class of Class A Notes held by Euroclear and/or Clearstream, Luxembourg.*

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of each Sub-Class of the Class A Notes and cross-market transfers of the Class A Notes associated with secondary market trading. Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book-entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Investors may hold their interests in Class A Global Notes directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg, each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book-entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg, is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg, provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg, also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg, have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations.

Book-entry ownership

Euroclear and Clearstream, Luxembourg

Each Bearer Global Note will have an ISIN and a common code and will be deposited with a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or a Common Safekeeper on behalf of Euroclear and Clearstream, Luxembourg (as applicable). Each Class A Regulation S Global Note will have an ISIN and a common code and will be registered in the name of a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or a Common Safekeeper on behalf of Euroclear and Clearstream, Luxembourg (as applicable).

Payments and relationship of participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Class A Note represented by a Global Note must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such Class A Global Note and in relation to all other rights arising under the Class A Global Note, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg. The Issuer expects that, upon receipt of any payment in respect of Class A Notes represented by a Class A Global Note, the Common Depositary, by whom such Class A Note is held, or nominee in whose name it is registered, will immediately credit the relevant participants' or accountholders' accounts in the relevant Clearing System

with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Class A Global Note shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Class A Global Note held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Class A Notes for so long as the Class A Notes are represented by such Class A Global Note and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Class A Global Note in respect of each amount so paid.

Settlement and transfer of Class A Notes

So long as Euroclear, Clearstream, Luxembourg, or the nominee of their common depositary is the registered holder of a Global Note, Euroclear, Clearstream, Luxembourg, or such nominee, as the case may be, will be considered the sole owner or holder of the Class A Notes represented by such Class A Global Note for all purposes under the Class A Agency Agreement and the Class A Notes. Payments of principal, premium (if any), interest and additional amounts (if any) in respect of Class A Global Notes will be made to Euroclear, Clearstream, Luxembourg, or such nominee, as the case may be, as the registered holder thereof. None of the Issuer, any Obligor, the Class A Note Trustee, any Class A Agent, the Dealers or any affiliate of any of them or any person by whom any of them is controlled for the purposes of the Securities Act will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Class A Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Distributions of principal, premium (if any) and interest with respect to book-entry interests in the Class A Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by Euroclear or Clearstream, Luxembourg, from the Class A Principal Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg, customers in accordance with the relevant system's rules and procedures.

Payments on the Class A Notes will be paid to the holder shown on the Class A Register on the close of business the business day before the due date for such payment so long as the Class A Notes are represented by a Class A Global Note, and on the close of business the Clearing System Business Day before the due date for such payment if the Class A Notes are in the form of Definitive Notes (the "**Record Date**").

Subject to the rules and procedures of each applicable Clearing System, purchases of Class A Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Class A Notes on the clearing system's records. The ownership interest of each actual purchaser of each such Class A Note (the "**Beneficial Owner**") will in turn be recorded on the Direct and Indirect Participants' records.

Beneficial Owners will not receive written confirmation from any clearing system of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which such Beneficial Owner entered into the transaction.

Transfers of ownership interests in Class A Notes held within the clearing system will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Class A Notes, unless and until interests in any Class A Global Note held within a clearing system are exchanged for Class A Definitive Notes.

No clearing system has knowledge of the actual Beneficial Owners of the Class A Notes held within such clearing system, and its records will reflect only the identity of the Direct Participants to whose accounts such Class A Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the clearing systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer interests in a Class A Global Note to such persons may be limited. Because Euroclear and Clearstream, Luxembourg, can only act on behalf of indirect participants, the ability of a person having an interest in a Class A Global Note to pledge such interest to persons or entities which do not participate in the relevant clearing system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

The holdings of book-entry interests in the Class A Notes through Euroclear and Clearstream, Luxembourg, will be reflected in the book-entry accounts of each such institution. As necessary, the Class A Registrar will adjust the amounts of Class A Notes on the Class A Register for the accounts of the nominee of the common depositary to reflect the amounts of Class A Notes held through Euroclear and Clearstream, Luxembourg. Beneficial ownership in the Class A Notes will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream, Luxembourg.

Beneficial interests in the Class A Regulation S Global Note will be in uncertificated book-entry form.

Trading between Euroclear and Clearstream, Luxembourg Accountholders

Secondary market sales of book-entry interests in the Class A Notes held through Euroclear or Clearstream, Luxembourg, to purchasers of book-entry interests in the Class A Notes through Euroclear or Clearstream, Luxembourg, will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg, and will be settled using the procedures applicable to conventional EuroNotes.

Although the foregoing sets out the procedures of Euroclear and Clearstream, Luxembourg, in order to facilitate the transfers of interests in the Class A Notes among the participants of Euroclear and Clearstream, Luxembourg, none of Euroclear or Clearstream, Luxembourg, is under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, any Obligor, the Class A Note Trustee, any Class A Agent, the Dealers or any affiliate of any of them or any person by whom any of them is controlled for the purposes of the Securities Act, will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg, or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described above.

Pre-issue Trades Settlement

Purchasers of the Class A Notes may be affected by such local settlement practices, and purchasers of the Class A Notes between the relevant date of pricing and the Issue Date should consult their own advisers.

Eurosystem Eligibility

Where the global notes issued in respect of any class are intended to be held under the NSS, the Issuer will also indicate whether such global notes are intended to be held in a manner which would allow Eurosystem eligibility and shall notify the ICSDs of each global note issued. Any indication that the global notes are to be so held does not necessarily mean that the notes of any class will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by Eurosystem either upon issue or at any time during their life as such recognition depends upon the European Central Bank being satisfied that the Eurosystem eligibility criteria have been met.

PRO FORMA FINAL TERMS[1]

Final Terms dated [•]

[MiFID II PRODUCT GOVERNANCE / TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Class A Notes has led to the conclusion that: (i) the target market for the Class A Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Class A Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*] Any person subsequently offering, selling or recommending the Class A Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Class A Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Class A Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Insurance Distribution Directive where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Class A Notes or otherwise making them available to retail investors in the EEA has been prepared and, therefore, offering or selling the Class A Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

[UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Class A Notes has led to the conclusion that: (i) the target market for the Class A Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Class A Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*] Any person subsequently offering, selling or recommending the Class A Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Class A Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

PROHIBITION OF SALES TO UK RETAIL INVESTORS - The Class A Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Class A Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Class A Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[1] The language relating to the Prospectus Regulation will be removed in the event of an exempt issuance.

SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time, the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018") the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Class A Notes shall be prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore Notice SFA 04-N12: Notice on the Sale of Investment Products and in the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

RAC Bond Co plc

(*a public limited company incorporated in England and Wales with registered no. [•]*)

Legal entity identifier (LEI): [2138008FCM2SUNLC7B21]

Issue of [Sub-Class A—[•]] [Aggregate Nominal Amount of tranche] [Fixed Rate] Class A Notes under the £[•] multicurrency Programme for the issuance of Class A Notes

PART A—CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Base Prospectus dated 24 March 2023 [and the supplemental base prospectus dated [•] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of Regulation (EU) 2017/1129 as supplemented by Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Class A Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Class A Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplemental base prospectus referred to above] [is] [are] available for viewing at [•] and copies may be obtained from the Specified Office of the Class A Paying Agents.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Base Prospectus dated [*original date*] [and the supplemental Prospectus[es] dated [•][and [•]]] which are incorporated by reference in the Base Prospectus [•] 2023. This document constitutes the Final Terms of the Class A Notes described herein for the purposes of Regulation (EU) 2017/1129 as supplemented by Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (the "**Prospectus Regulation**") and must be read in conjunction with the Conditions and the Base Prospectus dated [•] 2023 [and the supplemental base prospectus dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Regulation in order to obtain all the relevant information. Full information on the Issuer and the offer of the Class A Notes is only available on the basis of the combination of the Conditions, these Final Terms and the Base Prospectus. The Base Prospectus [and the supplemental base prospectus referred to above] [is] [are] available for viewing at [•] and copies may be obtained from the Specified Office of the Class A Paying Agents.][2]

1.	Issuer:		RAC Bond Co plc
2.	(i)	Sub-Class:	[•]
	(ii)	Tranche Number:	[•]
	(iii)	Date on which the Class A Notes will be consolidated and form a single series:	[Not Applicable] [The Class A Notes shall be consolidated, form a single series and be interchangeable for trading purposes with [•] on [the Issue Date/exchange of the temporary global note for interests in the permanent global note, as referred to in paragraph 24 below, which is expected to occur on or about [•]].
3.	Specified Currency or Currencies:		[•]

[2] This paragraph shall only be included for further issuances of existing sub-classes of Class A Notes.

4.	Aggregate Nominal Amount of Class A Notes:		
	(i)	Sub-Class:	[•]
	(ii)	Tranche:	[•]
5.	Issue Price:		[•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [•]]
6.	(i)	Specified Denominations	[•] [€/£[100,000]/$[200,000] and integral multiples of [€/£/$[1,000]] in excess thereof up to and including [€/£[99,000]/$[199,000]]. No Class A Notes in definitive form will be issued with a denomination of integral multiples above [€/£ [99,000]/$[199,000]].]
	(ii)	Calculation Amount:	[€/£/$][1,000]
7.	(i)	Issue Date:	[•]
	(ii)	Class A Interest Commencement Date:	[•] [Issue Date] [Not Applicable]
8.	(i)	Expected Maturity Date:	[Not Applicable] [•]
	(ii)	Final Maturity Date:	[•]
9.	Instalment Date:		[Not Applicable] [•]
10.	Interest Basis:		Fixed Rate Class A Notes
11.	Redemption/Payment Basis:		[Redemption at Expected Maturity/Final Redemption] [Instalment]
12.	Call Options:		Issuer Optional Redemption - [Class A Condition 7(c) applies]/[Not Applicable] Class B Call Option – Class A Condition 7(h) applies Modified Original Redemption – [Class A Condition 7(k) applies][Not Applicable]
13.	[Date [Board] approval for issuance of Class A Notes obtained:		[•] and [•] respectively]]
14.	Method of Syndication:		[Syndicated]/[Non-syndicated]
	(i) Name of Dealer(s): (ii) Name of Stabilising Manager		[•] [•]
15.	[Fallback provisions:]		[[•] [Not Applicable]]
16.	Relevant Financial Centre:		[•]
17.	[Additional Financial Centre(s):]		[[•] [Not Applicable]]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18.	Fixed Rate Note Provisions:	[Applicable/Not Applicable]
(i)	Class A Initial Interest Rate:	[•] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date]
(ii)	Class A Revised Interest Rate:	[•] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date]
(iii)	Interest Payment Date(s):	[•] [and [•]] in each year
(iv)	First Interest Payment Date:	[•]
(v)	Class A Note Interest Amount[(s)]:	[•] per Calculation Amount [in respect of each Class A Note Interest Period up to (but excluding the Expected Maturity Date) and [•] in respect of each Class A Note Interest Period from (and including the Expected Maturity Date to (but excluding) the Final Maturity Date]
(vi)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/365 or Actual/Actual] [Actual/365 Fixed] [Actual/360] [30/360 or 360/360 or Note basis] [30E/360 or Euro Note Basis]
(vii)	Reference Gilt:	[•] [The Treasury stock whose modified duration most closely matches that of the Class A Notes on the Reference Date with the advice of three persons operating in the gilt-edged market (selected by the Issuer and approved by the Class A Note Trustee)]
(viii)	Comparable German Bund Issue:	[•] [The German Bund whose modified duration most closely matches that of the Class A Notes on the Reference Date with the advice of three persons operating in the German Bund market (selected by the Issuer and approved by the Class A Note Trustee)]
	Relevant percentage rate per annum for the purposes of calculating the discount rate pursuant to Condition 7(c)(iii):	[Not Applicable]/[Applicable Rate]
(ix)	Comparable United States Treasury Securities:	[•] [The Treasury Rate whose modified duration most closely matches that of the Class A Notes on the Reference Date with the advice of three persons operating in the Treasury Securities Market (selected by the Issuer and the Class A Note Trustee)]
	Relevant other amount for the purposes of calculating the discount rate pursuant to Condition 7(c)(iv):	[Not Applicable]/[Applicable Rate]

19. [Reserved]

PROVISIONS RELATING TO REDEMPTION

20.	Issuer Optional Redemption:	[Applicable in accordance with Class A Condition 7(c)] [Not Applicable]
	(i) Optional Redemption Date(s):	Any Interest Payment Date [falling on or after [•] and at a premium of [•].]
	(ii) Redemption Amount(s) of each Class A Note:	[[•] per Calculation Amount][As specified in Condition 7(c)]
	(iii) Redemption Margin	[•]
	(iv) If redeemable in part:	
	(a) Minimum Redemption Amount:	[•] per Calculation Amount
	(b) Maximum Redemption Amount:	[•]
	(v) Notice period:	[•]
	(vi) Par Call Period:	From and including [•] to and including the Maturity Date
21.	Modified Optional Redemption:	[Applicable in accordance with Class A Condition 7(k)][Not Applicable]
	(i) Call Date(s):	[•]
	(ii) Redemption Amount(s) of each Class A Note:	[•]
	(iii) Notice period:	Not more than [•] nor less than [•] days
22.	Redemption Amount of each Class A Note:	[•] per Calculation Amount
23.	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default:	[•] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE CLASS A NOTES

24.	Form of Class A Notes:	[Bearer/Registered]
	(i) If issued in Bearer form:	[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Class A Definitive Notes in the limited circumstances specified in the Permanent Global Note (TEFRA D Rules apply).] [Temporary Global Note exchangeable for Class A Definitive Notes in the limited circumstances

		specified in the Temporary Global Note (TEFRA D Rules apply).] [Temporary Global Note exchangeable for Class A Definitive Notes in the limited circumstances specified in the Temporary Global Note (neither TEFRA C Rules nor TEFRA D Rules apply).] [Permanent Global Note exchangeable for Class A Definitive Notes in the limited circumstances specified in the Permanent Global Note (TEFRA C Rules apply).] [Permanent Global Note exchangeable for Class A Definitive Notes in the limited circumstances specified in the Permanent Global Note (neither TEFRA C Rules nor TEFRA D Rules apply).]
(ii)	If Class A Registered Notes:	[Regulation S Global Note registered in the name of a nominee for [a Common Depositary for Euroclear and Clearstream, Luxembourg/a Common Safekeeper for Euroclear and Clearstream, Luxembourg exchangeable for Registered Definitive Notes in the limited circumstances specified in the Regulation S Global Note]
25.	New Global Note:	[Yes][No]
26.	Relevant Financial Centre(s):	[Not Applicable] [•]
27.	Class A Talons for future Class A Coupons or Class A Receipts to be attached to Class A Definitive Notes (and dates on which such Class A Talons mature):	[No][Yes]. If yes, the Class A Talons mature on [•].
28.	Details relating to Instalment Notes:	[N/A]
(i)	Instalment Date:	[•]
(ii)	Instalment Amount:	[•]

[THIRD PARTY INFORMATION]

[[•] has been extracted from [•]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer

By:

Duly authorised

PART B—OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING**

(i)	Listing	[Ireland] [Not Applicable]
(ii)	Admission to trading:	[Application has been made to the Irish Stock Exchange plc (trading as Euronext Dublin) by the Issuer for the Class A Notes to be admitted to the Official List and trading on the Regulated Market of Euronext Dublin with effect from [•].] [Application will be made to the Irish Stock Exchange plc (trading as Euronext Dublin) by the Issuer for the Class A Notes to be admitted to the Official List and trading on the Regulated Market and this is expected to be effective from [•].] [Not Applicable]
(iii)	Estimate of total expenses related to admission to trading:	[•]

RATINGS

Ratings:	The Class A Notes to be issued [have been] [are expected to be] rated: [•] S&P Global Ratings UK Limited ("**S&P**"): [•] [*add meaning of any rating provided, if this has previously been published by the rating provider*]

INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

[•]/[Save as discussed in "*Subscription and Sale*" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Class A Notes has an interest material to the offer.]

REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	[•]
(ii)	Estimated net proceeds:	[•]
(iii)	Estimated total expenses:	[•]

[5 **YIELD** (Fixed Rate Class A Notes only)

Indication of yield:	[•]

OPERATIONAL INFORMATION

Any clearing system(s) other than The Depositary Trust Company, Euroclear Bank SA/NV and Clearstream Banking *Société Anonyme* and the relevant identification number(s):	[Not Applicable][•]
Delivery:	Delivery [against/free of] payment

Names and addresses of additional Class A Paying Agent(s) (if any):	[•]
ISIN Code:	[•]
Common Code:	[•]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes/No] [Yes: Note that the designation "yes" simply means that the Class A Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] and does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Class A Notes are capable of meeting them, the Class A Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,]. Note that this does not necessarily mean that the Class A Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

DESCRIPTION OF LIQUIDITY FACILITY PROVIDERS

BARCLAYS BANK PLC

Barclays Bank PLC (the Bank, and together with its subsidiary undertakings, the Barclays Bank Group) is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered head office at 1 Churchill Place, London E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Bank was re-registered as a public limited company and its name was changed from 'Barclays Bank International Limited' to 'Barclays Bank PLC'. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC. Barclays PLC (together with its subsidiary undertakings, the Group or Barclays) is the ultimate holding company of the Group. The Bank's principal activity is to offer products and services designed for larger corporate, wholesale and international banking clients.

Barclays is a British universal bank, supporting individuals and small businesses through its consumer banking services, and larger businesses and institutions through its corporate and investment banking services. Barclays is diversified by business, geography and income type. The Group's operations include consumer banking and payment services in the UK, U.S. and Europe, as well as a global corporate and investment bank. The Group operates as two divisions – the Barclays UK (Barclays UK) division and the Barclays International (Barclays International) division – which are supported by Barclays Execution Services Limited, the Group-wide service company providing technology, operations and functional services to businesses across the Group. Barclays UK consists of UK Personal Banking, UK Business Banking and Barclaycard Consumer UK businesses. These businesses are carried on by its UK ring-fenced bank, Barclays Bank UK PLC (BBUKPLC) and certain other entities within the Group. Barclays International consists of Corporate and Investment Bank and Consumer, Cards and Payments businesses. These businesses operate within its non-ring-fenced bank, the Bank and its subsidiaries, and by certain other entities within the Group.

The short term unsecured obligations of the Bank are rated A-1 by S&P Global Ratings UK Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited and the unsecured unsubordinated long term obligations of the Bank are rated A by S&P Global Ratings UK Limited, A1 by Moody's Investors Service Ltd. and A+ by Fitch Ratings Limited.

For the purposes of the Bank's credit ratings as Liquidity Facility Provider only, the Bank's credit ratings included or referred to in this Base Prospectus will be treated for the purposes of the UK CRA Regulation as having been issued by Fitch Ratings Limited ("**Fitch**"), Moody's Investors Service Ltd. ("**Moody's**") and S&P, each of which is established in the United Kingdom and has been registered under the UK CRA Regulation. The ratings Fitch, Moody's and S&P have given in relation to the Bank are endorsed by Fitch Ratings Ireland Limited, Moody's Deutschland GmbH and S&P Global Ratings Europe Limited respectively, each of which is established in the European Economic Area (EEA) and registered under the EU CRA Regulation.

BANCO SANTANDER, S.A., LONDON BRANCH

Santander Corporate & Investment Banking is a brand name used by Banco Santander, S.A., and its affiliates. Banco Santander, S.A is a leading commercial bank, founded in 1857 and headquartered in Spain. It has a meaningful presence in 10 core markets in the Europe, North America and South America regions, and is one of the largest banks in the world by market capitalization. At the end of 2022, Banco Santander had €1.3 trillion in total funds, 160 million customers, 9,000 branches and 206,000 employees. Banco Santander, S.A. has its registered Address at Paseo de Pereda 9-12, 39004 Santander, Spain and is registered with the Bank of Spain (Banco de España) under registration number 0049 with CIF A-39000013. Banco Santander, S.A., London Branch is authorised and regulated by the Bank of Spain (Banco de España). It is also authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority (Financial Services Register number: 136261). Details about the extent of our regulation by the Prudential Regulation Authority are available on request. The Banco Santander, S.A. entry in the Financial Services Register can be viewed by visiting the Financial Conduct Authority's website www.fca.org.uk/register.

BNP PARIBAS FORTIS SA/NV

*The information contained in this section relates to and has been obtained from BNP Paribas Fortis SA/NV ("**BNP Paribas Fortis**"). The information concerning BNP Paribas Fortis contained herein is furnished solely to provide limited introductory information regarding BNP Paribas Fortis and does not purport to be exhaustive.*

The delivery of information contained in this section shall not create any implication that there has been no change in the affairs of BNP Paribas Fortis since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

BNP Paribas Fortis is registered in the Register of Legal Entities of Brussels under the number 0403.199.702. In Belgium, BNP Paribas Fortis is subject to supervision by the ECB, the prudential authority of the National Bank of Belgium ("**NBB**") and the market authority of the Belgian Financial Services and Markets Authority ("**Belgian FSMA**").

BNP Paribas Fortis is owned for 99.94 per cent. by BNP Paribas SA and for 0.06 per cent. by minority shareholders.

BNP Paribas Fortis, incorporated in Belgium on 5 December 1934, is a public company with limited liability (naamloze vennootschap/société anonyme) under Belgian law. The registered office of the company is located at rue Montagne du Parc 3, 1000 Brussels, Belgium where its headquarters are based.

As stated in article 3 of its Articles of Association, BNP Paribas Fortis' purpose is to undertake all and any business consistent with its status as a credit institution. It may also carry out any other operations or transactions that are directly or indirectly connected with its objects or conducive to their attainment. BNP Paribas Fortis may hold interests in partnerships and companies within the limits of the law relating to credit institutions.

BNP Paribas Fortis offers a comprehensive package of financial services through its own channels and via other partners to private, professional and wealthy clients in the Belgian market, as well as in Luxembourg and Turkey. BNP Paribas Fortis also provides corporations and public and financial institutions with customised solutions, for which it can draw on BNP Paribas' know-how and international network. In the insurance sector, BNP Paribas Fortis works closely with the Belgian market leader AG Insurance, in which it owns a 25 per cent. stake.

The BNP Paribas Fortis' consolidated net income attributable to equity holders in 2022 amounted to EUR 3,161 million, a material increase of +21.9% compared to 2021. When excluding the retreated items, such as the noticeable impact of the change of consolidation of bpost bank in 2022 (resulting in a badwill of EUR +245 million in non-operating income), the underlying evolution showed an increase of +18.8% (excluding retreated items (RI), i.e. at constant scope, constant exchange rates and excluding other one-off results).

The consolidated balance sheet totalled EUR 350 billion on 31 December 2022, of which 244 billion or 70% in customer loans increasing by EUR +26 billion compared to 2021. This increase includes the 9 billion of newly consolidated bpost bank's customer loans. The consolidated Common Equity Tier 1 ratio remained very strong and stood at 17.2% (compared to 18.0% as of 31 December 2021), well above the regulatory threshold. The non-consolidated Liquidity Coverage Ratio stood at 126% (compared to an exceptionally high 192% as of 31 December 2021), well above the regulatory threshold of 100%.

BNP Paribas SA is the parent company of the BNP Paribas Group.

As at 31 December 2022, the BNP Paribas Group had consolidated assets of €2,666 billion (compared to €2,634 billion at 31 December 2021), consolidated loans and receivables due from customers of €857 billion (compared to €814 billion at 31 December 2021), consolidated items due to customers of €1,008 billion (compared to €958 billion at 31 December 2021) and shareholders' equity (Group share) of € 122 billion (compared to €118 billion at 31 December 2021).

As at 31 December 2022, pre-tax income from continuing activities was €13.6 billion (compared to €12.7 billion as at 31 December 2021). For the year 2022, net income, attributable to equity holders was €10.2 billion (compared to €9.5 billion for the year 2021).

At the date of this Base Prospectus, the BNP Paribas Group currently has Long Term Senior Preferred debt ratings of "A+" with stable outlook from S&P, "Aa3" with stable outlook from Moody's Investors Service, Inc. and "AA-" with stable outlook from Fitch Ratings, Ltd and "AA (low)" with stable outlook from DBRS.

The information contained in this section relates to and has been obtained from BNP Paribas. The information concerning BNP Paribas and the BNP Paribas Group contained herein is furnished solely to provide limited introductory information regarding BNP Paribas and the BNP Paribas Group and does not purport to be comprehensive.

The delivery of the information contained in this section shall not create any implication that there has been no change in the affairs of BNP Paribas or the BNP Paribas Group since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

For up-to-date financial information, including quarterly results since the last fiscal year end, please refer to http://invest.bnpparibas.com/en

DEUTSCHE BANK LUXEMBOURG S.A.

Establishment, Duration and Domicile

Deutsche Bank Luxembourg S.A. was established on 12 August 1970 as a public limited liability company (société anonyme) under the name "Compagnie Financière de la Deutsche Bank", in the Grand Duchy of Luxembourg in accordance with the Luxembourg Act dated 10 August 1915 on commercial companies, as amended. The notarial act of incorporation was published on 27 August 1970 in the Mémorial C-142, Recueil des Sociétés et Associations (the Mémorial C). The original name of Deutsche Bank Luxembourg S.A. was changed to Deutsche Bank Compagnie Financière Luxembourg S.A. on 11 October 1978 and to its present name on 16 March 1987. The articles of incorporation of Deutsche Bank Luxembourg S.A. were amended last by a notarial deed of 23 December 2013, published in the Mémorial C under number C-152 of 17 January 2014 on page 7256. Deutsche Bank Luxembourg S.A. adopted a complete new version of the articles of incorporation.

The registered office of Deutsche Bank Luxembourg S.A. is established at 2, boulevard Konrad Adenauer, L-1115 Luxembourg (telephone no. +352 421 22 -1).

Deutsche Bank Luxembourg S.A. is registered with the Luxembourg trade and companies register under number B 9164.

Any person interested in inspecting the articles of incorporation may do so at the Luxembourg trade and companies register.

Objectives

The corporate object of Deutsche Bank Luxembourg S.A, as stated in its articles of incorporation, is the transaction of banking and financial business of every kind for own and third-party account, the provision of insurance brokerage through duly licensed natural persons, in the Grand Duchy of Luxembourg and abroad, as well as all activities directly or indirectly related thereto. Deutsche Bank Luxembourg S.A. may hold participations in other enterprises with registered offices in the Grand Duchy of Luxembourg or abroad, and it may establish branches.

Share Capital

The share capital of Deutsche Bank Luxembourg S.A. amounts to €3,959,500,000 and is divided into 15,838,000 registered shares. The share capital is fully paid up.

Ownership

Deutsche Bank AG owns directly 100 per cent. of the share capital of Deutsche Bank Luxembourg S.A.

Financial Year

The financial year commences on January 1 and ends on December 31 of each year.

Statutory Auditors

The statutory auditors of Deutsche Bank Luxembourg S.A. are Ernst & Young S.A., 35E, avenue John F. Kennedy, L-1855 Luxembourg, Luxembourg. Ernst & Young S.A. had audited the financial statements of Deutsche Bank Luxembourg S.A. for the year ended 31 December 2021 and had issued an opinion in this case. Ernst & Young S.A. is a member of the Luxembourg Institut des Réviseurs d'Entreprises.

HSBC UK BANK PLC

HSBC UK Bank plc ("**HSBC UK**") is a ring-fenced bank, a wholly owned subsidiary of HSBC Holdings plc and a member of HSBC Group. Headquartered in Birmingham, HSBC UK has over 14 million active customers and is intrinsically linked to the rest of the HSBC Group. It leverages this network to support customers and grow revenue across key trade corridors around the world. HSBC UK provides products and services to customers through three businesses: Wealth and Personal Banking, Commercial Banking and Global Banking and Markets, supported by a corporate centre.

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. HSBC Group serves customers worldwide across 62 countries and territories. With assets of $2,967 billion (31 December 2022), HSBC is one of the world's largest banking and financial services organisations.

The short term senior unsecured and unguaranteed obligations of HSBC UK are, as at the date of this Prospectus, rated P-1 by Moody's and A-1+ by S&P and HSBC UK has a short term issuer default rating of F1+ from Fitch. The long term senior unsecured and unguaranteed obligations of HSBC UK are rated A1 by Moody's and A+ by S&P and HSBC UK has a long term issuer default rating of AA- from Fitch.

HSBC UK is authorised by the Prudential Regulation Authority and is regulated by the Financial Conduct Authority and the Prudential Regulation Authority. HSBC UK's principal place of business is 1 Centenary Square, Birmingham, B1 1HQ, United Kingdom.

TAX CONSIDERATIONS

UNITED KINGDOM TAXATION

*The following is a summary of the UK withholding taxation treatment in relation to payments of principal and interest in respect of the Class A Notes as at the date of this Base Prospectus. The comments do not deal with other UK tax aspects of acquiring, holding or disposing of the Class A Notes. The comments are based on current UK law and published HM Revenue & Customs ("**HMRC**") practice, which may be subject to change, sometimes with retrospective effect, and relate only to the position of persons who are absolute beneficial owners of the Class A Notes and some aspects do not apply to certain classes of taxpayer (such as dealers). The summary set out below is a general guide and should be treated with appropriate caution. Prospective purchasers who are in any doubt as to their tax position or who may be subject to Tax in a jurisdiction other than the UK should consult their professional advisers. In particular, Class A Noteholders should be aware that they may be liable to taxation under the laws of the UK (by direct assessment) or other jurisdictions in relation to payments in respect of the Class A Notes even if such payments may be made without withholding or deduction for or on account of Tax under the laws of the UK.*

UK Withholding Tax on UK Source Interest

The Class A Notes issued by the Issuer will constitute "quoted Eurobonds" within the meaning of section 987 of the Income Tax Act 2007 (the "**Act**") provided they are and continue to be listed on a recognised stock exchange within the meaning of section 1005 of the Act as it applies for the purposes of section 987 of the Act or admitted to trading on a "multilateral trading facility" operated by a UK or EEA regulated recognised stock exchange (within the meaning of section 987 of the Act). Euronext Dublin has been designated as a recognised stock exchange for these purposes. The Issuer's understanding of current HMRC practice is that the Class A Notes will be treated as listed on Euronext Dublin if they are admitted to trading on the Regulated Market of Euronext Dublin and are included in the Official List of Euronext Dublin in accordance with provisions corresponding to those generally applicable in countries in the EEA. While the Class A Notes are and continue to be quoted Eurobonds, payments of interest on the Class A Notes may be made without withholding or deduction for or on account of UK income tax.

In all cases falling outside the exemption described above, payments in respect of interest on the Class A Notes will be paid under deduction of UK income tax at the basic rate (currently 20 per cent.), subject to such relief as may be available under the provisions of any applicable double taxation treaty. The withholding obligation is also disapplied in respect of payments to holders of the Class A Notes which (i) the Issuer reasonably believes are either a UK resident company or a non UK resident company carrying on a trade in the UK through a permanent establishment which brings into account the interest in computing its UK taxable profits, (ii) fall within various categories enjoying a special tax status (including charities and pension funds), or (iii) are partnerships consisting of such persons (in each case, unless HMRC direct otherwise).

However, this obligation to withhold on account of UK income tax will not apply if the relevant interest is paid on Class A Notes with a maturity of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Class A Notes part of a borrowing intended to be capable of having a total term of a year or more.

If UK tax is required to be withheld or deducted from payments of interest on the Class A Notes, neither the Issuer, any Class A Paying Agent nor any other person will be required to pay any additional amounts in respect of such withholding or deduction.

Other Rules relating to UK Withholding Tax

The reference to "interest" in this UK taxation section means "interest" as understood in United Kingdom tax law, and in particular any premium element of the redemption amount of any Class A Notes redeemable at a premium may constitute a payment of interest subject to the withholding tax provisions discussed above. In certain cases, the same could be true for amounts of discount where Notes are issued at a discount. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Class A Notes or any related documentation. Where interest has been paid under deduction of UK income tax, Class A

Noteholders who are not resident in the UK may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double tax treaty.

The above description of the UK withholding tax position assumes that there will be no substitution of the Issuer pursuant to Class A Condition 7 (*Redemption, Purchase and Cancellations*) or Class A Condition 14 (*Passing of resolutions by Class A Noteholders, Modification, Waiver and Substitution*) of the Class A Notes and does not consider the tax consequences of any such substitution.

Stamp duty/stamp duty reserve tax

No United Kingdom stamp duty or stamp duty reserve tax is payable on the issue of the Class A Notes, or on a transfer of, or agreement to transfer, any Notes.

U.S. FOREIGN ACCOUNT TAX COMPLIANCE

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Class A Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Class A Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Class A Notes, such withholding would not apply prior to the date that is two years after the publication of the final regulations defining "foreign passthru payment" and Class A Notes issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional notes (as described under Condition 1(c) (*Further Class A Notes*) that are not distinguishable from previously issued Class A Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Class A Notes, including the Class A Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Class A Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Class A Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

Class A Dealership Agreement

Class A Notes may be issued from time to time by the Issuer to any one or more of the Dealers and any other dealer appointed from time to time in each case acting as principal pursuant to the dealership agreement originally dated 21 April 2016, as supplemented by a supplemental dealership agreement dated on or around the date hereof made between, amongst others, the Issuer, the Arranger and the Dealers (the "**Class A Dealership Agreement**"). The arrangements under which a particular Sub-Class of Class A Notes may from time to time be agreed to be issued by the Issuer to, and subscribed by, Dealers are set out in the Class A Dealership Agreement and each Subscription Agreement relating to each Sub-Class of Class A Notes. Any such agreement will, *inter alia*, make provision for the price at which such Class A Notes will be subscribed by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. The Class A Dealership Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Series or Sub-Class of Class A Notes.

In the Class A Dealership Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and maintenance of the Programme and the issue of Class A Notes under the Class A Dealership Agreement and each of the Obligors and the Issuer has agreed to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

The Dealers or their respective affiliates, from time to time, have provided in the past, and may provide in the future, investment banking, commercial lending, consulting and financial advisory services to RAC and its affiliates in the ordinary course of business for which they have received or may receive customary advisory and transaction fees, commissions and expense reimbursement. Certain of the Dealers or affiliates thereof are lenders, arrangers and agents under the 2020 Senior Term Facility Agreement, the Working Capital Facility Agreement, the 2021 Senior Term Facilities Agreement, the 2022 Senior Term Facility Agreement and/or the Initial Liquidity Facility Agreement and have undertaken hedging transactions in connection therewith. Certain of the Dealers or their respective affiliates have in the past acted, and in the future may act, as arrangers or dealers in connection with issuances of Class B Notes.

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Class A Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Obligors, the Issuer and their respective affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Obligors, the Issuer or their respective affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Obligors routinely hedge, and certain of the Dealers or their affiliates may hedge, their credit exposure to the Obligor consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Class A Notes. Any such positions could adversely affect future trading prices of the Class A Notes or whether a specified barrier or level is reached. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

United States of America

The Class A Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered (in the case of Class A Bearer Notes) within the United States or to, or for the account or benefit

of, U.S. persons except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them in Regulation S.

The Class A Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Class A Dealership Agreement, it will not offer, sell or deliver the Class A Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Class A Notes comprising the relevant tranche (the "**Distribution Compliance Period**"), other than pursuant to Rule 903 of Regulation S.

In addition, until 40 days after the commencement of the offering of the Class A Notes comprising any tranche, any offer or sale of the Class A Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

In respect of Class A Bearer Notes where TEFRA D is specified in the applicable Final Terms:

(a) except to the extent permitted under U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (the "**D Rules**"), each Dealer (i) severally represents that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Class A Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) represents that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Class A Notes in bearer form that are sold during the restricted period;

(b) each Dealer severally represents that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Class A Notes in bearer form are aware that such Class A Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(c) if it is a United States person, each Dealer severally represents that it is acquiring Class A Notes in bearer form for the purposes of resale in connection with their original issuance and if it retains Class A Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. Section l.163-5(c)(2)(i)(D)(6); and

(d) with respect to each affiliate that acquires Class A Notes in bearer form from a Dealer for the purpose of offering or selling such Class A Notes during the restricted period, such Dealer severally repeats and confirms the representations and agreements contained in Subparagraphs (a), (b) and (c) above on such affiliate's behalf.

Terms used in this paragraph have the meanings given to them by the Code and regulations promulgated thereunder, including the D Rules.

In respect of Class A Bearer Notes where TEFRA C is specified in the applicable Final Terms, under U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C) (the "**C Rules**"), Class A Bearer Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer severally represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, such Class A Bearer Notes within the United States or its possessions in connection with their original issuance. Further, each Dealer severally represents and agrees that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such purchaser or such Dealer is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of such Class A Bearer Notes. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the C Rules.

Due to the restrictions set forth above, purchasers of the Class A Notes are advised to consult legal counsel prior to making an offer to purchase or to re-sell, pledge or otherwise transfer the Class A Notes.

European Economic Area

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Class A Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) a "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Regulation (EU) 2017/1129.

United Kingdom

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Class A Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(a) a "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**EUWA**"); or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investors as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Each Dealer has represented and agreed that:

(a) in relation to any Class A Notes having a maturity of less than one year:

(i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

(ii) it has not offered or sold and will not offer or sell any Class A Notes other than to persons:

(A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or

(B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Class A Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Class A Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Class A Notes in, from or otherwise involving the United Kingdom.

Switzerland

The Class A Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (the "**FinSA**") and the Class A Notes will not be admitted to trading on a trading venue (exchange or multilateral trading facility) in Switzerland. Neither the Base Prospectus nor any other offering or marketing material relating to the Class A Notes constitutes a prospectus pursuant to the FinSA, and neither the Base Prospectus not any other offering or marketing material relating to any Class A Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Canada

The Class A Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Class A Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

If applicable, pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Singapore

The Base Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that it has not offered or sold the Class A Notes or caused the Class A Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell the Class A Notes or cause the Class A Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Base Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Class A Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (as amended, the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Class A Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be

transferred within six months after that corporation or that trust has acquired the Class A Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**") the Class A Notes shall be prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and in the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

General

Each Dealer has represented and agreed that, to the best of its knowledge, it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers the Class A Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer, the Obligors and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver the Class A Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Class A Dealership Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific country or jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) in the official interpretation, after the date of the Class A Dealership Agreement, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification will be set out in the relevant Subscription Agreement (in the case of a supplement or modification relevant only to a particular Sub-Class of Class A Notes) or (in any other case) in a supplement to this Base Prospectus or in a drawdown prospectus applicable to a particular Sub-Class of Class A Notes.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published, and have been filed with the Central Bank of Ireland, are incorporated by reference in and form a part of this Base Prospectus:

(a) The audited financial statements of the Issuer as at and for the year ended 31 December 2022. A link to these financial statements is available at https://www.raccorporate.co.uk/~/media/Files/R/RAC/documents/reports-and-presentations/debt-documentation/RAC%20Bond%20Co%20Plc%20Audited%20Accounts%20FY%202022.pdf.

(b) The audited financial statements of the Issuer as at and for the year ended 31 December 2021. A link to these financial statements is available at https://www.raccorporate.co.uk/~/media/Files/R/RAC/documents/reports-and-presentations/debt-documentation/RAC%20Bond%20Co%20Plc%20Audited%20Accounts%20FY%202021.pdf.

(c) The audited financial statements of the Holdco as at and for the year ended 31 December 2022. A link to these financial statements is available at https://www.raccorporate.co.uk/~/media/Files/R/RAC/documents/reports-and-presentations/2023/rac-bidco-limited-audited-annual-results-fy-2022.pdf.

(d) The audited financial statements of the Holdco as at and for the year ended 31 December 2021. A link to these financial statements is available at https://www.raccorporate.co.uk/~/media/Files/R/RAC/documents/reports-and-presentations/2022/RAC%20Bidco%20Limited%20Annual%20Report%20and%20Financial%20Statements%20FY%202021.pdf.

(e) The audited financial statements of the Borrower as at and for the year ended 31 December 2021. A link to these financial statements is available at https://www.raccorporate.co.uk/~/media/Files/R/RAC/documents/reports-and-presentations/debt-documentation/RAC%20Limited%20Audited%20Accounts%20FY%202021.pdf.

(f) The audited financial statements of the Borrower as at and for the year ended 31 December 2020. A link to these financial statements is available at https://www.raccorporate.co.uk/~/media/Files/R/RAC/documents/reports-and-presentations/debt-documentation/RAC%20Limited%20Audited%20Accounts%20FY%202020.pdf.

(g) The Terms and Conditions set out in the base prospectus dated 6 May 2016 relating to the Programme. A link to this base prospectus is available at https://www.raccorporate.co.uk/~/media/Files/R/RAC/documents/reports-and-presentations/debt-documentation/Final%20Terms%20dated%2028%20April%202016%20for%20RAC%20Bond%20Co%20PLC%20Class%20A1%20Notes.pdf and https://www.raccorporate.co.uk/~/media/Files/R/RAC/documents/reports-and-presentations/debt-documentation/Final%20Terms%20dated%2028%20April%202016%20for%20RAC%20Bond%20Co%20PLC%20Class%20A2%20Notes.pdf.

GENERAL INFORMATION

Authorisation

The establishment of the Programme, the granting of the Issuer Security and the issue of Class A Notes thereunder have been duly authorised by resolutions of the board of directors of the Issuer passed at a meeting of the board held on 15 April 2016. The update and issue of this Base Prospectus and the issue of Class A Notes thereunder have been duly authorised by a resolution of the board of directors of the Issuer passed on 23 March 2023.

The establishment of the Programme and the borrowings of the Borrower and the security provided by the Borrower in favour of the Obligor Security Trustee, the Issuer and the other Obligor Secured Creditors have been duly authorised by resolutions of the board of directors of the Borrower at a meeting of the board held on 13 April 2016. The update and issue of this Base Prospectus and the issue of Class A Notes thereunder have been duly authorised by a resolution of the board of directors of the Borrower passed on 23 March 2023.

The establishment of the Programme and the provision of the guarantee by Holdco in favour of the Obligor Security Trustee, the Issuer and the other Obligor Secured Creditors have been duly authorised by resolutions of the board of directors of the Holdco at a meeting of the board held on 13 April 2016. The update and issue of this Base Prospectus and the issue of Class A Notes thereunder have been duly authorised by a resolution of the board of directors of the Borrower passed on 23 March 2023.

The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Class A Notes.

Clearing and settlement

The Class A Notes have been or will be accepted for clearing through Clearstream, Luxembourg and Euroclear. The appropriate Common Code, and ISIN and for each Sub-Class of Class A Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms or Drawdown Prospectus. If the Class A Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms or Drawdown Prospectus.

Yield

The yield for any particular Sub-Class of Class A Notes will be specified in the applicable Final Terms or Drawdown Prospectus and will be calculated at the Issue Date on the basis of the Issue Price. The yield specified in the applicable Final Terms or Drawdown Prospectus in respect of a Sub-Class of Class A Notes will not be an indication of future yield.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) within a period of 12 months preceding the date of this Base Prospectus which may have, or have had in the recent past, significant effects upon the Issuer's financial position or profitability.

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Borrower is aware) within a period of 12 months preceding the date of this Base Prospectus which may have, or have had in the recent past, a significant effect on the Borrower's financial position or profitability.

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Holdco Group is aware) within a period of 12 months preceding the date of this Base Prospectus which may have, or have had in the recent past, a significant effect on the Holdco Group's financial position or profitability.

Significant or Material Change

There has been (a) no material adverse change in the financial position or prospects; (b) no significant change in the financial position; and (c) no significant change in the financial performance, of the Issuer since 31 December 2022.

There has been (a) no material adverse change in the prospects; (b) no significant change in the financial position; and (c) no significant change in the financial performance, of the Borrower since 31 December 2021.

There has been (a) no material adverse change in the prospects; (b) no significant change in the financial position; and (c) no significant change in the financial performance, of the Holdco Group since 31 December 2022.

Charges and Guarantees

Save as disclosed in this Base Prospectus, the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities nor has the Issuer created any mortgages or given any charge or guarantee.

Underlying Assets

The Class A IBLAs have characteristics that demonstrate capacity to produce funds to service any payments due and payable under the Class A Notes.

Documents Available

For the life of the Base Prospectus, copies of the following documents are available for inspection on the Issuer's website at https://www.raccorporate.co.uk/for-investors/results-reports-and-presentations:

(a) the memorandum and articles of association of the Issuer, the Borrower and Holdco;

(b) the audited accounts of RAC Bond Co Plc for the 12-month period ended 31 December 2021 and 31 December 2022;

(c) the audited accounts of RAC Limited for each 12-month period ended 31 December 2020 and 31 December 2021;

(d) the audited accounts of RAC Bidco Limited for the 12-month period ended 31 December 2021 and 31 December 2022;

(e) a copy of this Base Prospectus;

(f) each Final Terms or Drawdown Prospectus relating to Class A Notes which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system;

(g) Investor Reports for each Financial Year from 2016 to Present;

(h) the Class A Note Trust Deed; and

(i) the Class A Agency Agreement.

Material Contracts

Since the date of its incorporation, the Issuer has not entered into any contract or arrangement not being in the ordinary course of business other than the Issuer Transaction Documents and the Common Documents.

None of the Issuer, the Borrower or Holdco has entered into any contracts outside the ordinary course of its business, which could result in any of the Issuer, the Borrower or Holdco being under an obligation or entitlement that is material to the Issuer's, the Borrower's or Holdco's respective ability to meet its obligations to all secured creditors in respect of the Class A Notes being issued.

Third party information

Third party information referred to in the sections entitled "*Risk Factors*", "*Business*", "*Book-Entry Clearance Procedure*" and "*Description of Liquidity Facility Providers*" has been accurately reproduced and as far as the Issuer is aware and able to ascertain from information published by that third party, no facts have been omitted that could render the reproduced information inaccurate or misleading.

Availability of Financial Statements

The audited annual financial statements of the Issuer and Holdco will be prepared as of 31 December in each year. Holdco will provide semi-annual unaudited financial information to various parties under the terms of the CTA. All future audited annual financial statements (and any published semi-annual financial information) of the Issuer and Holdco will be available free of charge in accordance with "*Documents Available*" above.

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards as adopted in the UK. Consequently, the Financial Statements have not been prepared in accordance with International Financial Reporting Standards as endorsed in the European Union based on Regulation (EC) No 1606/2002. Holdco has determined that there would be no material differences in the Financial Statements had Regulation (EC) No 1606/2002 been applied to the Financial Statements.

Information in respect of the Class A Notes and the underlying collateral

The issue price and the amount of the relevant Class A Notes will be determined, before filing of the relevant Final Terms or Drawdown Prospectus of each Sub-Class, based on then prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issues of Class A Notes admitted to trading or the performance of the underlying collateral except for the Investor Report which will be prepared by the Borrower on a semi-annual basis and published on the designated website of the Borrower, being www.raccorporate.co.uk and which will also be made available at the specified office of the Class A Principal Paying Agent.

Other Activities of the Dealers

The Dealers and their respective affiliates (i) have provided, and may in the future provide, investment banking, commercial lending, consulting and financial advisory services to, (ii) have entered into and may, in the future enter into, other related transactions with, and (iii) have made or assisted or advised any party to make, and may in the future make or assist or advise any party to make, acquisitions and investments in or related to, the Issuer or the Obligors and their respective subsidiaries and affiliates or other parties that may be involved in or related to the transactions contemplated in this Base Prospectus, in each case in the ordinary course of business. Specifically, certain Dealers and certain of their affiliates are lenders to the Group pursuant to the 2020 Senior Term Facility Agreement, the Working Capital Facility Agreement, the 2021 Senior Term Facilities Agreement, the 2022 Senior Term Facility Agreement and/or the Initial Liquidity Facility Agreement. The Dealers and their respective affiliates may, in the future, act as Hedge Counterparties.

Irish Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Class A Notes and is not itself seeking admission of the Class A Notes to the Official List of Euronext Dublin or to trading on its regulated market for the purposes of the Prospectus Regulation.

Websites

Any information contained in any other website specified in this Base Prospectus does not form part of this Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus.

Legend

Bearer Notes, Class A Receipts, Class A Talons and Class A Coupons appertaining thereto will bear a legend substantially to the following effect: "**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". The sections referred to in such legend provide that a United States person who holds a Class A Bearer Note, Class A Coupon, Class A Receipt or Class A Talon generally will not be allowed to deduct any loss realised on the sale, exchange or redemption of such Class A Bearer Note, Class A Coupon, Class A Receipt or Class A Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

The Legal Entity Identifiers

The Legal Entity Identifier (LEI) code of the Issuer is 2138008FCM2SUNLC7B21.

The Legal Entity Identifier (LEI) code of the Borrower is 21380083G17X45ZB3534.

"**2020 Senior Term Facility Agreement**" means the senior term facility agreement dated 31 January 2020 between, among others, the Borrower and the 2020 STF Arrangers.

"**2020 STF Agent**" has the meaning given to it in the 2020 Senior Term Facility Agreement.

"**2020 STF Arrangers**" has the meaning given to it in the 2020 Senior Term Facility Agreement.

"**2020 STF Facility**" or "**2020 Senior Term Facility**" means the facility made available under the 2020 Senior Term Facility Agreement.

"**2020 STF Finance Document**" means 2020 Senior Term Facility Agreement, the fee letters in respect of or in relation to the 2020 Senior Term Facility Agreement, the Common Documents and any other document designated as such by the 2020 STF Agent and the Holdco Group Agent.

"**2020 STF Lender**" means:

(a) the Original STF Lenders as defined in the 2020 Senior Term Facility Agreement; and

(b) any bank, financial institution, trust, fund or other entity which has become a Party as a 2020 STF Lender in accordance the 2020 Senior Term Facility Agreement,

which in each case has not ceased to be a 2020 STF Lender in accordance with the terms of the 2020 Senior Term Facility Agreement.

"**2020 STF Loan**" means a loan made or to be made under the 2020 STF Facility or the principal amount outstanding for the time being of that loan.

"**2021 Senior Term Facility Agreement**" means the senior term facility agreement dated 30 June 2021 between, among others, the Borrower and the 2021 STF Arrangers.

"**2021 STF Agent**" has the meaning given to it in the 2021 Senior Term Facility Agreement.

"**2021 STF Arrangers**" has the meaning given to it in the 2021 Senior Term Facility Agreement.

"**2021 STF Facility**" or "**2021 Senior Term Facility**" means the facility made available under the 2021 Senior Term Facility Agreement.

"**2021 STF Finance Document**" means 2021 Senior Term Facility Agreement, the fee letters in respect of or in relation to the 2021 Senior Term Facility Agreement, the Common Documents and any other document designated as such by the 2021 STF Agent and the Holdco Group Agent.

"**2021 STF Lender**" means:

(a) the Original STF Lenders as defined in the 2021 Senior Term Facility Agreement; and

(b) any bank, financial institution, trust, fund or other entity which has become a Party as a 2021 STF Lender in accordance the 2021 Senior Term Facility Agreement,

which in each case has not ceased to be a 2021 STF Lender in accordance with the terms of the 2021 Senior Term Facility Agreement.

"**2021 STF Loan**" means a loan made or to be made under the 2021 STF Facility or the principal amount outstanding for the time being of that loan.

"**2022 Senior Term Facility Agreement**" means the senior term facility agreement dated 15 September 2022 between, among others, the Borrower and the 2022 STF Arrangers.

"**2022 STF Agent**" has the meaning given to it in the 2022 Senior Term Facility Agreement.

"**2022 STF Arrangers**" has the meaning given to it in the 2022 Senior Term Facility Agreement.

"**2022 STF Facility**" or "**2022 Senior Term Facility**" means the facility made available under the 2022 Senior Term Facility Agreement.

"**2022 STF Finance Document**" means 2022 Senior Term Facility Agreement, the fee letters in respect of or in relation to the 2022 Senior Term Facility Agreement, the Common Documents and any other document designated as such by the 2022 STF Agent and the Holdco Group Agent.

"**2022 STF Lender**" means:

(a) the Original STF Lenders as defined in the 2022 Senior Term Facility Agreement; and

(b) any bank, financial institution, trust, fund or other entity which has become a Party as a 2022 STF Lender in accordance the 2020 Senior Term Facility Agreement,

which in each case has not ceased to be a 2022 STF Lender in accordance with the terms of the 2022 Senior Term Facility Agreement.

"**2022 STF Loan**" means a loan made or to be made under the 2022 STF Facility or the principal amount outstanding for the time being of that loan.

"**Acceptable Bank**" means a bank or financial institution which has a rating for its long term unsecured and non-credit enhanced debt obligations of BBB+ or higher by S&P or a lower rating provided that any such lower rating would not lead to any downgrade, withdrawal or the placing on "credit watch negative"(or equivalent) of the then current ratings of the Class A Notes.

"**Account**" means any bank account of any Obligor or the Issuer.

"**Account Bank**" means the Issuer Account Bank or the Borrower Account Bank, as applicable.

"**Accounting Period**" means, for the purposes of the Common Documents and the Finance Documents, each quarterly accounting period of the Obligors.

"**Accounting Principles**" means generally accepted accounting principles or accounting practices in the United Kingdom as at the date of this Base Prospectus or such other accounting principles and accounting practices as may be the basis for any amendments made pursuant to, and in accordance with the Common Terms Agreement.

"**Accounting Reference Date**" means 31 December in each year, except as adjusted in accordance with the CTA.

"**Additional Amounts**" has the meaning given to that term in relation to a Class B Authorised Credit Facility, (if applicable) in such term or any analogous term in any Class B Authorised Credit Facility.

"**Additional Class A Note Amounts**" means all Make-Whole Amounts and all other amounts (that do not constitute interest or principal) payable by the Issuer under any Class A Conditions.

"**Additional Class B Note Amounts**" means all Additional Amounts and all other amounts (that do not constitute interest or principal) payable by the Issuer under the Class B Conditions.

"**Additional Financial Indebtedness**" means Financial Indebtedness incurred by an Obligor after the Closing Date under an Authorised Credit Facility and provided by an Obligor Secured Creditor in accordance with the terms of the Common Terms Agreement and the STID (excluding any Liquidity Facility) provided that:

(a) to the extent such Authorised Credit Facility is for the purpose of refinancing any then existing Financial Indebtedness or replacing any then existing commitments in respect of Financial Indebtedness:

(i) the Class A FCF DSCR for the most recent Test Period (in respect of which a Compliance Certificate has been delivered) prior to the date such Authorised Credit Facility is entered into shall not be less than the Trigger Event Ratio Level, calculated on a pro forma basis (w) assuming such refinancing and/or replacement took place at the beginning of that Test Period (and in respect of any refinancing or replacement of a Working Capital Facility

with another Working Capital Facility, that such replacement Working Capital Facility was utilised to the same extent as that refinanced or replaced Working Capital Facility during that period) (x) assuming that any other Authorised Credit Facility entered into during such Test Period was utilised in full at the beginning of the Test Period (y) assuming that any other Authorised Credit Facility which was repaid or refinanced during such Test Period was repaid or refinanced at the beginning of that Test Period and (z) assuming that any Permitted Acquisition entered into during such Test Period took place at the beginning of the Test Period;

(ii) there is no CTA Event of Default outstanding or continuing at the date the relevant Authorised Credit Facility is entered into and, on such date, no CTA Event of Default would occur as a result of the utilisation in full of the relevant Authorised Credit Facility;

(iii) other than in relation to the refinancing or replacement of any Working Capital Facility with another Working Capital Facility for the same or a lesser principal amount and with an availability period which expires after the Final Maturity Date of the Working Capital Facility it refinances or replaces, the Rating Agency has confirmed that any Class A Notes then outstanding would immediately following (and taking into account) such refinancing or replacement be rated at least the lower of the then current rating of those Class A Notes and the Initial Rating of the first Series of Class A Notes from the Rating Agency; and

(iv) does not exceed the aggregate amount required to (a) refinance the relevant existing Financial Indebtedness and (b) pay all costs, fees and expenses (including any make whole premium, swap break costs, exit fees and redemption costs) incurred in connection with the refinancing of such existing Financial Indebtedness;

(b) to the extent such Authorised Credit Facility is for the purpose of providing incremental Financial Indebtedness or commitments in respect of Financial Indebtedness (in each case in excess of such amounts at that time) or is for the purpose of refinancing or replacing Financial Indebtedness referred to in paragraph (c) of the definition of Permitted Financial Indebtedness:

(i) such Authorised Credit Facility shall rank pari passu with any other Authorised Credit Facility of the same class (other than a Liquidity Facility);

(ii) the Class A FCF DSCR for the most recent Test Period (in respect of which a Compliance Certificate has been delivered) prior to the date such Authorised Credit Facility is entered into shall not be less than the Trigger Event Ratio Level, calculated on a pro forma basis (w) assuming utilisation in full of such Authorised Credit Facility at the beginning of that Test Period (x) assuming that any other Authorised Credit Facility entered into during such Test Period was utilised in full at the beginning of the Test Period on the same basis as the calculations provided in respect of that Authorised Credit Facility pursuant to the CTA, (y) assuming that any other Authorised Credit Facility which was repaid or refinanced during such Test Period was repaid or refinanced at the beginning of that Test Period and (z) assuming that any Permitted Acquisition entered into during such Test Period took place at the beginning of the Test Period;

(iii) except where such Authorised Credit Facility is a Class B Authorised Credit Facility and all or part of the incremental Financial Indebtedness under that Class B Authorised Credit Facility is incurred in order to refinance existing Obligor Senior Secured Liabilities, there is no CTA Event of Default outstanding or continuing as at the date the relevant Authorised Credit Facility is entered into and, on such date, no CTA Event of Default would occur as a result of the utilisation in full of the relevant Authorised Credit Facility;

(iv) utilising such Authorised Credit Facility in full would not cause the ratio of Total Class A Net Debt as at the most recent Test Date (in respect of which a Compliance Certificate has been delivered) to EBITDA for the Test Period ending on that date to exceed 5.75:1, calculated on a pro forma basis (w) assuming utilisation in full of such Authorised Credit Facility on that Test Date and only taking account of any proceeds of that Authorised Credit Facility as Cash or Cash Equivalent Investments if such proceeds are credited to the Financing Proceeds Account, (x) assuming that any other Authorised Credit Facility entered into during such Test Period was utilised in full at the beginning of the Test Period

and only taking account of any proceeds of that Authorised Credit Facility as Cash or Cash Equivalent Investments if such proceeds are credited to the Financing Proceeds Account, (y) assuming that any Authorised Credit Facility which was repaid or refinanced during such Test Period was repaid or refinanced at the beginning of that Test Period and (z) assuming that any Permitted Acquisition entered into during such Test Period took place at the beginning of the Test Period; and

(v) the Rating Agency has confirmed the Class A Notes then outstanding would immediately following (and having taken into account) the utilisation in full of such Authorised Credit Facility, be rated the greater of (x) the lower of the then current rating of those Class A Notes and the Initial Rating of the Class A Notes and (y) BBB- (sf) (or equivalent) from such Rating Agency;

"**Additional Obligor**" means any wholly owned subsidiary of a member of the Holdco Group wishing or required to become an Obligor who accedes to the CTA and the STID.

"**Additional Obligor Secured Creditor**" means any person not already an Obligor Secured Creditor which becomes an Obligor Secured Creditor pursuant to the STID.

"**Administrative Party**" means the Obligor Security Trustee, the Issuer Account Bank, the Borrower Account Bank, the Issuer Security Trustee, the Class A Note Trustee, any Class B Note Trustee (if applicable), any Facility Agent or any Agent.

"**Administrative Receiver**" shall mean an administrative receiver as defined in Section 29(2) of the Insolvency Act 1986.

"**Advance**" has, in respect of any IBLA, the meaning given to it in the relevant IBLA.

"**Affected Obligor Secured Creditor**" means each Obligor Secured Creditor (and where the Issuer is the relevant Affected Obligor Secured Creditor, each Issuer Secured Creditor (the "**Affected Issuer Secured Creditor**")) who is affected by an Entrenched Right.

"**Affiliate**" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company (other than in any Hedging Agreement when used in relation to the Hedge Counterparty, where Affiliate has the meaning given to it in that Hedging Agreement) **provided that** in relation to The Royal Bank of Scotland plc, the term "Affiliate" shall not include (i) the UK government or any member or instrumentality thereof, including HM Treasury and UK Financial Investments Limited (or any directors, officers, employee or entities thereof) or (ii) any persons or entities controlled by or under common control with the UK government or any members or instrumentality thereof (including HM Treasury and UK Financial Investments Limited) and which are not part of The Royal Bank of Scotland Group plc and its subsidiaries or subsidiary undertakings.

"**Affinity Partner**" is an organisation with which RAC develops relationships to market products jointly by way of cross-endorsements.

"**Agency Agreement**" means the Class A Agency Agreement or any Class B Agency Agreement (if applicable).

"**Agent**" means each of the Principal Paying Agents, the Transfer Agents, the Class A Agent Bank, the Registrars or any other agent appointed by the Issuer pursuant to any Agency Agreement or a Calculation Agency Agreement and "**Agents**" means all of them.

"**Aggregate Available Liquidity**" means on any Test Date the sum of the aggregate commitments under any Liquidity Facility Agreement and the balance (if any) on the Debt Service Reserve Account at such Test Date.

"**all of its rights**" means:

(a) the benefit of all covenants, undertakings, representations, warranties and indemnities.

(b) all powers and remedies of enforcement and/or protection;

(c) all rights to receive payment of all amounts assured or payable (or to become payable), all rights to serve notices and/or to make demands and all rights to take such steps as are required to cause payment to become due and payable; and

(d) all causes and rights of action in respect of any breach and all rights to receive damages or obtain other relief in respect thereof,

in each case in respect of the relevant Obligor Secured Property and/or Issuer Secured Property.

"**Annual Financial Statements**" means the audited annual financial statements delivered pursuant to paragraphs (a)(i), (ii) and (iv), (b) and/or (c)(ii) in the section "*Description of the Common Documents—Common Terms Agreement—Covenants—Information Covenants—Financial Statements*".

"**Anticipated Cost Savings**" means, in relation to a Permitted Acquisition, the identifiable and quantifiable net cost savings (excluding non-recurring costs) that are reasonably anticipated by Holdco to be realised by the Holdco Group in the 12 month period following such Permitted Acquisition but only to the extent such anticipated cost savings and the assumptions underlying them have been certified by Holdco to the Obligor Security Trustee to be factually supportable in its good faith judgment and reasonably anticipated to be realised within that time ***provided that*** such anticipated cost savings will not, in respect of any particular Permitted Acquisition, exceed 10 per cent. of the EBITDA of the Holdco Group (as set out in the most recently delivered Annual Financial Statements).

"**Anti-Corruption Laws**" means all laws, rules, and regulations from time to time, as amended, of any jurisdiction applicable to an Obligor or its Subsidiaries from time to time concerning or relating to bribery or corruption, including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and all other anti-bribery and corruption laws to which any Obligor or any member of the Holdco Group is subject.

"**Appointee**" means any attorney, manager, agent, delegate, nominee, custodian, receiver, co-trustee or other person appointed by the Issuer Security Trustee under the Issuer Deed of Charge or by any Note Trustee under the Class A Note Trust Deed or any Class B Note Trust Deed (as applicable).

"**Arrangers**" means the relevant arrangers in respect of any Notes, Authorised Credit Facilities, Liquidity Facility Agreements and/or Hedging Agreements, as the context may indicate.

"**Authorisations**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Authorised Credit Facility**" means any Class A Authorised Credit Facility or any Class B Authorised Credit Facility.

"**Authorised Credit Provider**" means a Class A Authorised Credit Provider or a Class B Authorised Credit Provider.

"**Authorised Person**" has the meaning given to it in section 31 of FSMA.

"**Auto Windscreens Pension Scheme**" means the pension scheme known as the Auto Windscreens Pension Scheme which is governed by a definitive trust deed and rules dated 29 November 2006 (as amended from time to time).

"**Available Commitment**" has the meaning given to it:

(a) in relation to a Liquidity Facility, in the Initial Liquidity Facility Agreement;

(b) in relation to the WC Facility, in the Working Capital Facility Agreement;

(c) in relation to the STF Facilities, in the Senior Term Facility Agreements;

(d) in relation to any other Authorised Credit Facility, in that Authorised Credit Facility.

"**Available Enforcement Proceeds**" means, on any date, all monies received or recovered by the Obligor Security Trustee (or any Receiver or Administrative Receiver or administrator appointed by it) in respect of the Obligor Security and under the guarantees from the Obligors (but excluding any amounts standing

to the credit of or recovered by the Obligor Security Trustee from the Defeasance Account, the Mandatory Prepayment Account, any Liquidity Facility Standby Account and, for the avoidance of doubt, any Borrower Hedge Replacement Premium in respect of a Hedging Transaction).

"**Available Standby Amount**" has the meaning given to such term in a Liquidity Facility Agreement.

"**Bank**" means a bank for the purposes of section 879 of the ITA.

"**Bank Debt Sweep Period**" means each period ending on the last day of a Financial Year specified in a Class A Authorised Credit Facility in respect of which Excess Cashflow is required to be applied towards prepaying the outstanding principal amount under that Class A Authorised Credit Facility on each Cash Sweep Payment Date, subject to and in accordance with the Obligor Pre-Acceleration Priority of Payments.

"**Base Currency**" means pounds sterling.

"**Base Prospectus**" means any base prospectus prepared by or on behalf of and approved by the Issuer in connection with the establishment of the Programme and/or the issue of the Class A Notes as the same is updated and supplemented from time to time.

"**Borrower**" means RAC Limited, a limited liability company registered in England and Wales with registered number 07665596 and having its registered office at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, United Kingdom.

"**Borrower Account Bank**" means Barclays Bank PLC and any additional account bank or any successor account bank appointed pursuant to a Borrower Account Bank Agreement.

"**Borrower Account Bank Agreement**" means:

(a) the account bank agreement dated on or about the Closing Date between the Borrower, the Borrower Account Bank and the Obligor Security Trustee; and

(b) any other account bank agreement entered into after the Closing Date between the Borrower, a Borrower Account Bank and the Obligor Security Trustee.

"**Borrower Hedge Counterparty**" means each Initial Borrower Hedge Counterparty under the Common Terms Agreement and the Master Definitions Agreement and any entity which becomes a Party as a Hedge Counterparty to a Borrower Hedging Agreement and accedes as a Hedge Counterparty to the STID and the Common Terms Agreement.

"**Borrower Hedge Replacement Premium**" means a premium or upfront payment received by the Borrower from a replacement hedge counterparty under a replacement hedge agreement entered into with the Borrower to the extent of any termination payment due to a Borrower Hedge Counterparty under a Borrower Hedging Agreement.

"**Borrower Hedging Agreement**" means each ISDA Master Agreement entered into by the Borrower and a Borrower Hedge Counterparty in accordance with the Hedging Policy (in the form in effect at the time each relevant Borrower Hedging Transaction is entered into) and which governs the Borrower Hedging Transactions between such parties, and such term includes the schedule to the relevant ISDA Master Agreement and the confirmations evidencing the Borrower Hedging Transactions entered into under such ISDA Master Agreement.

"**Borrower Hedging Transaction**" means any Treasury Transaction with respect to the Relevant Debt governed by a Borrower Hedging Agreement and, in each case, entered into with the Borrower in accordance with the Hedging Policy.

"**Borrower Liquidity Facility Standby Account**" means any Liquidity Facility Standby Account in the name of Borrower.

"**Borrower Liquidity Loan Drawing**" means a Liquidity Loan Drawing made by or on behalf of the Borrower in respect of a Borrower Liquidity Shortfall.

"**Borrower Liquidity Shortfall**" means after taking into account Cash Available to the Borrower, with respect to any LF Interest Payment Date (as determined by the Cash Manager on the Determination Date in respect of that LF Interest Payment Date), there will be insufficient funds to pay on such LF Interest Payment Date any of the amounts to be paid in respect of *part A* (*Obligor Operating Accounts and certain Designated Account*) items 1 to 7 (inclusive) (excluding (a) any principal payable under any working capital facility, (b) all amounts payable under any Class A IBLA (including any Facility Fees), (c) any amount payable under items 6, 7(b) and 7(c) and (d) the Reference Rate element of any interest payable in respect of any Class A Authorised Credit Facility which hears interest at a floating rate (to the extent hedged under a Borrower Hedging Agreement)) of the Obligor Pre-Acceleration Priority of Payments set out in the STID.

"**Borrower Liquidity Shortfall Amount**" means with respect to any payment dates the amount by which the cash available to the Borrower, excluding amounts available pursuant to a Liquidity Facility Agreement, is or is expected to be less than the amount scheduled to be paid on such payment date.

"**Breakdown Assistance Member**" is a Consumer Member or a Partner Member.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London and Dublin.

"**Business Day Convention**" has the meaning given to it in Class A Condition 21 (*Definitions*).

"**CAGR**" is the compound annual growth rate.

"**Calculation Agency Agreement**" in relation to the Class A Notes of any Sub-Class, means an agreement in or substantially in the form set out in the Class A Agency Agreement.

"**Capital Expenditure**" means expenditure which, in accordance with the Accounting Principles and accounting practices, is treated as capital expenditure.

"**Capital Resources**" means capital resources eligible for regulatory capital purposes under the applicable regulatory rules.

"**Cash**" means, at any time, cash denominated in sterling, dollars or euro in hand or at bank and (in the latter case) credited to an account in the name of the Borrower or another Obligor with an Acceptable Bank and to which the Borrower or other Obligor is beneficially entitled and for so long as:

(a) that cash is repayable on demand or within 90 days after demand;

(b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of the Borrower or other Obligor or of any other person whatsoever or on the satisfaction of any other condition;

(c) there is no Security Interest over that cash except under the Obligor Security Documents or any Permitted Security (i) constituted by a netting or set-off arrangement entered into by the Borrower or other Obligor in the ordinary course of their banking arrangements or (ii) granted to secure other Permitted Financial Indebtedness;

(d) that cash is freely and (except as referred to in paragraph (a) above) immediately available to be applied in repayment or prepayment of the Obligor Secured Liabilities; and

(e) that cash is not Restricted Cash.

"**Cash Available to the Borrower**" means, in respect of any Determination Date under a Liquidity Facility Agreement, the funds available for drawing from the Debt Service Payment Account on such Determination Date.

"**Cash Available to the Issuer**" means, in respect of any Determination Date under a Liquidity Facility Agreement, the sum of (i) the funds available for drawing from the Issuer Transaction Accounts on such Determination Date; and (ii) the amount to be paid to the Issuer on the immediately succeeding LF Interest Payment Date.

"**Cash Equivalent Investments**" means at any time:

(a) certificates of deposit issued by an Acceptable Bank;

(b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area or any Participating Member State (other than Greece and any other country that is agreed prior to the date of this Agreement) or by an instrumentality or agency of any of them having an equivalent credit rating and not convertible or exchangeable to any other security, provided that, in each case, for so long as the Class A Notes are rated by S&P such investments have a long-term credit rating from S&P at least equal to or higher than the then current rating of the Class A Notes or such other rating as is consistent with the criteria applied by S&P from time to time;

(c) commercial paper not convertible or exchangeable to any other security:

(i) for which a recognised trading market exists;

(ii) issued by an issuer incorporated in the United States of America or the United Kingdom, or any member state of the European Economic Area or any Participating Member State (other than Greece and any other country that is agreed prior to the date of this Agreement); and

(iii) which has a credit rating of A-1 or higher by S&P, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating from S&P;

(d) sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an Acceptable Bank (or their dematerialised equivalent);

(e) any investment in money market funds which:

(i) have a credit rating of A-1 or higher by S&P (or equivalent);

(ii) invest substantially all their assets in securities of the types described in paragraphs (a) to (d) above; and

(iii) can be turned into cash on not more than 90 days' notice; and

(f) in the case of the Obligors, any other debt security approved by the Obligor Security Trustee in accordance with the STID and in the case of the Issuer, any other debt security approved by the Issuer Security Trustee in accordance with the Issuer Deed of Charge provided that, in each case, such investments have a long-term credit rating from S&P at least equal to or higher than the then current rating of the Class A Notes or such other rating as is consistent with the criteria applied by S&P from time to time,

in each case:

(i) to which any member of the Holdco Group (or together with other members of the Holdco Group) or the Issuer, as the case may be, is alone beneficially entitled at that time and which is not issued or guaranteed by any member of the Holdco Group, the Issuer or any of their respective Affiliates or subject to any Security Interest (other than in the case of the Obligors a Security Interest arising under the Obligor Security Documents and in the case of the Issuer a Security Interest arising under the Issuer Deed of Charge); and

(ii)

(A) in the case of any Cash Equivalent Investments made with funds standing to the credit of any Designated Account (other than the Borrower Debt Service Payment Account, the Excess Cashflow Account, any Borrower Liquidity Facility Standby Account, any Borrower Debt Service Reserve Account and the Defeasance Account), have a tenor of no more than 365 days;

(B) in the case of any Cash Equivalent Investments made with funds standing to the credit of any Obligor Operating Account, the Borrower Debt Service Payment Account, the Excess Cashflow Account, any Borrower Liquidity Facility Standby Account or any Borrower Debt Service Reserve Account, mature on a date no later than the next Loan Interest Payment Date;

(C) in respect of any Cash Equivalent Investments made with funds standing to the credit of the Defeasance Account, mature on a date no later than the earlier of:

(1) 365 days after the date of such investment; and

(2) the Expected Maturity Date of the relevant Class or Sub-Class of Notes; and

(D) in respect of any Cash Equivalent Investments made with funds standing to the credit of any Issuer Account, mature on a date no later than the next Note Interest Payment Date.

"**Cash Manager**" means RAC Group Limited, a company registered in England and Wales with registered number 00229121 and having its registered office at RAC House, Brockhurst Crescent, Walsall, West Midlands, WS5 4AW, United Kingdom, or any substitute cash manager.

"**Cash Sweep Payment Date**" means, in respect of each Class A Authorised Credit Facility that had specified the preceding Financial Year as a Bank Debt Sweep Period, the first interest payment date occurring after the date on which Excess Cashflow for such preceding Financial Year was deposited into the Excess Cashflow Account pursuant to the CTA (or, if that day is not a Business Day, the preceding Business Day).

"**Central Bank**" means the Central Bank of Ireland.

"**CGB**" means a Class A Temporary Bearer Global Note or a Class A Permanent Bearer Global Note, in either case where the applicable Final Terms specify that the Class A Notes are in CGB form.

"**Class**" means with respect to each class of Notes, Class A Notes and Class B Notes.

"**Class A Agency Agreement**" means the agreement dated on or about the Closing Date as amended and/or supplemented and/or restated from time to time, pursuant to which the Issuer has appointed the Class A Principal Paying Agent, the other Class A Paying Agents, the Class A Registrar, Class A Agent Bank and Class A Transfer Agents in relation to all or any Sub-Class of Class A Notes, and any other agreement for the time being in force appointing further or other Class A Paying Agents or Class A Transfer Agents or other Class A Principal Paying Agent, Class A Agent Bank or Class A Registrar in relation to all or any Sub-Class of Class A Notes, or in connection with their duties, unless permitted under the Class A Agency Agreement, where necessary with the prior written approval of the Class A Note Trustee, together with any agreement for the time being in force amending or modifying any of the aforesaid agreements.

"**Class A Agent**" has the meaning set out in the Class A Agency Agreement.

"**Class A Agent Bank**" means, in relation to the Class A Notes of any relevant Sub-Class, the bank initially appointed as agent bank in relation to such Sub-Class of Class A Notes by the Issuer pursuant to the Class A Agency Agreement or, if applicable, any Successor agent bank in relation to such Class A Notes.

"**Class A Authorised Credit Facility**" means any credit agreement entered into by an Obligor and any other agreement under which an Obligor incurs any Financial Indebtedness (excluding any Class B Authorised Credit Facility) with one or more persons as permitted by the terms of the Common Terms Agreement the providers of which are parties to or have acceded to the STID, the Common Terms Agreement and the Master Definitions Agreement, including any Class A IBLA, the Working Capital Facility Agreement, the Senior Term Facility Agreements, the Initial Liquidity Facility Agreement, the Borrower Hedging Agreements and any fee letter, arrangement letter or commitment letter entered into in connection with the foregoing facilities or agreements or the transactions contemplated in the foregoing facilities, which in each case (other than a Liquidity Facility Agreement) ranks *pari passu* with the Initial Class A IBLA, the Working Capital Facility Agreement or the Senior Term Facility Agreements and has

been designated as a document that should be deemed to be a Class A Authorised Credit Facility for the purposes of this definition by the parties thereto.

"**Class A Authorised Credit Provider**" means a lender or other provider of credit or financial accommodation under any Class A Authorised Credit Facility.

"**Class A Basic Terms Modification**" has the meaning given thereto in Class A Condition 14 (*Passing of Resolutions by Class A Noteholders, Modification, Waiver and Substitution*).

"**Class A Bearer Definitive Note**" means a Class A Bearer Note in definitive form issued or, as the case may require, to be issued by the Issuer in accordance with the provisions of the Class A Dealership Agreement or any other agreement between the Issuer and the relevant Dealer(s), the Class A Agency Agreement and the Class A Note Trust Deed in exchange for either a Class A Temporary Bearer Global Note or part thereof or a Class A Permanent Bearer Global Note or part thereof (all as indicated in the applicable Final Terms), such Class A Bearer Note in definitive form being in the form or substantially in the form set out in the Class A Note Trust Deed with such modifications (if any) as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Principal Paying Agent, the Class A Note Trustee and the relevant Dealer(s) and having the Class A Conditions endorsed thereon or, if permitted by the relevant stock exchange, incorporating the Class A Conditions by reference as indicated in the applicable Final Terms and having the relevant information appearing in the applicable Final Terms endorsed thereon or attached thereto and having Class A Coupons and, where appropriate, Class A Receipts and/or Class A Talons attached thereto on issue.

"**Class A Bearer Global Note**" means a Class A Temporary Bearer Global Note and/or a Class A Permanent Bearer Global Note, as the context may require.

"**Class A Bearer Note**" means those Class A Notes which are for the time being in bearer form.

"**Class A Closing Date**" means, in relation to any Sub-Class of Class A Notes, the date on which such Sub-Class of Class A Notes is issued and the Issuer makes a Class A IBLA Advance to the Borrower under the corresponding Class A IBLA.

"**Class A Conditions**" means in relation to the Class A Notes of any Sub-Class, the terms and conditions endorsed on or incorporated by reference into the Class A Note or Class A Notes constituting such Sub-Class, such terms and conditions being substantially in the form set out in the Class A Note Trust Deed or in such other form, having regard to the terms of the Class A Notes of the relevant Sub-Class, as may be agreed between the Issuer, the Class A Note Trustee and the relevant Dealer(s) as completed by the Final Terms applicable to the Class A Notes of the relevant Sub-Class, in each case as from time to time modified in accordance with the provisions of the Class A Note Trust Deed and any reference in the Class A Note Trust Deed to a particular specified Class A Condition or paragraph of a Class A Condition shall be construed accordingly.

"**Class A Coupon**" means an interest coupon appertaining to a Class A Bearer Definitive Note, such coupon being:

(a) if appertaining to a Fixed Rate Class A Note, in the form or substantially in the form set out in the Class A Note Trust Deed or in such other form, having regard to the terms of issue of the Class A Notes of the relevant Sub-Class, as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Principal Paying Agent, the Class A Note Trustee and the relevant Dealer(s); or

(b) if appertaining to a Floating Rate Class A Note, in the form or substantially in the form set out in the Class A Note Trust Deed or in such other form, having regard to the terms of issue of the Class A Notes of the relevant Sub-Class, as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Principal Paying Agent, the Class A Note Trustee and the relevant Dealer(s); or

(c) if appertaining to a Class A Bearer Definitive Note which is neither a Fixed Rate Class A Note nor a Floating Rate Class A Note, in such form as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Principal Paying Agent, the Class A Note Trustee and the relevant Dealer(s),

and includes, where applicable, the Class A Talon(s) appertaining thereto and any replacements for Class A Coupons and Class A Talons issued pursuant to Class A Condition 13 (*Replacement of Class A Notes, Class A Coupons, Class A Receipts and Class A Talons*).

"**Class A Couponholder**" means any person holding a Class A Coupon.

"**Class A Debt**" means the Issuer Senior Secured Liabilities and the Obligor Senior Secured Liabilities.

"**Class A Default Ratio Level**" means 1.10:1.00.

"**Class A Definitive Note**" means a Class A Bearer Definitive Note and/or, as the context may require, a Class A Registered Definitive Note.

"**Class A Exchange Agent**" means Deutsche Bank AG, London Branch with a registered office at Winchester House, 1 Great Winchester Street, London, EC2N 2DB, UK.

"**Class A Extraordinary Resolution**" means (a) a resolution approved by the Class A Noteholders by a majority of not less than 75 per cent. of the aggregate Principal Amount Outstanding of the outstanding Class A Notes or Sub-Class who (i) for the time being are entitled to receive notice of a Class A Voting Matter and (ii) have participated in the approval process in respect of such resolution, subject to the quorum requirements set out in the Class A Note Trust Deed; or (b) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the aggregate Principal Amount Outstanding of the outstanding Class A Notes or Sub-Class who for the time being are entitled to receive notice of a Class A Voting Matter, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Class A Noteholders of such Class or Sub-Class.

"**Class A FCF DSCR**" means the ratio of FCF to Class A Total Debt Service Charges.

"**Class A Global Note**" means a Class A Temporary Bearer Global Note and/or a Class A Permanent Bearer Global Note issued in respect of the Class A Notes of any Sub-Class and/or a Class A Regulation S Global Note, as the context may require.

"**Class A IBLA**" means the Initial Class A IBLA and any additional loan agreement entered into between the Issuer and the Borrower after the Closing Date which ranks *pari passu* with the Initial Class A IBLA.

"**Class A IBLA Advance**" means any advance made under the Class A IBLA.

"**Class A Initial Interest Rate**" means the rate specified as such in the relevant Final Terms or Drawdown Prospectus.

"**Class A Instructing Group**" means the Qualifying Obligor Senior Creditors.

"**Class A Interest Amount**" has, in respect of each Sub-Class of Class A Notes, the meaning given thereto in Class A Condition 6 (*Determination and Publication of Class A Interest Rates, Class A Interest Amounts, Redemption Amounts and Instalment Amounts*).

"**Class A Interest Commencement Date**" means, in respect of each Sub-Class of Class A Notes, in the case of interest bearing Class A Notes, the date specified in the applicable Final Terms from (and including) which such Class A Notes bear interest, which may or may not be the Issue Date,

"**Class A Interest Determination Date**" means, in respect of each Sub-Class of Class A Notes, with respect to the Class A Interest Rate and a Class A Note Interest Period, the date specified as such in the relevant Final Terms or, if none is so specified, the day falling two Business Days prior to the first day of such Class A Note Interest Period (or if the specified currency is sterling, the first day of such Class A Note Interest Period) (as adjusted in accordance with any Business Day Convention (as defined above) specified in the relevant Final Terms).

"**Class A Note Interest Period**" has the meaning ascribed to it in Class A Condition 21 (*Definitions*).

"**Class A Interest Rate**" has the meaning given thereto in Class A Condition 21 (*Definitions*).

"**Class A Note**" means a Note issued pursuant to the Programme and denominated in such currency or currencies as may be agreed between the Issuer and the relevant Dealer(s) which has such maturity and denomination as may be agreed between the Issuer and the relevant Dealer(s) and issued or to be issued by the Issuer pursuant to the Class A Dealership Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Class A Agency Agreement and the Class A Note Trust Deed and which shall, in the case of a Class A Bearer Note, either (a) initially be represented by, and comprised in, a Class A Temporary Bearer Global Note which may (in accordance with the terms of such Class A Temporary Bearer Global Note) be exchanged for a Class A Bearer Definitive Note or a Class A Permanent Bearer Global Note which Class A Permanent Bearer Global Note may (in accordance with the terms of such Class A Permanent Bearer Global Note) in turn be exchanged for a Class A Bearer Definitive Note or (b) be represented by, and comprised in, a Class A Permanent Bearer Global Note which may (in accordance with the terms of such Class A Permanent Bearer Global Note) be exchanged for a Class A Bearer Definitive Note (all as indicated in the applicable Final Terms) and which may, in the case of the Class A Registered Notes, either be in definitive form or be represented by, and comprised in, one or more Class A Regulation S Global Notes each of which may (in accordance with the terms of such Class A Regulation S Global Note) be exchanged for Class A Registered Definitive Notes or another Class A Regulation S Global Note (all as indicated in the applicable Final Terms) and includes any replacements for a Class A Note (whether a Class A Bearer Note or a Class A Registered Note, as the case may be) issued pursuant to Class A Condition 13 (*Replacement of Class A Notes, Class A Coupons, Class A Receipts and Class A Talons*) and "**Class A Notes**", shall be construed accordingly.

"**Class A Note Acceleration Notice**" has the meaning given to that term in Class A Condition 10 (*Class A Note Events of Default*).

"**Class A Note Documents**" means the Class A Note Trust Deed (including the Class A Conditions), any Final Terms relating to the Class A Notes, the Class A Notes, the Class A Coupons and the Class A Agency Agreement.

"**Class A Note Event of Default**" means any of the events set out in Class A Condition 10 (*Class A Note Events of Default*) of the Class A Conditions.

"**Class A Note Interest Payment Date**" means, in respect to each Sub-Class of Class A Notes, Interest Payment Date as set out in Class A Condition 21 (*Definitions*) of the Terms and Conditions of the Class A Notes or otherwise means the date(s) specified in the relevant Final Terms.

"**Class A Note Interest Period**" means the period beginning on (and including) the Class A Interest Commencement Date and ending on (but excluding) the first Class A Interest Payment Date and each successive period beginning on (and including) a Class A Interest Payment Date and ending on (but excluding) the next succeeding Class A Interest Payment Date.

"**Class A Note Relevant Date**" has the meaning set out in Class A Condition 21 (*Definitions*).

"**Class A Note Trust Deed**" means the note trust deed entered into on the Closing Date between the Issuer and the Class A Note Trustee in respect of the Class A Notes.

"**Class A Note Trustee**" means Deutsche Trustee Company Limited or any other or additional trustee appointed pursuant to the Class A Note Trust Deed, for and on behalf of the Class A Noteholders, the Class A Receiptholders and the Class A Couponholders.

"**Class A Noteholder**" means the several persons who are for the time being holders of the outstanding Class A Notes (being, in the case of Class A Bearer Notes, the bearers thereof and, in the case of Class A Registered Notes, the several persons whose names are entered in the register of holders of the Class A Registered Notes as the holders thereof) save that, in respect of the Class A Notes of any Sub-Class for so long as such Class A Notes or any part thereof are represented by Class A Global Note deposited with a common depositary (in the case of a CGB) or common safekeeper (in the case of a NGB or a Class A Regulation S Global Note held under the NSS) for Euroclear and Clearstream, Luxembourg or, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an accountholder of Euroclear, and

Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg) as the holder of a particular nominal amount of the Class A Notes of such Sub-Class shall be deemed to be the holder of such principal amount of such Class A Notes (and the holder of the relevant Class A Global Note shall be deemed not to be the holder) for all purposes of the Class A Note Trust Deed other than with respect to the payment of principal or interest on such nominal amount of such Class A Notes and, the rights to which shall be vested, as against the Issuer and the Class A Note Trustee, solely in such common depositary, common safekeeper or its nominee and for which purpose such common depositary, common safekeeper or its nominee shall be deemed to be the holder of such nominal amount of such Class A Notes in accordance with and subject to its terms and the provisions of the Class A Note Trust Deed and the Class A Conditions; and the expressions "**holder**" and "**holder of the Class A Notes**" and related expressions shall (where appropriate) be construed accordingly.

"**Class A Ordinary Resolution**" means (a) a resolution approved by the Class A Noteholders by a simple majority of the aggregate Principal Amount Outstanding of the Class A Notes or Sub-Class who (i) for the time being are entitled to receive notice of a Class A Voting Matter and (ii) have participated in the approval process in respect of such resolution, subject to the quorum requirements set out in the Class A Note Trust Deed; or (b) a resolution in writing signed by or on behalf of the holders of not less than half of the aggregate Principal Amount Outstanding of the Class A Notes Sub-Class who for the time being are entitled to receive notice of a Class A Voting Matter, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Class A Noteholders of such Class or Sub-Class.

"**Class A Paying Agents**" means Deutsche Bank AG, London Branch and Deutsche Bank Trust Company Americas.

"**Class A Permanent Bearer Global Note**" means a global Note in the form or substantially in the form set out in the Class A Note Trust Deed with such modifications (if any) as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Principal Paying Agent, the Class A Note Trustee and the relevant Dealer(s), together with the copy of the applicable Final Terms annexed thereto, comprising some or all of the Class A Bearer Notes of the same Sub-Class, issued by the Issuer pursuant to the Class A Dealership Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Class A Agency Agreement and the Class A Note Trust Deed either on issue or in exchange for the whole or part of any Class A Temporary Bearer Global Note issued in respect of such Class A Bearer Notes.

"**Class A Principal Paying Agent**" means Deutsche Bank AG, London Branch or, if applicable, any Successor principal paying agent appointed in relation to the Class A Notes.

"**Class A Receipt**" means a receipt attached on issue to a Class A Bearer Definitive Note redeemable in instalments for the payment of an instalment of principal, such receipt being in the form or substantially in the form set out in the Class A Note Trust Deed or in such other form as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Principal Paying Agent, the Class A Note Trustee and the relevant Dealer(s) and includes any replacements for Class A Receipts issued pursuant to Class A Condition 13 (*Replacement of Class A Notes, Class A Coupons, Class A Receipts and Class A Talons*).

"**Class A Receiptholder**" means any person holding a Class A Receipt.

"**Class A Register**" has the meaning given to it in the Class A Agency Agreement.

"**Class A Registered Definitive Note**" means a Class A Registered Note in definitive form issued or, as the case may require, to be issued by the Issuer in accordance with the provisions of the Class A Dealership Agreement or any other agreement between the Issuer and the relevant Dealer(s), the Class A Agency Agreement and the Class A Note Trust Deed either on issue or in exchange for a Class A Regulation S Global Note or part thereof (all as indicated in the applicable Final Terms), such Class A Registered Definitive Note being in the form or substantially in the form set out the Class A Note Trust Deed with such modifications (if any) as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Registrar, the Class A Note Trustee and the relevant Dealer(s) and having the Class A Conditions endorsed thereon or, if permitted by the relevant Stock Exchange, incorporating the Class A Conditions by reference

as indicated in the applicable Final Terms and having the relevant information appearing in the applicable Final Terms endorsed thereon or attached thereto and having a Form of Transfer endorsed thereon.

"**Class A Registered Note**" means those Class A Notes (if any) which are for the time being in registered form.

"**Class A Registrar**" means, in relation to any Sub-Class of Class A Registered Notes, Deutsche Bank Trust Company Americas or, if applicable, any Successor registrar appointed in relation to any Sub-Class of Class A Notes.

"**Class A Regulation S Global Note**" means a registered global Note in the form or substantially in the form set out in the Class A Note Trust Deed with such modifications (if any) as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Registrar, the Class A Note Trustee and the relevant Dealer(s), together with the copy of the applicable Final Terms annexed thereto, comprising some or all of the Class A Registered Notes of the same Sub-Class sold to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act, issued by the Issuer pursuant to the Class A Dealership Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Class A Agency Agreement and the Class A Note Trustee.

"**Class A Regulation S Registered Definitive Note**" means a registered definitive note in the form or substantially in the form set out in the Class A Note Trust Deed with such modifications (if any) as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Registrar, the Class A Note Trustee and the relevant Dealer(s), together with the copy of the applicable Final Terms annexed thereto, comprising some or all of the Class A Registered Notes of the same Sub-Class sold to non-U.S. persons outside the U.S. in reliance on Regulation S under the Securities Act, issued by the Issuer pursuant to the Class A Dealership Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Class A Agency Agreement and the Class A Note Trustee.

"**Class A Restricted Payment Condition**" means:

(a) no CTA Event of Default or Potential CTA Event of Default is subsisting or would result from making any proposed Restricted Payment; and/or

(b) no Trigger Event is subsisting or would result from making any proposed Restricted Payment.

"**Class A Revised Interest Rate**" means the rate specified as such in the relevant Final Terms or Drawdown Prospectus.

"**Class A Talon**" means the talons (if any) appertaining to, and exchangeable in accordance with the provisions therein contained for further Class A Coupons appertaining to, the Class A Bearer Definitive Notes, such talons being in the form or substantially in the form set out in the Class A Note Trust Deed or in such other form as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Principal Paying Agent, the Class A Note Trustee and the relevant Dealer(s) and includes any replacements for talons issued pursuant to Class A Condition 13 (*Replacement of Class A Notes, Class A Coupons, Class A Receipts and Class A Talons*).

"**Class A Temporary Bearer Global Note**" means a temporary global note in the form or substantially in the form set out in the Class A Note Trust Deed together with the copy of the applicable Final Terms annexed thereto with such modifications (if any) as may be required in any jurisdiction in which a particular Sub-Class of Class A Notes may be issued or sold from time to time or as otherwise agreed between the Issuer, the Class A Principal Paying Agent, the Class A Note Trustee and the relevant Dealer(s), comprising some or all of the Class A Bearer Notes of the same Sub-Class, issued by the Issuer pursuant to the Class A Dealership Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Class A Agency Agreement and the Class A Note Trust Deed.

"**Class A Total Debt Service Charges**" means in respect of any relevant period, the amount equal to:

(a) the aggregate of:

(i) any accrued interest (whether paid or not or capitalised) and scheduled amortisation of principal (whether paid or not) payable in respect of any Financial Indebtedness incurred in connection with any Class A Authorised Credit Facility (excluding, in the case of any non-fully amortising facility, any principal amount falling due on the Final Maturity Date under that Class A Authorised Credit Facility) and any other recurring Obligor Senior Secured Liabilities that rank *pari passu* with, or senior to, a Class A Authorised Credit Facility, including any recurring commission, fees, discounts and other finance payments payable by (and deducting any such amounts payable to) any member of the Holdco Group under any interest rate hedging arrangements in respect of such Financial Indebtedness and disregarding Subordinated Liquidity Amounts and Subordinated Hedge Amounts (in each case owing by the Borrower or any other Obligor); and

(ii) any fees, commission, costs, discounts, premiums, charges or any other finance payments payable to any Obligor Senior Secured Creditor under any Senior Finance Document and which rank *pari passu* with, or senior to, any interest payable under any Class A Authorised Credit Facility;

less;

(b) any interest received on any bank accounts or in respect of Cash Equivalent Investments by any member of in the Holdco Group during such relevant period,

but excluding:

(i) any fees, costs and expenses incurred in connection with the raising of any Financial Indebtedness or any amortisation thereof;

(ii) the amount of any discount amortised and other non-cash interest charges accrued during the relevant period;

(iii) any break costs;

(iv) the marked to market value of any Treasury Transactions; and

(v) any interest or equivalent finance charge accrued in respect of Financial Indebtedness between companies in the Holdco Group.

"**Class A Transfer Agents**" means Deutsche Bank Trust Company Americas.

"**Class A Trigger Event**" means each of the events set out in "*Description of the Common Documents—Common Terms Agreement—Trigger Events— Class A Trigger Events*".

"**Class A U.S. Paying Agent**" means Deutsche Bank Trust Company Americas.

"**Class A Voting Matter**" has the meaning given to it in the Class A Note Trust Deed.

"**Class A1 Notes**" means the £300,000,000 4.565 per cent. Class A1 notes issued by Issuer on 6 May 2016 with an expected maturity date of 6 May 2023 and a final maturity date of 6 May 2046.

"**Class A2 Notes**" means the £600,000,000 4.870 per cent. Class A2 notes issued by Issuer on 6 May 2016 with an expected maturity date of 6 May 2026 and a final maturity date of 6 May 2046.

"**Class B Agency Agreement**" means an agreement entered into from time to time as amended and/or supplemented and/or restated from time to time, pursuant to which the Issuer appoints the Class B Principal Paying Agent, the other Class B Paying Agents, the Class B Registrar and Class B Transfer Agents in relation to all or any Class B Notes, and any other agreement in force from time to time appointing further or other Class B Paying Agents or Class B Transfer agents or other Class B Principal Paying Agent or Class B Registrar in relation to all or any Sub-Class of Class B Notes, together with any agreement in force from time to time amending or modifying any of the aforesaid agreements.

"**Class B Authorised Credit Facility**" means any credit agreement entered into by the Borrower and any other agreement under which the Borrower incurs any Financial Indebtedness (excluding any Class A Authorised Credit Facility) with one or more persons as permitted by the terms of the Common Terms Agreement the providers of which are parties to or have acceded to the STID and the Master Definitions Agreement and any fee letter, arrangement letter or commitment letter entered into in connection with the foregoing facilities or agreements or the transactions contemplated in the foregoing facilities, which in each case ranks *pari passu* with any other Class B IBLA and has been designated as a document that should be deemed to be a Class B Authorised Credit Facility for the purposes of this definition by the parties thereto.

"**Class B Authorised Credit Provider**" means a lender or other provider of credit or financial accommodation under any Class B Authorised Credit Facility.

"**Class B Basic Terms Modification**" has the meaning given thereto in any Class B Conditions applicable to the relevant Class B Notes.

"**Class B Conditions**" means in relation to any Class B Notes, the terms and conditions endorsed on or incorporated by reference into the Class B Note or Class B Notes, in each case as modified from time to time in accordance with the provisions of the relevant Class B Note Trust Deed and any reference in the Issuer Transaction Documents to a particular specified Class B Condition or paragraph of a Class B Condition shall be construed accordingly.

"**Class B Definitive Note**" means a Class B Regulation S Definitive Note and/or a Class B Rule 144A Definitive Note, as the context requires.

"**Class B Event of Default**" means:

(a) a Class B Note Event of Default; or

(b) a Class B Loan Event of Default as defined under any Class B Authorised Credit Facility.

"**Class B Extraordinary Resolution**" has the meaning given to it in any Class B Note Trust Deed (if applicable).

"**Class B FCF DSCR**" has the meaning given to it in relation to a Class B Authorised Credit Facility, in such Class B Authorised Credit Facility.

"**Class B Global Note**" means a Class B Regulation S Global Note or a Class B Rule 144A Global Note.

"**Class B IBLA**" means any loan agreement entered into between the Issuer and the Borrower after the Closing Date which ranks subordinate to the Obligor Senior Secured Liabilities and *pari passu* with any other Class B IBLA.

"**Class B Interest Rate**" has the meaning given to that term in respect of a Class B IBLA, the rate of interest set out in such Class IBLA.

"**Class B Loan Event of Default**" has the meaning given to it in any Class B Authorised Credit Facility.

"**Class B Note Acceleration Notice**" shall have the meaning given to that term in the relevant Class B Conditions.

"**Class B Note Documents**" means the Class B Note Trust Deed (including the Class B Conditions) and the Class B Agency Agreement.

"**Class B Note Event of Default**" means any of the events set out as events of default in the relevant Class B Conditions.

"**Class B Note Trust Deed**" means any note trust deed entered into after the Closing Date between the Issuer and the Note Trustee in respect of any Class B Notes.

"**Class B Note Trustee**" means the trustee to be appointed pursuant to any Class B Note Trust Deed, for an on behalf of any Class B Noteholders, and who accedes to the STID in accordance with clause 2.11 (Accession of Class B Note Trustee) of the STID.

"**Class B Noteholder**" means any holder of any Class B Note.

"**Class B Notes**" means any notes issued by the Issuer after the Closing Date which rank junior to the Class A Notes and *pari passu* with any other Class B Notes then outstanding.

"**Class B Offering Circular**" means any offering circular published by the Issuer in connection with the issue of any Class B Notes.

"**Class B Ordinary Resolution**" means has the meaning given to it in any Class B Note Trust Deed (if applicable).

"**Class B Paying Agent**" means the paying agent to be appointed in respect of the Class B Notes.

"**Class B Principal Paying Agent**" means the principal paying agent to be appointed in respect of the Class B Notes.

"**Class B Register**" has the meaning given to it in any Class B Agency Agreement.

"**Class B Registrar**" means the party appointed as such under a Class B Agency Agreement or any registrar to be appointed in respect of the Class B Notes.

"**Class B Regulation S Definitive Note**" means in relation to any Sub-Class of Class B Notes, a definitive note comprising some or all of the relevant Sub-Class of Class B Notes sold to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act.

"**Class B Regulation S Global Note**" means in relation to any Sub-Class of Class B Notes, a registered global note comprising some or all of the relevant Sub-Class of Class B Notes sold to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act.

"**Class B Relevant Matter**" has the meaning given to it under the STID.

"**Class B Rule 144A Definitive Note**" means in relation to any Sub-Class of Class B Notes, a definitive note comprising some or all of the relevant Sub-Class of Class B Notes sold in the United States in reliance on Rule 144A under the Securities Act.

"**Class B Rule 144A Global Note**" means in relation to any Sub-Class of Class B Notes, a global note comprising some or all of the relevant Sub-Class of Class B Notes sold in the United States in reliance on Rule 144A under the Securities Act.

"**Class B Rule 144A Note**" means any Class B Notes sold within the United States of America pursuant to, and in compliance with, Rule 144A.

"**Class B Transfer Agents**" means any transfer agent(s) appointed in connection with an issuance of Class B Notes.

"**Class B Voting Matter**" shall have the meaning given to it in any Class B Note Trust Deed (if applicable).

"**Class B2 Notes**" means the £345,000,000 5.250 per cent. Class B2 notes issued by Issuer on 21 October 2021 with an expected maturity date of 4 November 2027 and a final maturity date of 4 November 2046.

"**Clearing Systems**" means the rules, regulations and procedures for Clearstream, Luxembourg and Euroclear as the case may be.

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

"**Closing Date**" means 6 May 2016.

"**COBS**" means the FCA Handbook Conduct of Business Sourcebook.

"**Code**" means the United States Internal Revenue Code of 1986, as amended, and the regulations promulgated and rulings issued thereunder.

"**Commitment**" has the meaning given to such term:

(a) in relation to a Liquidity Facility, in the relevant Liquidity Facility Agreement.

(b) in relation to the WC Facility, in the Working Capital Facility Agreement.

(c) in relation to the STF Facilities, in the Senior Term Facility Agreements; and

(d) in relation to any other Authorised Credit Facility, in that Authorised Credit Facility.

"**Common Depositary**" means the agent appointed by the International Central Securities Depositaries to act as the common depositary for Euroclear and Clearstream, Luxembourg, in respect of the Class A Notes.

"**Common Documents**" means the Obligor Security Documents, the Common Terms Agreement, the Master Definitions Agreement, the STID, the Borrower Account Bank Agreement and the Tax Deed of Covenant.

"**Common Safekeeper**" means an ICSD in its capacity as common safekeeper or a person nominated by the ICSDs to perform the role of common safekeeper.

"**Common Terms Agreement**" or "**CTA**" means the common terms agreement to be entered into between, among others, the Obligors, the Cash Manager, the Issuer and the Obligor Security Trustee dated 6 May 2016 (as amended and/or restated from time to time).

"**Companies Act**" means the Companies Act 2006, as amended from time to time.

"**Compliance Certificate**" means a certificate, substantially in the form set out in the CTA. See "*Description of the Common Documents—Common Terms Agreement—Covenants—Information Covenants—Compliance Certificate*".

"**Consumer Member**" is an individual or SME customer subscribing for RAC's services directly.

"**Contribution Notice** " means the contribution notice issued by the Pension Regulator under section 43 of the Pensions Act 2004.

"**Corporate Partners**" are B2B customers of RAC.

"**CTA Default**" means:

(a) a CTA Event of Default; or

(b) a Potential CTA Event of Default.

"**CTA Event of Default**" means an event specified as such in the Common Terms Agreement.

"**Dealers**" means Banco Santander, S.A., Barclays Bank PLC, BNP Paribas, HSBC Bank plc, J.P. Morgan Securities plc and Merrill Lynch International.

"**Debt Purchase Transaction**" means, in relation to a person, a transaction where such person:

(a) purchases by way of assignment or transfer;

(b) enters into any sub-participation in respect of; or

(c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub- participation in respect of,

any commitment or amount outstanding under an Authorised Credit Facility, any Notes or PP Notes, or any equivalent transaction having a similar economic effect.

"**Debt Service Payment Account**" means an account designated as such by the Borrower prior to the Closing Date.

"**Debt Service Reserve Account**" means:

(a) in respect of the Borrower, the Borrower Debt Service Reserve Account; and

(b) in respect of the Issuer, the Issuer Debt Service Reserve Account.

"**Decision Period**" means the period of time within which the approval of the Obligor Security Trustee is sought as specified in relation to each type of voting matter in the STID.

"**Deemed Available Enforcement Proceeds**" has the meaning given to it in the STID.

"**Defeasance Account**" has the meaning given to it in the Common Terms Agreement.

"**Defeased Cash Note Purchase**" means the purchase by the Borrower of Class A Notes pursuant to a public tender offer, in accordance with the CTA.

"**Definitive Note**" means a Class A Definitive Note and/or, to the extent that Class B Notes are issued and as the context may require, a Class B Definitive Note.

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Obligor Security Trustee, the Issuer Security Trustee, the Class A Note Trustee or any Class B Note Trustee (as the context requires).

"**Demand Notice**" means a notice from the Obligor Security Trustee (on instruction from the Topco Secured Creditors in accordance with the STID) to Topco demanding the payment of the aggregate Class B Payment Amounts to a specified account in accordance with and subject to the terms of the Topco Payment Undertaking (if applicable).

"**Deposited Class A Note**" has the meaning given to it in the Class A Note Trust Deed.

"**Designated Accounts**" has the meaning given to it in the Common Terms Agreement.

"**Determination Date**" means the date which is two Business Days prior to each LF Interest Payment Date.

"**Direction Notice**" has the meaning given to it in the STID.

"**Discretion Matter**" means a matter in which the Obligor Security Trustee may exercise its discretion to approve any request made in a STID Proposal without any requirement to seek the approval of any Obligor Secured Creditor, Issuer Secured Creditor or any of their Secured Creditor Representatives.

"**Disposal**" means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by voluntary or involuntary single transaction or series of transactions).

"**Disposal Proceeds**" means the consideration receivable by any member of the Holdco Group (including any amount receivable in repayment of intercompany debt) for any Disposal made by any member of the Holdco Group after deducting:

(a) any reasonable expenses which are incurred by a member of the Holdco Group with respect to that Disposal to persons who are not members of the Holdco Group; and

(b) any Tax incurred and required to be paid by the seller in connection with that Disposal (as reasonably determined by the seller, on the basis of existing rates and taking account of any available credit, deduction or allowance).

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Authorised Credit Facilities (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:

(i) from performing its payment obligations under the Common Documents and/or the Finance Documents; or

(ii) from communicating with other Parties in accordance with the terms of the Common Documents and/or the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

"**Distressed Disposal**" means a disposal of an asset of a member of the Holdco Group which is:

(a) being approved or consented to by way of Qualifying Obligor Secured Creditors pursuant to the STID in circumstances where the Obligor Security has become enforceable; or

(b) being effected by enforcement of the Obligor Security.

"**Distressed Disposal Resolution**" means any resolution requested of the Qualifying Obligor Secured Creditors pursuant to the STID to sanction the making of a Distressed Disposal.

"**Distribution Compliance Period**" has the meaning given to that term in Regulation S under the Securities Act.

"**Distribution Date**" means each day on which Available Enforcement Proceeds are available to be applied by or on behalf of the Obligor Security Trustee (or any Receiver) in or towards satisfaction of the Obligor Secured Liabilities in accordance with the Obligor Post-Acceleration Priority of Payments.

"**Early Termination Date**" has the meaning given thereto in the relevant Hedging Agreement.

"**EBITDA**" means, for any relevant period, the consolidated operating profits of the Holdco Group arising from ordinary activities for that period before taxation, including results from discontinued operations:

(a) before deducting Total Debt Service Charges and any interest or equivalent finance charge in respect of Permitted Financial Indebtedness not comprised within Total Debt Service Charges for which any member of the Holdco Group is liable and including any implied interest on balance sheet provisions in the Holdco consolidated financial statements;

(b) before taking into account any accrued interest owing to any member of the Holdco Group;

(c) before taking into account any items (positive or negative) of a one-off, non-recurring, extraordinary, unusual or exceptional nature (including without limitation the restructuring of the activities of an entity and reversals of any provisions for the cost of restructuring, disposals, revaluations or impairment of non-current assets, disposals of assets associated with discontinued operations and the costs associated with any aborted Permitted Acquisitions or aborted equity or debt securities offering);

(d) before deducting any amount attributable to the amortisation of goodwill or intangible assets or acquisition costs or the depreciation of tangible assets;

(e) before adding or deducting any amount attributable to any movement in the fair value of financial instruments held by any member of the Holdco Group (except to the extent provided for in paragraph (m) below);

(f) after taking into account the employer cash contribution to current service costs of the RAC Pension Schemes only;

(g) before taking into account the agreed transaction costs associated with the financing contemplated by the Transaction Documents;

(h) before taking into account any gain arising from any Debt Purchase Transaction entered into by any member of the Holdco Group;

(i) after deducting (to the extent otherwise included) any gain over book value arising in favour of a member of the Holdco Group in the disposal of any asset (not being any disposal made in the ordinary course of trading) during such period and any gain arising on any revaluation of any asset during such period;

(j) after adding back (to the extent otherwise deducted) any loss against book value incurred by a member of the Holdco Group on the disposal or write down of any asset (not being any disposals made in the ordinary course of trading) during such period and any loss arising on any revaluation of any asset during such period;

(k) after adding (to the extent not otherwise included) the amount of any dividends or other profit distributions (net of withholding tax) received in cash by any member of the Holdco Group during such period from Joint Ventures in which a member of the Holdco Group has an interest;

(l) after adding (to the extent not otherwise included) the realised gains or deducting (to the extent not otherwise deducted) the realised losses arising at maturity or on termination of forward foreign exchange and currency hedging contracts entered into with respect to the operational cash flows of the Holdco Group (but taking no account of any unrealised gains or loss on any hedging or other derivative instrument whatsoever and excluding any IAS 39 timing differences relating to changes in the unrealised par value of derivatives);

(m) after adding back (to the extent otherwise deducted) any fees, costs or charges of a non-recurring nature related to any compensation payments to departing management, investments or Permitted Financial Indebtedness (whether or not successful);

(n) after adding back (to the extent otherwise deducted) any costs or provisions relating to any share option or management incentive schemes of the Holdco Group;

(o) after adding (to the extent not otherwise included) any insurance proceeds received in cash by any member of the Holdco Group in respect of business interruption loss (to be applied to cover operating losses in respect of which the relevant insurance claim was made) or third party liability (to the extent such amounts are not subsequently paid to a third party);

(p) after deducting any profit and adding back any loss attributable solely to exchange rate movements on translation of balance sheet assets and liabilities in the Holdco consolidated financial statements; and

(q) for the avoidance of doubt, before deducting the amount of any Capital Expenditure (to the extent deducted in calculating consolidated operating profits),

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Holdco Group from its ordinary activities.

"**EC Test Date**" has the meaning given to it in section "*Description of the Common Documents—Common Terms Agreement—CTA Events of Default—Breach of Financial Covenant and Equity Cure*".

"**EEA**" means the European Economic Area, as established by the Agreement on the European Economic Area.

"**EMIR**" means Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012, as amended from time to time.

"**EMIR NFC Representation Protocol**" means the ISDA 2013 EMIR NFC Representation Protocol published by the International Swaps and Derivatives Association, Inc. on 8 March 2014.

"**Enforcement Action**" means:

(a) demanding payment of any Obligor Secured Liabilities;

(b) accelerating any of the Obligor Secured Liabilities or otherwise declaring any Obligor Secured Liabilities prematurely due and payable or payable on demand or the premature termination or close-out of any Obligor Secured Liabilities under a Borrower Hedging Agreement (other than

such a close out on a voluntary basis which would not result in a breach of the Common Terms Agreement or the STID);

(c) enforcing any Obligor Secured Liabilities by attachment, set-off, execution, diligence, arrestment or otherwise;

(d) crystallising, or requiring the Obligor Security Trustee to crystallise, any floating charge in the Obligor Security Documents;

(e) enforcing, or requiring the Obligor Security Trustee to enforce, any Obligor Security;

(f) initiating or supporting or taking any action or step with a view to:

(i) any insolvency, bankruptcy, liquidation, reorganisation, winding up, judicial composition or dissolution proceedings or any analogous proceedings in relation to any Obligor in any jurisdiction;

(ii) any voluntary arrangement, scheme of arrangement or assignment for the benefit of creditors; or

(iii) any similar proceedings involving any Obligor whether by petition, convening a meeting, voting for a resolution or otherwise;

(g) initiating or supporting or taking any action or step with a view to any administration, receivership or administrative receivership or any analogous proceedings in relation to any Obligor in any jurisdiction;

(h) bringing or joining any legal proceedings against any Obligor (or any of its Subsidiaries) to recover any Obligor Secured Liabilities;

(i) exercising any right to require any insurance proceeds to be applied in reinstatement of any asset subject to any Obligor Security; or

(j) otherwise exercising any other remedy for the recovery of any Obligor Secured Liabilities or the preservation of any Obligor Secured Property.

"**Entrenched Rights**" are matters which:

(a) would delay the date fixed for payment of principal or interest in respect of the relevant Obligor Secured Creditor's debt or would reduce the amount of principal or the rate of interest payable in respect of such debt;

(b) would bring forward the date fixed for payment of principal or interest in respect of an Obligor Secured Creditor's debt or would increase the amount of principal or the rate of interest payable on any date in respect of the Obligor Secured Creditor's debt;

(c) would have the effect of adversely changing any of the Obligor Post-Acceleration Priority of Payments or the Obligor Pre-Acceleration Priority of Payments or application thereof in respect of an Obligor Secured Creditor (including, in the case of the Issuer, any Issuer Secured Creditor that would be adversely affected by such change under and in accordance with the STID);

(d) would have the effect of adversely changing the application of any proceeds of enforcement of the Obligor Security Documents;

(e) would result in the exchange of the relevant Obligor Secured Creditor's debt for, or the conversion of such debt into, shares, notes or other obligations of any other person;

(f) would change or would relate to the currency of payment due under the relevant Obligor Secured Creditors debt (other than due to the U.K. adopting the euro);

(g) would change or would relate to any existing obligation of an Obligor to gross up any payment in respect of the relevant Obligor Secured Creditor's debt in the event of the imposition of withholding

taxes (including, in the case of the Issuer, any Issuer Secured Creditor that would be adversely affected by such change);

(h) would change or would have the effect of changing (i) any of the following definitions: Qualifying Obligor Secured Creditors, Qualifying Obligor Senior Secured Liabilities, Qualifying Obligor Senior Creditors, Qualifying Obligor Junior Secured Liabilities, Qualifying Obligor Junior Creditors, STID Proposal, Discretion Matter, Ordinary Voting Matter, Extraordinary Voting Matter, Voted Qualifying Obligor Secured Liabilities, Reserved Matter, Entrenched Right; (ii) the Decision Period, Quorum Requirement or voting majority required in respect of any Ordinary Voting Matter, Extraordinary Voting Matter, Qualifying Obligor Secured Creditor Instruction Notice, Enforcement Instruction Notice or Further Enforcement Instruction Notice; (iii) any of the matters that give rise to Entrenched Rights under the STID or (iv) the scope of Entrenched Rights under the STID;

(i) would change or have the effect of changing the relationships between Qualifying Obligor Senior Secured Liabilities and Qualifying Obligor Junior Secured Liabilities;

(j) would change or have the effect of changing the Reserved Matters under the STID;

(k) in respect of each Obligor Secured Creditor that is a Topco Secured Creditor, would change or would have the effect of changing (i) any of the following definitions; Topco Demand Notice Instruction or Topco Enforcement Instruction; or (ii) the quorum requirement or voting majority required in respect of any Topco Demand Notice Instruction or Topco Enforcement Instruction; and

(l) in respect of each Hedge Counterparty:

(i) would change or would have the effect of changing any of the following definitions: Borrower Hedge Replacement Premium, Issuer Hedge Replacement Premium, Hedging Agreement or Issuer Secured Creditor Entrenched Right;

(ii) would change or would have the effect of changing the limits specified in the paragraphs "*Currency Risk Principles*" and "*Interest Rate Risk Principles*" described in the section "*Description of the Common Documents—Common Terms Agreement—Hedging Policy*";

(iii) would change or have the effect of changing the definition of Permitted Hedge Termination or any of the Hedge Counterparties' rights to terminate the Hedging Agreements as set out in the Hedging Agreements but only to the extent that the Hedge Counterparties' rights to terminate would be further restricted by such change;

(iv) would change or have the effect of changing the CTA Events of Default;

(v) would change or have the effect of changing a Hedge Counterparty's voting entitlement as described in the section "*Description of the Common Documents—Security Trust and Intercreditor Deed—Qualifying Obligor Secured Liabilities—Voting in respect of Borrower Hedging Transactions by Borrower Hedge Counterparties*";

(vi) would change or have the effect of changing the definitions of Loan Acceleration Notice or Loan Enforcement Notice or would change or have the effect of changing the consequences of the delivery of a Loan Acceleration Notice or the priority of payments following the delivery of a Loan Acceleration Notice;

(vii) would change or have the effect of changing the covenants in the CTA relating to Disposals; and

(viii) in respect of each Borrower Hedge Counterparty, would change or have the effect of changing the provisions of the STID governing when a Borrower Hedge Counterparty will be an Obligor Secured Creditor.

"**Environment**" means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

(a) air (including air within natural or man-made structures, whether above or below ground);

(b) water (including territorial, coastal and inland waters, water under or within land and water in drains and sewers); and

(c) land (including land under water).

"**Environmental Claim**" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

"**Environmental Law**" means any applicable law or regulation which relates to:

(a) the pollution or protection of the Environment;

(b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release, emission or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including any waste.

"**Environmental Permits**" means any permit or other Authorisation required under any Environmental Law for the operation of the business of any member of the Holdco Group conducted on or from the properties owned or used by any member of the Holdco Group.

"**Equity Cure Amount**" has the meaning given to it in section "*Description of the Common Documents—Common Terms Agreement—CTA Events of Default—Breach of Financial Covenant and Equity Cure*".

"**Equivalent Amount**" means in respect of any amount which is not denominated in the Base Currency, such amount expressed in the Base Currency as calculated on the basis of the Exchange Rate.

"**ERISA**" means the Employee Retirement Income Security Act of 1974 and the regulations promulgated thereunder, as amended from time to time.

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) that, together with any Obligor, is treated as a single employer under section 414 of the Code, as amended from time to time.

"**euro**", "**EUR**" or "**€**" means the lawful currency of member states of the EU that adopt the single currency introduced in accordance with the Treaty.

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

"**Euronext Dublin**" means the Irish Stock Exchange plc, trading as Euronext Dublin or any other body to which its functions have been transferred.

"**European Union**" or "**EU**" means the economic and political union established in 1993 by the Maastricht Treaty, with the aim of achieving closer economic and political union between member states that are primarily located in Europe.

"**Eurosystem-eligible NGBs**" means an NGB which is intended to be held in a manner which would allow Eurosystem eligibility, as stated in the applicable Final Terms.

"**EUWA**" means European Union (Withdrawal) Act 2018, as amended.

"**Excess Cashflow**" means, in respect of any relevant period, FCF for that relevant period after:

(a) adding the amount of any cash receipts (and deducting the amount of any cash payments) during that relevant period in respect of any items treated as one off, non-recurring, extraordinary, unusual or exceptional items not already taken account of in calculating FCF for any relevant period but without deducting the agreed transaction costs associated with the financing contemplated by the Transaction Documents;

(b) deducting the amount of any Capital Expenditure actually made in cash during that relevant period by any member of the Holdco Group (to the extent such amount exceeds the Minimum Capital Maintenance Spend Amount required to be spent or reserved in relation to that period) except (in each case) to the extent funded from:

(i) any Disposal Proceeds or the proceeds of any insurance claims permitted to be retained for this purpose;

(ii) Retained Excess Cashflow;

(iii) New Shareholder Injections or Investor Funding Loans; or

(iv) Additional Financial Indebtedness;

and provided that in a Bank Debt Sweep Period no investment Capital Expenditure other than the acquisition of customer intangibles shall be deducted;

(c) deducting the aggregate of any cash consideration paid for, or the cash cost of, any Permitted Acquisitions or Permitted Joint Venture Investment except (in each case) to the extent funded from:

(i) any Disposal Proceeds or the proceeds of any insurance claims permitted to be retained for this purpose;

(ii) Retained Excess Cashflow;

(iii) New Shareholder Injections or Investor Funding Loans; or

(iv) Additional Financial Indebtedness;

(d) deducting payments under the medical benefits scheme during that relevant period, in each case to the extent not taken into account in establishing EBITDA;

(e) deducting the aggregate of Total Debt Service Charges for the relevant period and, without double counting, any other amounts payable pursuant to paragraphs 1 to 10 (inclusive) (other than paragraph 6) of "*Summary of Common Documents—Security Trust and Intercreditor Deed—Obligor Priority of Payment—Obligor Pre-Acceleration Priority of Payments*", any voluntary and mandatory prepayments made in respect of any Class A Authorised Credit Facility (other than any mandatory prepayment from Excess Cashflow made in the relevant period in respect of Excess Cashflow for the previous relevant period and any mandatory prepayment funded from Disposal Proceeds, Insurance Proceeds or the proceeds of any equity raising or debt raising), any termination payments made under any Hedging Agreements during the relevant period and any fees, costs or charges of a non-recurring nature related to any Permitted Financial Indebtedness (whether or not successful) incurred during the relevant period;

(f) deducting the amount of any dividends paid in cash during the relevant period to minority shareholders in members of the Holdco Group;

(g) deducting the amount required to be retained by the Holdco Group to meet reasonably anticipated net operating expenses for the next relevant period (which amount shall not exceed £10,000,000 in respect of any relevant period) but adding back the amount retained by the Holdco Group at the end of the last relevant period to meet reasonably anticipated net operating expenses for the relevant period;

(h) deducting any payment made during the relevant period pursuant to paragraph (a) of the definition of "Restricted Payment";

(i) deducting tax accrued in the financial statements of such relevant period but not paid and adding the amount of any tax paid in cash in the relevant period that was deducted pursuant to this paragraph in the calculation of Excess Cashflow for the previous relevant period;

(j) deducting (to the extent included in EBITDA for the relevant period) the proceeds of any business interruption or third party liability insurances;

(k) deducting amounts excluded from EBITDA under paragraphs (m) and (n) of the definition of "EBITDA";

(l) deducting any other payments in respect of Permitted Financial Indebtedness which is not Obligor Senior Secured Liabilities including under any finance leases;

(m) deducting the Issuer Profit Amount and to the extent not treated as Total Debt Service Charges, any Facility Fee paid during such relevant period,

and so that no amount shall be added (or deducted) more than once.

"**Excess Cashflow Account**" has the meaning given to it in section "*Description of the Common Documents—Common Terms Agreement—Cash Management—General*".

"**Exchange Act**" means the United States Securities Exchange Act of 1934.

"**Exchange Rate**" means the strike rate specified in any related Hedging Agreement or, failing that, the spot rate for the conversion of the Non-Base Currency into the Base Currency as quoted by the Borrower Account Bank as at 11.00 a.m.:

(a) for the purposes of the STID, on the date that the STID Voting Request, Enforcement Instruction Notice, Further Enforcement Instruction Notice, Direction Notice or a Qualifying Obligor Secured Creditor Instruction Notice (as the case may be) is dated; and

(b) in any other case, on the date as of which calculation of the Equivalent Amount of the Outstanding Principal Amount is required,

and, in each case, as notified by the Borrower Account Bank to each Note Trustee and the Obligor Security Trustee.

"**Excluded Group Entity**" means any Holding Company (or any Affiliates) of a member of the Holdco Group which is not (a) the Issuer (b) itself a member of the Holdco Group or (c) any Subsidiary of Holdco established for the purpose of issuing PP Notes.

"**Excluded Insurance Proceeds**" means any proceeds of an insurance claim which the Holdco Group Agent notifies the Obligor Security Trustee are, or are to be applied:

(a) to meet a third party claim;

(b) to cover operating losses in respect of which the relevant insurance claim was made; or

(c) in the replacement, reinstatement and/or repair of the assets or otherwise in amelioration of the loss in respect of which the relevant insurance claim was made,

in each case as soon as possible (but in any event within six months of receipt, or such longer period as the Obligor Security Trustee may agree) after receipt.

"**Excluded Tax**" means, in relation to any person (but without prejudice to the provisions of the STID), any:

(a) Tax imposed on or calculated by reference to the net income, profits or gains of that person, in each case excluding any deemed income, profits or gains of that person other than to the extent such deemed income, profits or gains are matched by any actual income, profits or gains of an Affiliate of that person;

(b) Tax that arises from the fraud, gross negligence or wilful default of the relevant person or its officers, directors or employees;

(c) stamp duty or stamp duty reserve tax arising under sections 67, 70, 93 or 96 of the Finance Act 1986 but only to the extent the Tax in question exceeds the Tax that would have arisen but for the existence and effect of those sections (**provided that** this paragraph (c) shall not apply in relation to the Obligor Security Trustee, the Issuer Security Trustee or any Note Trustee),

in each case including any related costs, fines, penalties or interest (if any).

"**Expected Maturity Date**" means:

(a) in relation to any Sub-Class of Class A Notes, the date specified as such in the Final Terms relating to such Sub-Class of Class A Notes; and

(b) to the extent that Class B Notes are issued, in relation to any Sub-Class of Class B Notes the date specified as such in the applicable Class B Conditions applicable to such Sub-Class of Class B Notes.

"**Extraordinary STID Resolution**" means a resolution in respect of an Extraordinary Voting Matter.

"**Extraordinary Voting Matters**" are matters which:

(a) would change any CTA Event of Default or any Trigger Event each in relation to non-payment, the making of Restricted Payments or financial ratios;

(b) would relate to the waiver of any CTA Event of Default or any Trigger Event each in relation to non-payment, the making of Restricted Payments or financial ratios;

(c) would change in any adverse respect for the Qualifying Obligor Secured Creditors the restrictions and the permissions described in "*Merger*", "*Change of Business*", "*Acquisitions*", "*Joint Ventures*", "*Negative pledge*", "*Disposals*", "*Loans or credit*" "*No guarantees or indemnities*", "*Restricted payments*", "*Financial indebtedness*" and "*Amendments to Common Documents and Finance Documents*" in the section "*Description of the Common Documents—Common Terms Agreement—Covenants-General Covenants*" and the related definitions which give meaning to the applicable restriction or permission;

(d) would materially change or have the effect of materially changing the definition of Permitted Business;

(e) would change or have the effect of changing the provisions relating to or relate to the waiver of the Additional Financial Indebtedness conditions set out in the definition thereof contained herein;

(f) would result in the Aggregate Available Liquidity being less than the Liquidity Required Amount and, to the extent that the passing of an Extraordinary STID Resolution on the matters referred to in this sub-paragraph (f) necessitates an amendment to any Trigger Event, the amendment to that Trigger Event shall be an Extraordinary Voting Matter;

(g) would bring forward the scheduled maturity date of any Financial Indebtedness following the occurrence of a Trigger Event which is continuing;

(h) would change or have the effect of changing in any material respect any of the requirements described in the section "*Description of the Common Documents—Common Terms Agreement—Cash Management*" which would reasonably be expected to have an adverse effect on an Obligor Secured Creditor;

(i) would release any of the Obligor Security (unless equivalent replacement security is taken at the same time) unless such release is permitted in accordance with the terms of the Common Documents;

(j) would change or have the effect of changing the definition of Qualifying Public Offering and/or the conditions therein, or would relate to the waiver of any of the foregoing; and

(k) would change or waive or have the effect of changing or waiving the Obligor Coverage Test contained in the Common Terms Agreement or the nature and scope of the guarantee and indemnity granted under the STID.

"**Facility Agent**" means, as the context requires, any or all of the STF Agent, the WCF Agent, the Liquidity Facility Agent, or their successors, and any agent, trustee or other representative appointed in respect of any other Authorised Credit Facility.

"**Facility Fees**" means the facility fees payable by the Borrower under any Class A IBLA and, to the extent that Class B Notes are issued, under any Class B IBLA and/or any other Authorised Credit Facility entered into with a vehicle established to provide financing to the Borrower (including any PP Note Issuer), respectively, and such facility fees shall comprise of:

(a) the First Facility Fee;

(b) the Second Facility Fee;

(c) the Third Facility Fee;

(d) the Fourth Facility Fee;

(e) the Fifth Facility Fee;

(f) the Sixth Facility Fee; and

(g) the Seventh Facility Fee,

or any of them, as applicable and as the context may so require **provided that** if any Class A Notes are outstanding, any such fees that are payable to the Issuer shall be payable under a Class A IBLA.

"**Facility Interest Payment Date**" has the meaning given to it in the STID.

"**Fairness Opinion**" means, in respect of a proposed disposal of any Obligor Secured Property, an opinion of a Financial Adviser that the proposed consideration for the disposal to which such opinion relates is fair from a financial point of view taking into account all relevant circumstances including the method and timing of enforcement.

"**FATCA**" means

(a) sections 1471 to 1474 of the Code or any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"**FCA**" means the Financial Conduct Authority or any successor from time to time.

"**FCF**" means, in relation to any period, the amount equal to the difference between:

(a) the aggregate of EBITDA for such period; and

(b) (unless already taken into account in calculating EBITDA) the aggregate of:

(i) any cash tax actually paid (including any purchase of tax losses) or irrecoverable VAT suffered by the Holdco Group during such period less the amount of any rebate, refund or credit in respect of any tax on profits, gains or income actually received in cash by any member of the Holdco Group during such period;

(ii) any increase in Working Capital for the relevant period (**provided that**, in the event that there has been a decrease in Working Capital, such decreased amount shall be deducted from the aggregate amount calculated under this paragraph (b));

(iii) an amount equal to the Minimum Capital Maintenance Spend Amount required to be spent or reserved in relation to that period;

(iv) any increase in Restricted Cash (**provided that** any decrease in such cash shall be deducted from the aggregate amount calculated under this paragraph (b)) in that period;

(v) to the extent not included in EBITDA, any real estate related lease payments made by members of the Holdco Group in respect of real estate not occupied by members of the Holdco Group in that period; and

(vi) the difference between (A) the amount of any increase in provisions, other non-cash debits and other non-cash charges (which are not current assets or current liabilities) and (B) the amount of any non-cash credits (which are not current assets or current liabilities) in each case to the extent taken into account in establishing EBITDA for such period,

and so that no amount shall be added (or deducted) more than once.

"**Fifth Facility Fee**" means the on-going facility fee payable by the Borrower to the Issuer equal to:

(a) before a Note Acceleration Notice has been given, all amounts due and payable by the Issuer under paragraph 5(e) of the Issuer Pre-Acceleration Priority of Payments; and

(b) after a Note Acceleration Notice has been given, there shall be no Fifth Facility Fee payable,

as applicable and as the context may so require.

"**File Size**" is the total number of Breakdown Assistance Members.

"**Final Maturity Date**" means:

(a) in relation to a Note, the final date on which that Note is expressed to be redeemable; and

(b) in relation to any Authorised Credit Facility, the date on which all financial accommodation made available under that Authorised Credit Facility is expressed to be repayable or terminated in full (without any further obligation of the relevant Authorised Credit Provider to continue to make available such financial accommodation).

"**Final Terms**" means the final terms issued in relation to each Sub-Class of Class A Notes as a supplement to the Class A Conditions and giving details of the Sub-Class.

"**Finance Documents**" means the Senior Finance Documents and the Junior Finance Documents.

"**Finance Party**" means any person providing credit pursuant to an Authorised Credit Facility including all arrangers, agents, representatives and trustees appointed in connection with any such Authorised Credit Facilities.

"**Financial Adviser**" means a reputable internationally or nationally recognised investment bank, international accounting firm or any other reputable internationally or nationally recognised third party professional firm (including any other reputable independent expert of international or national standing, which is engaged in providing valuations of businesses or assets of the type owned and operated by the Holdco Group) and appointed by the Obligor Security Trustee in accordance with the STID.

"**Financial Indebtedness**" means any indebtedness for or in respect of:

(a) monies borrowed and debit balances at banks or other financial institutions;

(b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);

(c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of finance leases (and, for the purpose of this paragraph, any present or future operating lease which would not be classified as a finance lease under the Accounting Principles as they apply to the Holdco Group as at the Closing Date shall not be treated as a finance lease notwithstanding any change in such Accounting Principles after the Closing Date which affects its classification);

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market loss to the Holdco Group (or, if any actual amount is due from the Holdco Group as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);

(g) any counter indemnity obligation in respect of any guarantee, indemnity, bond, standby or documentary letter of credit or other instrument issued by a bank or financial institution, except to the extent issued in respect of obligations which do not themselves constitute Financial Indebtedness;

(h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the issuer) before the Final Maturity Date or are otherwise classified as borrowings under the Accounting Principles;

(i) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 180 days after the date of supply; or

(j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles (other than advance payments by customers in respect of services to be provided by the Holdco Group after the date of payment); and

(k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above, but in each case without double counting.

"**Financial Statements**" means, at any time, the financial statements of an Obligor and, in the case of Holdco, additionally consolidated financial statements of itself and its Subsidiaries, most recently delivered to the Obligor Security Trustee.

"**Financial Support Direction**" means a financial support direction issued by the Pensions Regulator under Section 43 of the Pensions Act 2004.

"**Financial Year**" means the annual accounting period of the Holdco Group ending on an Accounting Reference Date.

"**Financing Proceeds Account**" means the account described in section "*Description of the Common Documents—Common Terms Agreement—Cash Management—General*".

"**First Facility Fee**" means the on-going facility fee payable by the Borrower to the Issuer equal to:

(a) before a Note Acceleration Notice has been given, all amounts due and payable under paragraph 1 of the Issuer Pre-Acceleration Priority of Payments; and

(b) after a Note Acceleration Notice has been given, all amounts due and payable under paragraph (a) of the Issuer Post-Acceleration Priority of Payments,

as applicable and as the context may so require.

"**Fixed Rate Note**" means a Fixed Rate Class A Note or, to the extent that Class B Notes are issued, any Class B Notes.

"**Foreign Currency**" means any currency other than Sterling.

"**Form of Transfer**" means the form of transfer endorsed on a Class A Registered Definitive Note in the form or substantially in the form set out in the Class A Note Trust Deed.

"**Fourth Facility Fee**" means the on-going facility fee payable by the Borrower to the Issuer equal to:

(a) before a Note Acceleration Notice has been given, all amounts due and payable under paragraph (d) of the Issuer Pre-Acceleration Priority of Payments; and

(b) after a Note Acceleration Notice has been given, all amounts due and payable under paragraph (c) of the Issuer Post-Acceleration Priority of Payments,

as applicable and as the context may so require.

"**FSMA**" means the Financial Services and Markets Act 2000.

"**Further Enforcement Instruction Notice**" has the meaning given to it in the STID.

"**GDPR**" means European General Data Protection Regulation.

"**Global Note**" means a Class A Global Note or, to the extent that Class B Notes are issued, a Class B Global Note.

"**Group**" means Holdco and each of its consolidated Subsidiaries.

"**Group Personal Pension Plan 1**" means the pension scheme known as the Group Personal Pension Plan 1 which provides defined contribution pension benefits to certain employees of the Holdco Group.

"**Group Personal Pension Plan 2**" means the pension scheme known as the Group Personal Pension Plan 2 which provides defined contribution pension benefits to certain employees of the Holdco Group.

"**Group Personal Pension Plan 3**" means the pension scheme known as the Group Personal Pension Plan 3 which provides defined contribution pension benefits to certain employees of the Holdco Group.

"**Group Relief**" means the surrender of losses or other amounts eligible for surrender under Part 5 of the Corporation Taxes Act 2010.

"**Hedge Counterparties**" means each Borrower Hedge Counterparty and each Issuer Hedge Counterparty and "**Hedge Counterparty**" means any such party.

"**Hedging Agreement**" means each Borrower Hedging Agreement and each Issuer Hedging Agreement.

"**Hedging Policy**" means the initial hedging policy applicable to the Obligors and the Issuer set out in ("*Description of the Common Documents—Common Terms Agreement—Hedging Policy*") as such hedging policy may be amended from time to time in accordance with the STID.

"**Hedging Transaction**" means a Borrower Hedging Transaction or an Issuer Hedging Transaction or, where the context requires, each of the above.

"**HMRC**" or "**HM Revenue & Customs**" means HM Revenue & Customs.

"**Holdco**" means RAC Bidco Limited, a company incorporated in England and Wales with limited liability (registered number 09229824).

"**Holdco Group**" means Holdco and each of its Subsidiaries (other than the Issuer).

"**Holdco Group Agent**" means RAC Group Limited.

"**Holding Company**" means a holding company within the meaning of Section 1159 of the Companies Act.

"**IBLA Advance**" means any advance made under any IBLA.

"**IBLA(s)**" or "**Issuer Borrower Loan Agreement(s)**" means any loan agreement entered into between the Issuer and the Borrower, including the Initial Class A IBLA.

"**ICSDs**" means Clearstream, Luxembourg and Euroclear.

"**IFRS**" means the International Financial Reporting Standards as adopted by the EU.

"**Indexed**" means, in respect of any reference to that amount, an amount to that amount (as previously indexed) as such amount may be adjusted up or down at the beginning of each calendar year by a percentage equal to the amount of percentage increase or, as the case may be, decrease in the Retail Price Index for such year or as is otherwise specified in the relevant Transaction Document.

"**Initial Class A IBLA**" or "**Initial Class A Issuer Borrower Loan Agreement(s)**" means the loan agreement entered into between the Issuer and the Borrower on the Closing Date entitled "Initial Class A Issuer/Borrower Loan Agreement".

"**Initial Borrower Hedge Counterparty**" means an initial borrower hedge counterparty under an Initial Borrower Hedging Agreement.

"**Initial Liquidity Facility**" means the facility made available under the Initial Liquidity Facility Agreement.

"**Initial Liquidity Facility Agreement**" means the liquidity facility agreement dated 6 May 2016 between, among others, the Borrower, the Issuer, and the Initial Liquidity Facility Provider(s).

"**Initial Rating**" means the credit rating of the Class A Notes on the Closing Date or, from the date on which the Rating Agency assigns a credit rating (disregarding, at the Issuer's request, the ability of the Borrower to incur Additional Financial Indebtedness with a rating equal to the credit rating of the Class A Notes on the Closing Date) of BBB (sf) or above to the Class A Notes a credit rating from the Rating Agency of BBB (sf) or above.

"**Initial Senior Term Facility Agreement**" means the senior term credit facility entered into on 6 May 2016 between, amongst others, the Borrower, the STF Agent, the STF Arrangers and the Original STF Lenders.

"**Initial STF Facility**" or "**Initial Senior Term Facility**" has the meaning given to it in the Initial Senior Term Facility Agreement.

"**Initial WC Facility**" or "**Initial Working Capital Facility**" means the working capital facility of an aggregate facility amount of up to £50 million to be made available to the Borrower by the Original WCF Lenders on 6 May 2016 pursuant to the Initial Working Capital Facility Agreement.

"**Initial Working Capital Facility Agreement**" means the working capital credit facility entered into on 6 May 2016 between, amongst others, the Borrower, the WCF Agent, the WCF Arrangers and the Original WCF Lenders.

"**Insolvency Act**" means the Insolvency Act 1986, as amended from time to time.

"**Insolvency Event**" means, in respect of any company:

(a) the initiation of or consent to Insolvency Proceedings by such company or any other person or the presentation of a petition or application for the making of an administration order which proceedings (other than in the case of the Issuer) are not, in the opinion of the Obligor Security Trustee or the Issuer Security Trustee (as the case may be), being disputed in good faith with a reasonable prospect of success or which are or frivolous or vexatious and discharged, stayed or dismissed within 21 days of commencement or, if earlier, the date on which it is advertised;

(b) the giving of notice of appointment of an administrator or the making of an administration order or an administrator being appointed in respect of such company (other than in relation to an Insolvency Event of the Issuer under a Liquidity Facility Agreement), any such giving of notice, making of an administration order or appointment of an administrator which is commenced by action taken by the company itself (or its directors) under paragraphs 12(1)(a) and (b) and/or paragraph 22 of Schedule B1 to the Insolvency Act;

(c) an encumbrancer (excluding, in relation to the Issuer, the Issuer Security Trustee or any Receiver appointed by the Issuer Security Trustee) taking possession of the whole or any part of the undertaking or assets of such company;

(d) any distress, execution, attachment or other process being levied or enforced or imposed upon or against the whole or any substantial part of the undertaking or assets of such company (excluding, in relation to the Issuer, the Issuer Security Trustee or any Receiver appointed by the Issuer Security Trustee) and such order, appointment, possession or process (as the case may be) not being discharged or otherwise ceasing to apply within 21 days;

(e) a composition, compromise, assignment or arrangement with creditors of such company (as part of a general composition, compromise, assignment or arrangement affecting such company's creditors generally) other than a composition compromise, assignment or arrangement with respect to any subordinated Financial Indebtedness, any intragroup loan or guarantee;

(f) the passing by such company of an effective resolution or the making of an order by a court of competent jurisdiction for the winding up, liquidation or dissolution of such company (except, in the case of the Issuer, a winding up for the purpose of a merger, reorganisation or amalgamation the terms of which have previously been approved either in writing by the Class A Note Trustee or by a Class A Extraordinary Resolution or, following the Obligor Senior Discharge Date, by any Class B Note Trustee or by a Class B Extraordinary Resolution);

(g) the appointment of an Insolvency Official in relation to such company or in relation to the whole or any substantial part of the undertaking or assets of such company;

(h) save as permitted in the STID, the cessation or suspension of payment of its debts generally or a public announcement by such company of an intention to do so; or

(i) save as provided in the STID, a moratorium is declared in respect of any indebtedness of such company.

"**Insolvency Official**" means, in connection with any Insolvency Proceedings in relation to a company, a liquidator, provisional liquidator, administrator, examiner, Administrative Receiver, Receiver, manager, nominee, supervisor, trustee, conservator, guardian, or other similar official or any equivalent or analogous official under the applicable laws of any jurisdiction in respect of such company or in respect of all (or substantially all) of the company's assets or in respect of any arrangement or composition with creditors.

"**Insolvency Proceedings**" means, in respect of any company, the winding up, liquidation, dissolution or administration, bankruptcy of such company, or any equivalent or analogous proceedings under the law of the jurisdiction in which such company is incorporated or of any jurisdiction in which such company, carries on business including the seeking of liquidation, winding up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.

"**Instalment Date**" means each date on which each Instalment Note which provides for instalment dates (as specified in the relevant Final Terms) will be partially redeemed.

"**Instalment Note**" means any Class A Notes specified as such in the relevant Final Terms.

"**Instructing Group**" means the Class A Instructing Group, the Bank Instructing Group and the Note Instructing Group.

"**Insurance**" means, as the context may require, any contract of insurance described in or taken out pursuant to the CTA and any other contract or policy of insurance taken out by or on behalf of an Obligor from time to time, including in each case any future renewal or replacement of any such insurance whether with the same or different insurers and whether on the same or different terms.

"**Insurance Member**" is an individual customer subscribing for RAC's insurance products directly.

"**Insurance Proceeds**" means the proceeds of any insurance claim under any insurance maintained by any member of the Holdco Group except for Excluded Insurance Proceeds and after deducting any reasonable expenses in relation to that claim which are incurred by any member of the Holdco Group to persons who are not members of the Holdco Group.

"**Intellectual Property**" means any right in:

(a) copyright (including rights in software and preparatory design materials), get up, trade names, internet domain names, patents, inventions, rights in confidential information, database rights, moral rights, semiconductor topography rights, trade secrets, know how, trademarks, service marks, logos, registered designs and design rights (each whether registered or unregistered);

(b) applications for registration and the right to apply for registration, for any of the above; and

(c) all other intellectual property rights in each case whether registered or unregistered and including applications for registration and all rights or equivalent or similar forms of protection having equivalent or similar effect anywhere in the world.

"**Interest**" means:

(a) interest and amounts in the nature of interest accrued;

(b) prepayment penalties or premiums incurred in repaying or prepaying any Financial Indebtedness;

(c) discount fees and acceptance fees payable or deducted in respect of any Financial Indebtedness, including fees payable in respect of any letters of credit and guarantees;

(d) any net payment (or, if appropriate in the context, receipt) under any interest rate Hedging Agreement or instrument (including under the Hedging Agreement), taking into account any premiums payable; and

(e) any other payments and deductions of similar effect (including the interest element of finance leases), and Interest includes commitment and non-utilisation fees (including those payable under the Senior Finance Documents), but excludes agent's and front end, management, arrangement and participation fees with respect to any Financial Indebtedness (including those payable under the Senior Finance Documents).

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

"**Interest Period**" (i) in respect of the Class A Notes, has the meaning given thereto in Class A Condition 21, (ii) to the extent Class B Notes are issued, in respect of any Class B Notes, see "*Description of Other Indebtedness*" and (iii) in respect of an Authorised Credit Facility, has the meaning given to such term in that Authorised Credit Facility.

"**Interest Rate Hedging Transaction**" means any Hedging Transaction entered into by the Borrower, the Issuer or the PP Note Issuer and a Hedge Counterparty in respect of any interest rate hedging.

"**Intermediate Holdco**" means RAC Group Limited, a limited liability company incorporated in England and Wales with registered number 00229121.

"**Investment Company Act**" means the United States Investment Company Act of 1940.

"**Investor**" means Topco, each of its Holding Companies, each Sponsor and any other direct or indirect shareholder in Holdco and any other Affiliate of such person and any other person who is issued or holds an Investor Funding Loan at any time, in each case that is not a member of the Holdco Group.

"**Investor Debt**" means the amount outstanding, from time to time, under any Investor Funding Loan.

"**Investor Funding Loan**" means any loan made or deemed to be made by any Investor to an Obligor, provided the Investor is party to the STID as a Subordinated Investor.

"**Investor Report**" means each report produced by the Holdco Group required to be delivered each year, in accordance with and substantially in the form set out in the CTA (see "*Description of the Common Documents—Common Terms Agreement—Information Covenants—Investor Report*").

"**IPT**" is UK insurance premium tax.

"**Ireland**" means the Republic of Ireland, excluding, for the avoidance of doubt, Northern Ireland (and ***Irish*** shall be construed accordingly).

"**Irish Stock Exchange**" means the Irish Stock Exchange plc or any other body to which its functions have been transferred.

"**ISDA Distressed Disposal Event**" shall occur if, on any date, the Cash Manager or Obligor Security Trustee proposes or is required to apply any (a) Deemed Available Enforcement Proceeds; (b) net proceeds of any Distressed Disposal; or (c) Available Enforcement Proceeds in each case pursuant to the provisions of the STID and, in each case, to repay or prepay Obligor Senior Secured Liabilities.

"**ISDA Master Agreement**" means an agreement in the form of the 2002 ISDA Master Agreement (including the schedule and any credit support annex thereto) or any successor thereto published by ISDA unless otherwise agreed by the Issuer or Obligor Security Trustee acting in accordance with the STID.

"**Issue Date**" means (a) in respect of any Class A Note(s), the date of issue and purchase of such Note pursuant to and in accordance with the Class A Dealership Agreement or any other agreement between the Issuer and the relevant Dealer(s) and (b) in respect of any Class B Notes, the date of issue of such Class B Note(s) stated in the relevant Class B Offering Circular.

"**Issue Price**" means, in respect of the Class A Notes the price as stated in the relevant Final Terms, generally expressed as a percentage of the nominal amount of the Class A Notes, at which the Class A Notes will be issued and, in respect of any Class B Notes, the Issue Price stated in the relevant Class B Offering Circular.

"**Issuer**" means RAC Bond Co plc, a company incorporated in England and Wales (registered number 10084638).

"**Issuer Account Bank**" means Barclays Bank Plc, a public limited company incorporated in England and Wales (registered number 01026167) and whose registered office is at 1 Churchill Place, London E14 5HP, UK (or any successor account bank appointed pursuant to the Issuer Account Bank Agreement).

"**Issuer Account Bank Agreement**" means the account bank agreement dated on or about the Closing Date between the Issuer, the Issuer Account Bank, and the Issuer Security Trustee.

"**Issuer Accounts**" means the Issuer Transaction Accounts, the Issuer Debt Service Reserve Account, the Issuer Liquidity Facility Standby Account together with any other account of the Issuer that may be opened from time to time (each an "**Issuer Account**").

"**Issuer Cash Management Agreement**" means the cash management agreement dated on or about the Closing Date between, among others, the Issuer, the Issuer Cash Manager and the Issuer Security Trustee.

"**Issuer Cash Manager**" means RAC Group Limited, or following enforcement of the Obligor Secured Liabilities, the Issuer Security Trustee.

"**Issuer Charged Documents**" means the Issuer Transaction Documents and the Finance Documents to which the Issuer is a party and all other contracts, documents, agreements and deeds to which it is, or may become, a party (other than the Issuer Deed of Charge, each Note Trust Deed).

"**Issuer Class A Transaction Documents**" means the Class A Note Documents, the Class A IBLA(s), the Initial Liquidity Facility Agreement, the Issuer Hedging Agreements, the Issuer Deed of Charge, the Issuer Account Bank Agreement, any back-to-back hedging agreement between the Issuer and the Borrower and any other agreement, instrument or deed designated as such by the Issuer and the Class A Note Trustee.

"**Issuer Class B Transaction Documents**" means any Class B Note Documents, any Class B IBLA, the STID, the Master Definitions Agreement and any other agreement, instrument or deed designated as such by the Issuer and any Class B Note Trustee.

"**Issuer Common Documents**" means:

(a) the Issuer Deed of Charge;

(b) the Issuer Cash Management Agreement;

(c) the Issuer Account Bank Agreement;

(d) the Issuer Corporate Officer Agreement; and

(e) any other agreement, instrument or deed designated as such by the Issuer and the Issuer Security Trustee.

"**Issuer Corporate Officer Agreement**" means the corporate officer agreement to be dated on or about the Closing Date between the Issuer and the Issuer Corporate Officer Provider.

"**Issuer Corporate Officer Provider**" means Wilmington Trust SP Services (London) Limited and any successors thereto.

"**Issuer Debt Service Reserve Account**" means any account opened and maintained by the Issuer entitled the Issuer Debt Service Reserve Account" which may be credited with a cash reserve for satisfying all or part of the minimum debt service funding requirements set out in the CTA, or such other account as may be opened, with the consent of the Issuer Security Trustee, at any branch of the Issuer Account Bank in replacement of such account.

"**Issuer Deed of Charge**" means the deed of charge to be entered into between the Issuer, the Issuer Security Trustee, the Class A Note Trustee, the Class A Principal Paying Agent, the Class A Agent Bank, the Class A Transfer Agent, the Class A Registrar, and the Cash Manager, the Issuer Account Bank, the Liquidity Facility Agent and the Issuer Corporate Officer Provider on or about the Closing Date.

"**Issuer Hedge Counterparty**" means any entity which becomes a Party as a Hedge Counterparty to an Issuer Hedging Agreement and accedes as a Hedge Counterparty to the Issuer Deed of Charge.

"**Issuer Hedge Replacement Premium**" means a premium or upfront payment received by the Issuer from a replacement hedge counterparty under a replacement hedge agreement with the Issuer to the extent of any termination payment due to an Issuer Hedge Counterparty under an Issuer Hedging Agreement.

"**Issuer Hedging Agreement**" means each ISDA Master Agreement entered into by the Issuer and an Issuer Hedge Counterparty in accordance with the Hedging Policy (in the form in effect at the time each relevant Issuer Hedging Transaction is entered into) and which governs the Issuer Hedging Transactions between such parties, and such term includes the schedule to the relevant ISDA Master Agreement and the confirmations evidencing the Issuer Hedging Transactions entered into under such ISDA Master Agreement.

"**Issuer Hedging Transaction**" means any Treasury Transaction with respect to the Relevant Debt governed by an Issuer Hedging Agreement and entered into with the Issuer in accordance with the Hedging Policy.

"**Issuer Insolvency Event**" means:

(a) the Issuer is unable or admits inability to pay its debts as they fall due, or suspends making payments on any of its debts after taking into account amounts available to it under the Liquidity Facility Agreement at the relevant time;

(b) a moratorium is declared in respect of any indebtedness of the Issuer;

(c) the commencement of negotiations by the Issuer with one or more creditors of the Issuer with a view to rescheduling any indebtedness of the Issuer;

(d) any corporate action, legal proceedings or other procedure or step is taken (whether out of court or otherwise) in relation to:

(i) the appointment of an Insolvency Official (excluding the Issuer Security Trustee or a Receiver appointed by the Issuer Security Trustee pursuant to the Issuer Deed of Charge) in relation to the Issuer or in relation to the whole or any part of the undertaking of the Issuer;

(ii) an encumbrancer (excluding the Issuer Security Trustee or any Receiver appointed by the Issuer Security Trustee pursuant to the Issuer Deed of Charge) taking possession of the whole or any part of the undertaking or assets of the Issuer;

(iii) the making of an arrangement, composition or compromise (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditors (or any class of creditors) of the Issuer, a reorganisation of the Issuer, the winding up of the Issuer, a conveyance to or assignment for the benefit of creditors of the Issuer (or any class of creditors) or the making of an application to a court of competent jurisdiction for protection from the creditors of the Issuer (or any class of creditors);

(iv) any analogous procedure or step is taken in any jurisdiction; or

(e) any distress, execution, diligence, attachment or other process being levied or enforced or imposed upon or against the whole or any part of the undertaking or assets of the Issuer (excluding by the Issuer Security Trustee or any Receiver appointed by the Issuer Security Trustee pursuant to the Issuer Deed of Charge) and such order, appointment, possession or process (as the case may be) is not discharged or otherwise ceasing to apply within 30 days.

"**Issuer Liquidity Facility Standby Account**" means the Liquidity Facility Standby Account in the name of the Issuer.

"**Issuer Liquidity Shortfall**" means after taking into account Cash Available to the Issuer, with respect to any LF Interest Payment Date (as determined by the Cash Manager on the Determination Date in respect of that LF Interest Payment Date), there will be insufficient funds to pay on such LF Interest Payment Date any of the amounts to be paid in respect of items 1 to 6 (inclusive but in the case of item 6, excluding the Reference Rate element of any interest payable in respect of any Floating Rate Class A Notes (to the extent hedged under an Issuer Hedging Agreement) and in the case of item 6, only including payments of principal that are part of the scheduled amortisation of Class A Notes but excluding any final payment on any Final Maturity Date and any Additional Class A Note Amounts and all termination payments and all other unscheduled amounts payable to any Issuer Hedge Counterparty payable under item 6(a) and 6(b)) of the Issuer Pre-Acceleration Priority of Payments.

"**Issuer Payment Priorities**" means the Issuer Pre-Acceleration Priority of Payments and the Issuer Post-Acceleration Priority of Payments.

"**Issuer Post-Acceleration Priority of Payments**" means the provisions relating to the order of priority of payments set out in set out in "*Summary of the Note Documents—Issuer Deed of Charge—Issuer Priority of Payments upon acceleration*".

"**Issuer Pre-Acceleration Priority of Payments**" means the provisions relating to the order of priority of payments set out in "*Summary of the Issuer Transaction Documents – Issuer Cash Management Agreement— Issuer Pre-Acceleration Priority of Payments*".

"**Issuer Profit Amount**" means £1,200 per annum to be retained by the Issuer as profit.

"**Issuer Secured Creditor Entrenched Right**" means:

(a) in respect of the Class A Noteholders, a Class A Basic Terms Modification;

(b) to the extent that Class B Notes are issued and in respect of the Class B Noteholders, a Class B Basic Terms Modification;

(c) in respect of an Issuer Hedge Counterparty, constitute an Entrenched Right pursuant to the definition of Entrenched Right;

(d) in respect of any Noteholders and where applicable, an Issuer Hedge Counterparty, any change to the voting entitlements under the STID, the Class A Note Trust Deed, the Class B Note Trust Deed (if applicable) and/or the Issuer Deed of Charge;

(e) in respect of any other Issuer Secured Creditor (other than those set out in Paragraphs (a) to (d) above), any modification, consent, direction or waiver in respect of an Issuer Transaction Document or a Common Document that would:

(i) result in an increase in or would adversely modify such Issuer Secured Creditor's obligations or liabilities under such Issuer Transaction Document or Common Document (as the case may be);

(ii) have the effect of adversely changing the Issuer Payment Priorities or application thereof in respect of such Issuer Secured Creditor; or

(iii) release any Issuer Security (except where such release is expressly permitted by the Issuer Deed of Charge); and

(f) in respect of each Issuer Secured Creditor, any modification to this definition.

"**Issuer Secured Creditors**" means:

(a) the Class A Noteholders;

(b) any Class B Noteholders;

(c) the Class A Note Trustee;

(d) any Class B Note Trustee;

(e) the Issuer Security Trustee (for itself and on behalf of the other Issuer Secured Creditors under the Issuer Deed of Charge);

(f) each Issuer Hedge Counterparty under its Issuer Hedging Agreement;

(g) each Liquidity Facility Provider and the Liquidity Facility Agent under the Initial Liquidity Facility Agreement in respect of amounts owed to each of them by the Issuer from time to time;

(h) the Issuer Account Bank under the Issuer Account Bank Agreement;

(i) the Class A Principal Paying Agent, any Class B Principal Paying Agent, Class A Transfer Agent, any Class B Transfer Agent, Class A Registrar, any Class B Registrar and Class A Agent Bank under the Agency Agreements and any additional agents appointed by the Issuer from time to time;

(j) the Issuer Cash Manager under the Issuer Cash Management Agreement;

(k) the Issuer Corporate Officer Provider under the Issuer Corporate Officer Agreement; and/or

(l) any other person which accedes to the Issuer Deed of Charge as an Issuer Secured Creditor after the Closing Date or who becomes a Noteholder after the Closing Date.

"**Issuer Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent) of the Issuer to any Issuer Secured Creditor under each Issuer Transaction Document.

"**Issuer Secured Property**" means the whole of the right, title, benefit and interest of the Issuer in the property, rights and assets of the Issuer secured by or pursuant to the Issuer Security.

"**Issuer Security**" means the Security Interests constituted by the Issuer Deed of Charge.

"**Issuer Security Document**" means the Issuer Deed of Charge.

"**Issuer Security Period**" means the period beginning on the date of the Issuer Deed of Charge and ending on the date on which all Issuer Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

"**Issuer Security Trustee**" means Deutsche Trustee Company Limited (or any successor trustee appointed pursuant to the Issuer Deed of Charge) as security trustee for the Issuer Secured Creditors.

"**Issuer Senior Debt**" means any financial accommodation that is, for the purposes of the STID, to be treated as Issuer Senior Debt and includes:

(a) the Class A Notes;

(b) the liabilities under the Issuer Hedging Agreements;

(c) the liabilities under each Liquidity Facility; and

(d) any further debt incurred in due course which ranks *pari passu* with the debt specified in (a) and (c) above.

"**Issuer Senior Discharge Date**" means the date on which all of the Qualifying Issuer Senior Debt has been irrevocably discharged in full.

"**Issuer Senior Secured Creditors**" means the Issuer Secured Creditors other than the Class B Noteholders.

"**Issuer Senior Secured Liability**" means all present and future obligations and liabilities (whether actual or contingent) of the Issuer to any Issuer Senior Secured Creditor under each Issuer Class A Transaction Document.

"**Issuer Shares**" means the present and future shares in the Issuer owned from time to time, legally or beneficially, by Holdco.

"**Issuer Share Security**" means the security over the Issuer Shares granted pursuant to the Issuer Deed of Charge.

"**Issuer Transaction Accounts**" means those bank accounts of the Issuer opened with the Issuer Account Bank in accordance with the Issuer Account Bank Agreement but excluding the Issuer Debt Service Reserve Account and the Issuer Liquidity Facility Standby Account.

"**Issuer Transaction Documents**" means the Issuer Common Documents, the Issuer Class A Transaction Documents and to the extent that Class B Notes are issued, any Class B Transaction Documents.

"**ITA**" means Income Tax Act 2007.

"**Joint Venture**" means any joint venture entity, partnership or similar person, the ownership of or other interest in which does not require any member of the Holdco Group to consolidate the results of that person with its own as a Subsidiary.

"**Joint Venture Receipts**" means amounts received by any member of the Holdco Group in respect of repayments, redemptions, interest or distribution from, and Disposal Proceeds in respect of shares in, a Joint Venture.

"**Junior Finance Document**" means:

(a) any Class B IBLA; and

(b) each other Class B Authorised Credit Facility;

(c) (A) any fee letter, commitment letter, arrangement letter, or request entered into in connection with the facilities referred to in paragraphs (a) and (b) above or the transactions contemplated in such facilities and (B) any other document that has been entered into in connection with such facilities or the transactions contemplated thereby that has been designated as a Junior Finance Document by the parties thereto (including the Borrower); and

(d) any amendment and/or restatement agreement relating to any of the above documents.

"**Lead Manager**" means in relation to any Sub-Class of Class A Notes, each person named as a lead manager in the relevant Subscription Agreement.

"**Letter of Credit**" means a letter of credit under any Authorised Credit Facility.

"**LF Event of Default**" has the meaning given to it in each Liquidity Facility Agreement, as the context requires.

"**LF Fee Letter**" means (for so long as any amounts remain payable thereunder) any letter entered into in connection with the Liquidity Facility Agreement between, amongst others, an LF Borrower and one or more Liquidity Facility Providers, LF Arrangers or the Liquidity Facility Agent setting out the amount of margin, the step-up margin and/or certain fees payable by the LF Borrowers pursuant to the Liquidity Facility Agreement.

"**LF Interest Payment Date**" has the meaning given to it in each Liquidity Facility Agreement, as the context requires.

"**LF Notice of Drawing**" has the meaning given to it in each Liquidity Facility Agreement, as the context requires.

"**Liabilities**" means any loss, damage, cost, charge, claim, demand, expense, judgment, fine, action, proceedings or other liability whatsoever including any Taxes (other than any Excluded Taxes) and properly incurred legal fees and expenses on a full indemnity basis.

"**Liabilities Acquisition**" means, in relation to a person and to any Subordinated Intragroup Liabilities or Subordinated Investor Liabilities (as applicable), a transaction where that person:

(a) purchases by way of assignment or transfer;

(b) enters into any sub-participation in respect of; or

(c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub- participation in respect of,

the rights and benefits in respect of those Subordinated Intragroup Liabilities or Subordinated Investor Liabilities (as applicable).

"**Limitation Acts**" means the Limitation Act 1980 and the Foreign Limitation Periods Act 1984.

"**Liquidity Drawing**" means a Liquidity Loan Drawing or a Standby Drawing (as applicable).

"**Liquidity Facility**" means a liquidity facility made available under a Liquidity Facility Agreement.

"**Liquidity Facility Agent**" means any agent appointed pursuant to a Liquidity Facility Agreement.

"**Liquidity Facility Agreement**" means the Initial Liquidity Facility Agreement and each other liquidity facility agreement the terms of which shall require that the relevant liquidity facility provider(s) has/have at least the Requisite Rating and which shall be substantially in the form of the Initial Liquidity Facility Agreement having regard to the then customary market practice for such liquidity facilities and the then applicable Rating Agency criteria.

"**Liquidity Facility Amount**" means, at any time, the aggregate of the Available Commitments at that time.

"**Liquidity Facility Providers**" means the Initial Liquidity Facility Providers, and any bank or financial institution which has become a Party hereto in accordance with the Liquidity Facility Agreement and which in each case has not ceased to be a Party in accordance with the terms of the Liquidity Facility Agreement.

"**Liquidity Facility Standby Account**" means the respective reserve accounts to be opened, if required, in the name of each of the Issuer and the Borrower (as applicable) and held at the applicable Liquidity Facility Provider in respect of whom the Standby Drawing has been made or, if such Liquidity Facility Provider does not have the Requisite Rating, at the Account Bank.

"**Liquidity Facility Standby Account Drawing**" means, in relation to a Liquidity Loan Drawing, a withdrawal of sums standing to the credit of the Liquidity Facility Standby Account funded by way of Standby Drawing, the amount of such withdrawal to be equal to the amount of that Liquidity Loan Drawing multiplied by the proportion that the Available Standby Amount bears to the aggregate of the Available Standby Amount and the Liquidity Facility Amount (including any Liquidity Facility Amount under any Substitute Liquidity Facility Agreement).

"**Liquidity Loan Drawing**" means, unless otherwise stated in the Liquidity Facility Agreement, the principal amount of each borrowing under the Liquidity Facility Agreement which is not a Standby Drawing (and, for the avoidance of doubt, the term Liquidity Loan Drawing shall include any Liquidity Facility Standby Account Drawing) or the principal amount outstanding of that borrowing.

"**Liquidity Required Amount**" means, in respect of the Borrower and the Issuer, an amount (calculated on a rolling basis on each Test Date) which, in aggregate, is equal to the respective projected interest and commitment commission payments and payments of principal that are part of the scheduled amortisation (excluding any final payment on a Final Maturity Date) in respect of (a) the STF Facilities and any other Obligor Senior Secured Liabilities which rank from time to time pari passu with the STF Facilities or any other Class A Authorised Credit Facility (excluding, in each case, principal payments under the Working Capital Facility, any payments under any Class A IBLA) and the Reference Rate element of any interest payable in respect of any Class A Authorised Credit Facility which bears interest at a floating rate (to the extent hedged under a Borrower Hedging Agreement); (b) the Class A Notes (excluding the Reference Rate element of any interest payable in respect of any Floating Rate Class A Notes (to the extent hedged under an Issuer Hedging Agreement)) and (c) scheduled payments under any Hedging Agreements to which the Borrower or, as the case may be, the Issuer is a party excluding any termination payments and all other unscheduled amounts payable to any Issuer Hedge Counterparty or Borrower Hedge Counterparty for a period (i) if prior to a Qualifying Public Offering, 18 months following the relevant Test Date and (ii) upon and following a Qualifying Public Offering, 12 months (or such greater period not exceeding 18 months in order to maintain the then current rating of the Class A Notes) following the relevant Test Date under a Liquidity Facility Agreement.

"**Liquidity Shortfall**" means a Borrower Liquidity Shortfall and/or an Issuer Liquidity Shortfall, as applicable.

"**Loan Acceleration Notice**" means a notice delivered by the Obligor Security Trustee in accordance with the STID by which the Obligor Security Trustee declares that some or all Obligor Secured Liabilities shall be accelerated.

"**Loan Enforcement Notice**" means a notice delivered by the Obligor Security Trustee in accordance with the STID by which the Obligor Security Trustee declares that the Obligor Security has become enforceable.

"**Loan Interest Payment Date**" has in respect of each IBLA, the meaning given to it in the relevant IBLA.

"**Maintenance Capex Reserve Account**" has the meaning given to it in the Common Terms Agreement.

"**Maintenance Capital Expenditure**" means, in respect of the Holdco Group and in respect of any period, any expenditure used to maintain and operate the assets of the Holdco Group and which should be treated as capital expenditure in the financial statements of the person incurring such expenditure in accordance with the Accounting Principles and accounting practices and including, of the avoidance of doubt, any expenditure on finance leases. For the avoidance of doubt, expenditure for the acquisition of businesses or arising from operating leases as defined in IFRS as at the Closing Date shall not constitute Maintenance Capital Expenditure for the purposes of this definition.

"**Make-Whole Amount**" means any premium payable on redemption of any Obligor Senior Secured Liabilities or Issuer Senior Debt in excess of:

(a) the principal amount outstanding of such debt; plus

(b) accrued interest on such debt.

"**Margin Regulations**" means Regulations U and X issued by the Board of Governors of the United States Federal Reserve System.

"**Master Definitions Agreement**" or "**MDA**" means the master definitions agreement entered into by, among others, the Obligor Security Trustee, the Issuer Security Trustee, the Class A Note Trustee, the Issuer, the Borrower, the Holdco Group Agent, the Cash Manager, Holdco and Topco on or about the Closing Date.

"**Material Adverse Effect**" means a material adverse effect on:

(a) the consolidated business, assets or financial condition of the Holdco Group taken as a whole such that the Holdco Group taken as a whole would be reasonably likely to be unable to perform its payment obligations under any of the Senior Finance Documents; or

(b) subject to the Reservations and the Perfection Requirements, the validity or enforceability of any Security granted pursuant to any of the Obligor Security Documents in any way which is materially adverse to the interests of the Obligor Senior Secured Creditors taken as a whole, and without duplication of any other cure period, if capable of remedy, not remedied within 20 Business Days of the Holdco Group Agent becoming aware of the issue or being given notice of the issue by the Facility Agent.

"**Material Company**" means, at any time:

(a) a wholly owned Subsidiary of Holdco (other than RACIL) which has earnings before interest, tax, depreciation and amortisation, calculated on the same basis as EBITDA, representing 5 per cent. or more of EBITDA which shall be determined by reference to the most recent Compliance Certificate supplied by the Holdco Group Agent and/or the latest audited financial statements of that Subsidiary (consolidated in the case of a Subsidiary which itself has Subsidiaries) and the latest audited consolidated financial statements of the Holdco Group. However, if a Subsidiary has been acquired since the date as at which the latest audited consolidated financial statements of the Holdco Group were prepared, the financial statements shall be deemed to be adjusted in order to take into account the acquisition of that Subsidiary (that adjustment being certified by the Holdco Group's auditors as representing an accurate reflection of the revised EBITDA). A report by the auditors of Holdco that a Subsidiary is or is not a Material Company shall, in the absence of manifest error, be conclusive and binding on all parties; and

(b) any member of the Holdco Group to which a Material Company disposes all or any substantial part of its assets.

"**Member**" is a Breakdown Assistance Member or an Insurance Member.

"**Member State**" means a member state of the European Union.

"**MiFID II**" means Directive 2014/65/EU.

"**Minimum Capital Maintenance Spend Amount**" means £7,500,000 per annum, subject to any adjustment in accordance with the CTA, paragraph 12 (Preservation of assets and Minimum Capital Maintenance Spend Amount) of part B (General Covenants) of schedule 2 (Holdco Group Covenants) to the Common Terms Agreement.

"**Minimum Long Term Rating**" means at least a BBB+ rating by S&P or a lower rating provided that any such lower rating would not lead to any downgrade, withdrawal or the placing on "credit watch negative" (or equivalent) of the then current ratings of the Class A Notes.

"**MIPRU**" means the Prudential Sourcebook for Mortgage and House Finance Firms and Insurance Intermediaries of the PRA Handbook and the FCA Handbook.

"**Money Laundering Laws**" means financial recordkeeping and reporting requirements and money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency applicable to a member of the Holdco Group.

"**Net Promoter Score**" is a measure of customer satisfaction calculated based on responses to the question "How likely would you be to recommend RAC to friends or relatives?". The score is the percentage of customers who are promoters (scoring nine or ten) minus the percentage who are detractors (scoring six or lower). This method of measuring customer satisfaction is widely used in the industry.

"**New Class A Global Note**" means a Class A Temporary Bearer Global Note or a Class A Permanent Bearer Global Note, in either case in respect of which the applicable Final Terms indicates is a New Global Note (including, for the avoidance of doubt, both Eurosystem-eligible NGBs and Non-eligible NGBs).

"**New Dealer**" means any entity appointed as an additional Dealer in accordance the Dealership Agreement.

"**New Safekeeping Structure**" or "**NSS**" means a structure where a Class A Note which is registered in the name of a Common Safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Class A Regulation S Global Note will be deposited on or about the Issue Date with the Common Safekeeper for Euroclear and/or Clearstream, Luxembourg.

"**New Shareholder Injections**" means the aggregate amount subscribed for by Topco for ordinary shares issued by Holdco provided that such shares are paid for in full in cash upon issue and which by their terms are not redeemable.

"**NGB**" or "**New Global Note**" means a Class A Temporary Bearer Global Note or a Class A Permanent Bearer Global Note, in either case in respect of which the applicable Final Terms indicates is a New Global Note (including, for the avoidance of doubt, both Eurosystem-eligible NGBs and Non-eligible NGBs).

"**Non-Base Currency**" means a currency other than pounds sterling.

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

"**Note**" means the Class A Notes and, to the extent that Class B Notes are issued, the Class B Notes.

"**Note Acceleration Notice**" means a Class A Note Acceleration Notice and/or, to the extent that Class B Notes are issued, a Class B Note Acceleration Notice.

"**Note Event of Default**" means a Class A Note Event of Default and/or, to the extent that Class B Notes are issued, a Class B Note Event of Default.

"**Note Instructing Group**" means the Issuer in its capacity as the Class A Authorised Credit Provider under any Class A IBLA.

"**Note Trust Deed**" means the Class A Note Trust Deed and/or, to the extent that Class B Notes are issued, any Class B Note Trust Deed as the context requires.

"**Note Trustee**" means the Class A Note Trustee and/or, to the extent that Class B Notes are issued, any Class B Note Trustee as the context requires.

"**Noteholder Instruction Resolution**" means a resolution that must be approved in accordance with the Class A Note Trust Deed which will result in the Secured Creditor Representative of the Issuer under any Class A IBLA having been itself instructed by the Class A Noteholders in the form of a resolution passed in accordance with the Class A Note Trust Deed.

"**Noteholders**" means the Class A Noteholders and, to the extent that Class B Notes are issued, any Class B Noteholders.

"**Notifiable Debt Purchase Transaction**" has the meaning given to it in section "*Description of the Common Documents—Common Terms Agreement—Covenants— General Covenants—Purchase of Notes or Authorised Credit Facilities*".

"**NSIA**" means the National Security and Investment Act 2021, as amended from time to time.

"**Obligor**" means each Original Obligor and such other member of the Holdco Group who accedes as an Additional Obligor to, *inter alia*, the Master Definitions Agreement, the Common Terms Agreement and the STID.

"**Obligor Coverage Test**" has the meaning given to it in section "*Description of the Common Documents—Common Terms Agreement—Covenants—General Covenants—Obligors*".

"**Obligor Discharge Date**" means the date on which all of the Obligor Junior Secured Liabilities have been irrevocably discharged in full.

"**Obligor Junior Secured Creditors**" means the Obligor Secured Creditors to whom Obligor Junior Secured Liabilities are owed.

"**Obligor Junior Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Obligor Secured Creditor under each Junior Finance Document to which such Obligor is a party.

"**Obligor Operating Accounts**" means the bank accounts of the Obligors excluding any Designated Account.

"**Obligor Post-Acceleration Priority of Payments**" means the provisions relating to the order of priority of payments set out in "*Description of the Common Documents—Security Trust and Intercreditor Deed—Quorum and voting requirements in respect of a Loan Notice etc.—Obligor Senior Secured Creditors—Obligor Priority of Payments following the delivery of a Loan Acceleration Notice*" and "*Description of the Common Documents—Security Trust and Intercreditor Deed—Obligor Post-Acceleration Priority of Payments*".

"**Obligor Pre-Acceleration Priority of Payments**" means the provisions relating to the order of priority of payments set out in "*Summary of Common Documents—Security Trust and Intercreditor Deed—Obligor Priority of Payment—Obligor Pre-Acceleration Priority of Payments*".

"**Obligor Priorities of Payments**" means the Obligor Pre-Acceleration Priority of Payments and the Obligor Post- Acceleration Priority of Payments.

"**Obligor Secured Creditors**" means:

(a) the Obligor Security Trustee (in its own capacity and on behalf of the other Obligor Secured Creditors);

(b) the Issuer;

(c) the STF Lenders;

(d) the WCF Lenders;

(e) the WCF Agent;

(f) the STF Agent;

(g) the WCF Arrangers;

(h) the STF Arrangers;

(i) each Borrower Hedge Counterparty;

(j) each Liquidity Facility Provider, each Liquidity Facility Arranger and the Liquidity Facility Agent under the Initial Liquidity Facility Agreement in respect of amounts owed to each of them by the Borrower from time to time;

(k) the Borrower Account Bank;

(l) any replacement Cash Manager who is not a member of the Holdco Group or an Affiliate thereof;

(m) each other Authorised Credit Provider;

(n) any Additional Obligor Secured Creditors; and

(o) any Receiver or delegate of a Receiver or Obligor Secured Creditor;

and "**Obligor Secured Creditor**" means any one of them.

"**Obligor Secured Liabilities**" means the Obligor Senior Secured Liabilities and the Obligor Junior Secured Liabilities.

"**Obligor Secured Property**" means the property, assets, rights and undertaking of each Obligor that are the subject of the Security Interests created in or pursuant to the Obligor Security Documents and includes, for the avoidance of doubt, each Obligor's rights to or interests in any chose in action and each Obligor's rights under the Transaction Documents.

"**Obligor Security**" means the Security Interests created or expressed to be created in favour of the Obligor Security Trustee or any other Obligor Secured Creditor pursuant to the Obligor Security Documents.

"**Obligor Security Agreement**" means the English law governed security agreement dated on or about the Closing Date between, among others, Holdco, the Borrower and the Obligor Security Trustee.

"**Obligor Security Documents**" means:

(a) the Obligor Security Agreement;

(b) the STID and each deed of accession thereto; and

(c) any other document evidencing or creating security over any asset of an Obligor to secure any obligation of any Obligor to an Obligor Secured Creditor in respect of the Obligor Secured Liabilities.

"**Obligor Security Trustee**" means Deutsche Trustee Company Limited or any successor appointed as security trustee pursuant to the STID.

"**Obligor Senior Discharge Date**" means the date on which all of the Obligor Senior Secured Liabilities (excluding Obligor Senior Secured Liabilities for the purpose of paragraph 9 of Part A of the Obligor Pre-Acceleration Priority of Payments (see "*Description of the Common Documents—Security Trust and Intercreditor Deed—Obligor Priority of Payments—Obligor Pre-Acceleration Priority of Payments*") only, constituting Subordinated Liquidity Amounts and Subordinated Hedge Amounts owing by the Borrower and any amounts under the Seventh Facility Fee owing by the Borrower) have been irrevocably discharged in full.

"**Obligor Senior Secured Creditors**" means the Obligor Secured Creditors to whom Obligor Senior Secured Liabilities are owed.

"**Obligor Senior Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Obligor Secured Creditor under each Senior Finance Document to which such Obligor is a party.

"**Obligor STID Proposal**" means:

(a) an Ordinary Voting Matter;

(b) an Extraordinary Voting Matter;

(c) a Direction Notice;

(d) an Enforcement Instruction Notice;

(e) a Further Enforcement Instruction Notice;

(f) a Qualifying Obligor Secured Creditor Instruction Notice;

(g) a NIG LAN Notice;

(h) a proposal giving rise to an Entrenched Right in respect of which the Issuer is an Affected Obligor Secured Creditor;

(i) an instruction required in accordance with the STID; and/or

(j) a request in accordance with the STID to hold a physical meeting of Obligor Secured Creditors.

"**Official List**" means the official list of the Irish Stock Exchange.

"**Offsetting Transaction**" means, in respect of a Treasury Transaction (the "**Primary Transaction**") and the amounts determined pursuant to its terms by reference to a certain rate, measure or price, another Treasury Transaction pursuant to whose terms amounts are determined by reference to the same rate, measure or price, as specified in the Primary Transaction, and which therefore offset all of the amounts determined under the Primary Transaction in whole or in part (where any partial offset results solely from a difference between the Primary Transaction and the Offsetting Transaction in terms of quantum of the calculation amount and/or the quantum of the rate, measure or price specified).

"**Opco**" is RAC Group Limited, a limited liability company incorporated in England and Wales with registered number 00229121.

"**Ordinary STID Resolution**" means a resolution in respect of an Ordinary Voting Matter.

"**Ordinary Voting Matters**" are matters which are not (a) Discretion Matters, (b) matters which are not the subject of an Enforcement Instruction Notice or Further Enforcement Instruction Notice, (c) Extraordinary Voting Matters or (d) Entrenched Rights.

"**Original Financial Statements**" means the audited consolidated financial statements of Holdco for its annual accounting period ended 31 December 2015 and the audited consolidated financial statements of Intermediate Holdco in respect of itself and its subsidiaries for its annual accounting period ended 31 December 2015.

"**Original Obligor**" means:

(a) Holdco;

(b) RAC Limited;

(c) RAC Group Limited;

(d) RAC Motoring Services (Holdings) Limited;

(e) RAC Motoring Services;

(f) Risk Telematics UK Limited

(g) RAC Cars Limited;

(h) RAC Brand Enterprises LLP; and

(i) RAC Financial Services Limited.

"**outstanding**" means:

(a) in relation to the Class A Notes of all or any Sub-Class, all the Class A Notes of such Sub-Class issued other than:

(i) those Class A Notes which have been redeemed in full or purchased, and cancelled, in accordance with Class A Condition 7 ("*Redemption, Purchase and Cancellation*") or otherwise under the Class A Note Trust Deed;

(ii) those Class A Notes in respect of which the date (including, where applicable, any deferred date) for redemption in accordance with the Class A Conditions has occurred and the redemption monies for which (including premium (if any) and all interest payable thereon) have been duly paid to the Class A Note Trustee or to the Class A Principal Paying Agent or the Class A Registrar, as applicable, in the manner provided in the Class A Agency Agreement (and where appropriate notice to that effect has been provided or published in accordance with Class A Condition 16 ("*Notices*")) and remain available for payment against presentation of the relevant Class A Notes and/or Class A Coupons and/or Class A Receipts;

(iii) those Class A Notes which have become void or in respect of which claims have become prescribed, in each case, under Class A Condition 12 ("*Prescription*");

(iv) in the case of Class A Bearer Notes, those mutilated or defaced Class A Notes which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Class A Condition 13 ("*Replacement of Class A Notes, Class A Coupons, Class A Receipts and Class A Talons*");

(v) in the case of Class A Bearer Notes (for the purpose only of ascertaining the Principal Amount Outstanding of the Class A Notes and without prejudice to the status for any other purpose of the relevant Class A Notes) those Class A Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Class A Condition 13 ("*Replacement of Class A Notes, Class A Coupons, Class A Receipts and Class A Talons*");

(vi) the Class A Temporary Bearer Global Notes to the extent that they have been exchanged for Class A Permanent Bearer Global Notes or Class A Definitive Notes pursuant to the provisions contained therein;

(vii) the Class A Permanent Bearer Global Notes that remain in escrow pending exchange of the Class A Temporary Bearer Global Notes therefor, pursuant to the provisions contained therein;

(viii) the Class A Permanent Bearer Global Notes to the extent that they have been exchanged for Class A Bearer Definitive Notes pursuant to the provisions contained therein; and

(ix) the Class A Bearer Notes to the extent that they have been exchanged for Class A Registered Notes pursuant to the provisions contained therein,

provided that for each of the following purposes, namely:

(A) the right to vote on a Class A Voting Matter as envisaged by the Note Trust Deed;

(B) the determination of how many and which Class A Notes are for the time being outstanding for the purposes of the Class A Note Trust Deed and the Class A Conditions*;*

(C) any discretion, power or authority (whether contained in the Class A Note Trust Deed or vested by operation of law) which the Class A Note Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Class A Noteholders or any of them;

(D) the determination by the Class A Note Trustee whether any of the events specified in the Class A Condition 10 (*Class A Note Events of Default*) is materially prejudicial to the interests of the holders of the Class A Notes then outstanding,

those Class A Notes of the relevant Sub-Class (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer, the Borrower or any member of the Holdco Group, in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

(b) to the extent that Class B Notes are issued, in relation to any Class B Notes, all the Class B Notes other than:

(i) those Class B Notes which have been redeemed in full or purchased, and cancelled, in accordance with the relevant Class B Conditions or otherwise under any Class B Note Trust Deed;

(ii) those Class B Notes in respect of which the date (including, where applicable, any deferred date) for redemption in accordance with the relevant Class B Conditions has occurred and the redemption monies for which (including premium (if any) and all interest payable thereon) have been duly paid to the Class B Note Trustee or to the Class B Registrar in the

manner provided in the Agency Agreement (and where appropriate notice to that effect has been provided or published in accordance with the relevant Class B Conditions) and remain available for payment against presentation of any relevant Class B Notes;

(iii) those Class B Notes which have become void or in respect of which claims have become prescribed, in each case, under the relevant Class B Conditions;

(iv) the Principal Amount Outstanding of (and without prejudice to the status for any other purpose of the relevant Class B Notes) those Class B Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to the relevant Class B Conditions,

provided that for each of the following purposes, namely:

(A) the right to vote on a Class B Voting Matter as envisaged by the Class B Note Trust Deed;

(B) the determination of how many and which Class B Notes are for the time being outstanding for the purposes of any Class B Note Trust Deed and the relevant Class B Conditions;

(C) any discretion, power or authority (whether contained in any Class B Note Trust Deed or vested by operation of law) which any Class B Note Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of any Class B Noteholders or any of them;

(D) the determination by any Class B Note Trustee whether any of the events specified in the relevant Class B Conditions is materially prejudicial to the interests of any holders of such Class B Notes then outstanding,

those Class B Notes which are for the time being held by or on behalf of or for the benefit of the Borrower or any other member of the Holdco Group, in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

"**Outstanding Principal Amount**" means:

(a) in respect of each Authorised Credit Facility that is a loan, the principal amount (or the Equivalent Amount) of any drawn amounts that are outstanding or committed under such Authorised Credit Facility;

(b) in respect of each Issuer Hedge Counterparty, the net value (if greater than zero) of all Issuer Hedging Transactions arising under the Issuer Hedging Agreements of such Issuer Hedge Counterparty determined in accordance with the STID;

(c) in respect of each Borrower Hedge Counterparty, the net value (if greater than zero) of all Borrower Hedging Transactions arising under the Borrower Hedging Agreements of such Borrower Hedge Counterparty determined in accordance with the STID; and

(d) in respect of any other Obligor Secured Liabilities, the outstanding principal amount (or the Equivalent Amount) of such debt on such date in accordance with the relevant Finance Document,

on the date on which

(i) the Qualifying Obligor Secured Creditors have been notified of a STID Voting Request, an Enforcement Instruction Notice, a Further Enforcement Instruction Notice, Topco Demand Notice Instruction, a Topco Enforcement Instruction, a Qualifying Obligor Secured Creditor Instruction Notice or a Topco Secured Creditor Instruction Notice (or when the Qualifying Obligor Secured Creditors intend to deliver a Qualifying Obligor Secured Creditor Instruction Notice) or a Direction Notice or as otherwise required pursuant to the STID, as the case may be, all as most recently certified or notified to the Obligor Security Trustee, where applicable, pursuant to the STID or

(ii) the CTA as at the latest practicable date prior to any challenge of a Compliance Certificate.

"**Overhedged Position**" has the meaning given to it in "*Description of the Common Documents—Common Terms Agreement—Hedging Policy*".

"**Overlay Transaction**" means, in respect of a Treasury Transaction (the "**Overlaid Transaction**") and the amounts determined pursuant to its terms by reference to a certain rate, measure or price, another Treasury Transaction pursuant to whose terms some amounts are determined by reference to the same rate, measure or price as specified in the Overlaid Transaction and other amounts are determined by reference to a different rate, measure or price and therefore offset some but not all of the amounts determined under the Overlaid Transaction in whole or in part (where any partial offset results solely from a difference between the Overlaid Transaction and the Overlay Transaction in terms of quantum of the calculation amount and/or the quantum of the rate, measure or price specified).

"**Participating Member State**" means a member state of the European Union that adopts and continues to adopt the euro as its lawful currency under the legislation of the European Union for European Monetary Union.

"**Participating Qualifying Obligor Secured Creditors**" means the Qualifying Obligor Secured Creditors which participate in a vote on any STID Proposal or other matter pursuant to the STID.

"**Participating Topco Secured Creditors**" means the Topco Secured Creditors which participate in a vote on any Topco Proposal or other matter relating to Topco.

"**Partner Member**" is an individual end-user of a B2B breakdown assistance policy purchased from RAC by a Corporate Partner.

"**Patrol Specialists**" are RAC's trained and branded personnel of Patrol Vehicles.

"**Patrol Vehicles**" are RAC's branded roadside assistance vehicles.

"**Party**" means, in relation to a Transaction Document, a party to such Transaction Document.

"**Paying Agents**" means, in relation to all or any of the Class A Notes, the several institutions (including where the context permits the Principal Paying Agents) at their respective specified offices initially appointed as paying agents in relation to such Notes by the Issuer pursuant to the relevant Agency Agreement and/or, if applicable, any Successor paying agents at their respective specified offices in relation to all or any of the Class A Notes as well as additional paying agents appointed under supplemental agency agreements as may be required in any jurisdiction in which Notes may be issued or sold from time to time.

"**Payment**" means, in respect of any liabilities or obligations, a payment, prepayment, repayment, redemption, purchase, voluntary termination, defeasance or discharge of those liabilities or obligations and "**Pay**" has a corresponding meaning.

"**Payment Date**" means, in respect of an Authorised Credit Facility, each date on which a payment is made or is scheduled to be made by an Obligor in respect of any obligations or liability under such Authorised Credit Facility.

"**PCWs**" means price comparison websites.

"**Pensions Liabilities**" means such amounts that are or may be payable by any member of the Holdco Group to the RAC Pension Schemes under law, any agreement relating to the funding of that scheme and any other agreement or instrument.

"**Pensions Regulator**" means the body corporate called the Pensions Regulator established under Part 1 of the Pensions Act 2004.

"**Perfection Requirements**" means the making or procuring of the appropriate registrations, filings and/or notifications of the Obligor Security Documents, the Issuer Deed of Charge and/or Topco Security Documents and for the Security Interests created by them.

"**Permitted Acquisition**" means:

(a) an acquisition by a member of the Holdco Group of an asset sold, leased, transferred or otherwise disposed of by another member of the Holdco Group in circumstances constituting a Permitted Disposal or a Permitted Transaction;

(b) an acquisition of shares or securities pursuant to a Permitted Share Issue or in respect of a Permitted Joint Venture Investment;

(c) an acquisition of securities which are Cash Equivalent Investments;

(d) an acquisition by a member of the Holdco Group other than Holdco of (x) shares or other interests in a limited liability company or a limited liability partnership in circumstances where the relevant member of the Holdco Group has, or will have following such acquisition, more than 50 per cent. of the issued share capital of a limited liability company or membership interests in a limited liability partnership, as the case may be or (y) a business or undertaking (or part of a business or undertaking) carried on as a going concern where in each case (in relation to both (x) and (y)) the following conditions are satisfied and certified as such in a certificate executed by the finance director of Holdco and delivered to the Obligor Security Trustee together with all relevant supporting documentation:

(i) no Trigger Event has occurred and is continuing on the date the sale and purchase agreement for the acquisition is entered into and, as at the date such sale and purchase agreement is entered into, no Trigger Event would occur from the entry into such sale and purchase agreement;

(ii) the acquired company (and its Subsidiaries), business or undertaking, or any interest therein, (the "**Acquisition Target**") is incorporated or established, and carries on its principal business in the United Kingdom and is engaged in a business which is a Permitted Business;

(iii) where the Acquisition Target has negative earnings before interest, tax, depreciation and amortisation for its most recently completed four consecutive financial quarters prior to the date of the acquisition agreement, after taking into account Anticipated Cost Savings on an annualised basis projected as at the date falling 12 months after the proposed acquisition (a "**Negative Earnings Acquisition Target**"), the aggregate of (A) such negative earnings and (B) the total negative earnings (for the four consecutive financial quarters prior to the date of the relevant acquisition agreement taking into account the annualised Anticipated Cost Savings as certified at that time) of all other Negative Earnings Acquisition Targets acquired by the Holdco Group (or any member thereof) in any three year period after the Closing Date, shall not exceed £5,000,000 (Indexed) (or its equivalent);

(iv) the Acquisition Target has no material contingent liabilities which are outside the ordinary course of trading except to the extent (A) reflected in the purchase price agreed with the vendor; (B) indemnified by the relevant vendor; (C) adequate insurance is maintained or (D) funds are held by the relevant member of the Holdco Group in a blocked account for the sole purpose of meeting such liabilities;

(v) Holdco delivers to the Obligor Security Trustee:

(A) any due diligence reports in relation to the Acquisition Target to the extent prepared; and

(B) in the case of any single acquisition (or series of related acquisitions) the Purchase Price (as defined below) of which is equal to or greater than £150,000,000 (or its equivalent) (Indexed), an independent legal due diligence report in relation to the Acquisition Target prepared by appropriately experienced legal advisers and a financial due diligence report in relation to the Acquisition Target prepared by an appropriately experienced accountancy firm (and Holdco shall use best endeavours to provide reliance letters addressed to the Obligor Security Trustee

in respect of such legal and financial due diligence reports addressed to the Obligor Security Trustee);

(vi) any acquisition which takes place after 1 January 2018 is funded solely from Retained Excess Cashflow, a New Shareholder Injection, an Investor Funding Loan and/or Additional Financial Indebtedness;

(vii) the consideration (including associated costs and expenses and any deferred consideration) for the acquisition and any Financial Indebtedness remaining in the Acquisition Target or assumed or settled by a member of the Holdco Group at the date of the acquisition (together the "**Purchase Price**") when aggregated with the Purchase Price for any other acquisition made pursuant to this paragraph (d):

(A) does not exceed:

(1) in the period until the Financial Year ending 31 December 2016, £30,000,000 (or equivalent) (Indexed);

(2) in the Financial Year ending 31 December 2017, £55,000,000 (or equivalent) (indexed),

or in each case such lower amount that results after deducting any amounts comprising Permitted Joint Venture Investments made during the relevant period to the extent such Permitted Joint Venture Investments are not funded solely from the proceeds of Joint Venture Receipts, New Shareholder Injections, Investor Funding Loans, Additional Financial Indebtedness or Retained Excess Cashflow (which Retained Excess Cashflow would otherwise be able to be distributed as a Permitted Payment to any Excluded Group Entity), or

(B) (including for the avoidance of doubt any amount in the periods referred to in sub-paragraphs (A)(I) and (A)(II) above in excess of the relevant threshold referred to therein) is funded solely from the proceeds of New Shareholder Injections, Investor Funding Loans, Additional Financial Indebtedness or Retained Excess Cashflow;

(e) the acquisition of the issued share capital of a limited liability company or limited liability partnership (including by way of formation) which has not traded or incurred any liabilities prior to the date of the acquisition;

(f) any acquisition by a member of the Holdco Group of shares and loan notes of directors and employees, **provided that** the maximum aggregate consideration or principal of all such acquisitions does not exceed £5,000,000 (Indexed) (or its equivalent) in any period of three years after the Closing Date unless such acquisition is funded solely from the proceeds of New Shareholder Injections, Investor Funding Loans or Retained Excess Cashflow (which Retained Excess Cashflow would otherwise be able to be distributed as a Permitted Payment pursuant to paragraph (a) of the definition thereof);

(g) any acquisition pursuant to a Permitted Tax Transaction;

(h) any acquisition required to implement a Permitted Reorganisation;

(i) any acquisition contracted prior to the Closing Date;

(j) any acquisition of shares in a non-wholly owned member of the Holdco Group **provided that** (i) no Trigger Event is subsisting at the time such acquisition agreement is entered into and (ii) such acquisition (x) is funded solely from the proceeds of New Shareholder Injections, Investor Funding Loans and Retained Excess Cashflow or (y) is otherwise funded to the extent contemplated by paragraph (d)(vii)(A) above;

(k) any Debt Purchase Transaction made in accordance with the section "*Description of the Common Documents—Common Terms Agreement—Covenants—General Covenants—Purchase of Notes or Authorised Credit Facilities*"; and

(l) any acquisition to which has received prior written approval in accordance with the amendments and the waivers provisions of the STID.

"**Permitted Business**" means the business of:

(a) roadside assistance;

(b) motoring services;

(c) media and advertising;

(d) insurance broking;

(e) home emergency services;

(f) financial services intermediation; and

(g) activities which are deemed by the directors of the Borrower to be aligned to the brand of the Borrower and/or the strategic objectives of the Holdco Group operating as a whole **provided that** undertaking such activities would not result in a substantial change to the general nature of the business of the Holdco Group as conducted at the Closing Date,

provided that the activities set out in paragraphs (a) to (g) above shall be undertaken solely by entities established in the UK or Ireland and if undertaken outside of the UK and Ireland, by entities established in the UK.

"**Permitted Debt Purchase Party**" means any member of the Holdco Group, each Sponsor and Sponsor Affiliate.

"**Permitted Disposal**" means a Disposal:

(a) of trading stock made by any member of the Holdco Group in the ordinary course of business of the disposing entity;

(b) of any asset (including any shares in a member of the Holdco Group) by a member of the Holdco Group (the "**Disposing Company**") to another member of the Holdco Group (the "**Acquiring Company**"), but only if:

(i) where the Disposing Company is an Obligor and the Acquiring Company is not an Obligor, the Disposal is on arm's length terms and the aggregate net consideration receivable in respect of any such Disposal does not exceed £10,000,000 (Indexed) (or its equivalent) in any period of three years after the Closing Date; and

(ii) where the Disposing Company is an Obligor and the Acquiring Company is an Obligor, if the asset was subject to a Security Interest from the Disposing Company, upon the acquisition it is subject to an equivalent Security Interest given from the Acquiring Company;

(c) of assets (other than shares, businesses, Real Property and Intellectual Property) in exchange for other assets of comparable or superior quality for use in connection with the Permitted Business;

(d) of assets which in each case are obsolete or redundant;

(e) of Cash Equivalent Investments for cash or in exchange for other Cash Equivalent Investments;

(f) constituted by a licence of intellectual property rights permitted under the Common Documents and the Senior Finance Documents;

(g) constituting a Permitted Joint Venture Investment;

(h) arising as a result of any Permitted Security or Permitted Reorganisation;

(i) by a member of Holdco Group compulsorily required by law or regulation having the force of law or any order of any government entity made thereunder and having the force of law **provided that** and to the extent permitted by such law or regulation:

(i) such Disposal is made for fair market value; and

(ii) such Disposal does not have a Material Adverse Effect;

(j) of cash in the ordinary course of trading or not otherwise prohibited under the Common Documents and/or the Senior Finance Documents (including by way of Restricted Payment);

(k) by way of the granting of easements or wayleaves over real property, or any part of them, in the ordinary course of business of the disposing entity;

(l) any disposal which has received prior written approval in accordance with the amendments and the waivers provisions of the STID;

(m) of a Permitted Business (including any shares or membership interest, as applicable, in any member of the Holdco Group that is a subsidiary of the Borrower but excluding RAC Brand Enterprises LLP and any part of the UK roadside assistance business), **provided that** unless a Qualifying Public Offering has occurred prior to the date of completion of the Disposal (in which case the following sub-paragraphs shall not apply):

(i) where the aggregate Disposal Proceeds for that Financial Year are equal to or less than £15,000,000 (or its equivalent) (Indexed), the Disposal Proceeds from that Disposal are committed for reinvestment in a Permitted Business within 12 months of that Disposal and applied in such reinvestment within 18 months of that Disposal or, if not committed within 12 months and/or applied within 18 months, applied in prepayment or defeasance of the Obligor Senior Secured Liabilities;

(ii) to the extent aggregate Disposal Proceeds from that Financial Year from Disposals made pursuant to this paragraph (m) exceed £15,000,000 (Indexed) (or its equivalent) the excess Disposal Proceeds shall be applied promptly in accordance with the relevant Class A Authorised Credit Facility in prepayment or defeasance of the Obligor Senior Secured Liabilities; and

(iii) notwithstanding paragraphs (m)(i) and (ii), where a Trigger Event has occurred and is subsisting all Disposal Proceeds from a Disposal made pursuant to this paragraph (m) shall be applied promptly in accordance with the relevant Class A Authorised Credit Facility in prepayment or defeasance of the Obligor Senior Secured Liabilities;

(n) of shares in any member of Holdco Group which is a dormant company for the purposes of the Companies Act 2006;

(o) which is a Permitted Tax Transaction;

(p) which is a lease or licence of real property in the ordinary course of business;

(q) arising under sale/leaseback arrangements up to a maximum capitalised value of £5,000,000 (Indexed) (or its equivalent) at any time;

(r) any disposal of any Notes or Commitments (or sub-participation relating to a Commitment) acquired pursuant to a Debt Purchase Transaction; and

(s) of any assets that are otherwise permitted to be disposed of pursuant to paragraphs (d) or (m) of this definition to a limited liability special purpose vehicle established to acquire those assets on behalf of the Holdco Group, and the subsequent Disposal of that special purpose vehicle where the assets transferred to that special purpose vehicle are the only material assets thereof.

"**Permitted Financial Indebtedness**" means Financial Indebtedness:

(a) arising under the Transaction Documents including by way of Additional Financial Indebtedness (including, without limitation any Notes issued after the Closing Date) and including any Liquidity Facility;

(b) arising under any Investor Funding Loan or arising under any loan made by a Subordinated Intragroup Creditor to a member of the Holdco Group;

(c) arising under a Permitted Loan or under or in respect of a Permitted Guarantee or as permitted by the CTA (see "*Description of the Common Documents—Common Terms Agreement—Covenants—General Covenants—Treasury Transactions*");

(d) of any person acquired by a member of the Holdco Group after the Closing Date which is incurred under arrangements in existence at the date of acquisition, but not incurred or increased (other than capitalisation pursuant to the terms of that Financial Indebtedness prevailing prior to the acquisition) or having its maturity date extended in contemplation of, or since, that acquisition, and outstanding only for a period of six months following the date of acquisition;

(e) under finance or capital leases of vehicles, plant, equipment or computers, or other assets useful for the business of the Holdco Group, **provided that** the aggregate capital value of all such items so leased under outstanding leases by members of the Holdco Group does not exceed £30,000,000 (Indexed) (or its equivalent) at any time (**provided that** any increases in the capital value of all such items so leased from time to time which are solely attributable to a change in the accounting treatment applicable to the relevant member(s) of the Holdco Group from that which applies at the date of this Agreement to operating leases of the Holdco Group shall not cause this threshold to be exceeded);

(f) arising as a result of daylight exposures of any member of the Holdco Group in respect of net balance transfer arrangements made available on customary terms to members of the Holdco Group by its banks;

(g) arising under sale/leaseback arrangements to the extent such arrangements are permitted under the definition of "Permitted Disposal";

(h) any other Financial Indebtedness approved or consented to in accordance with the amendments and the waivers provisions of the STID; and

(i) not permitted by the preceding paragraphs and the outstanding principal amount of which, when aggregated with the aggregate principal amount guaranteed pursuant to paragraph (p) of the definition of "Permitted Guarantee", does not exceed the greater of £10,000,000 (or its equivalent) (indexed) and 5 per cent. of EBITDA in aggregate for the Holdco Group at any time or following the completion of a Qualifying Public Offering the greater of £35,000,000 (or its equivalent) (indexed) and the relevant percentage of EBITDA where ***relevant percentage*** means the proportion (expressed as a percentage) which £35,000,000 bears to EBITDA for the most recently reported 12 month period prior to completion of the Qualifying Public Offering.

"**Permitted Gross Amount**" has, in relation to the Working Capital Facility Agreement, the meaning given to it in the Working Capital Facility Agreement or, in relation to any other Working Capital Facility Agreement, the meaning given to it in that Working Capital Facility Agreement.

"**Permitted Guarantee**" means:

(a) the endorsement of negotiable instruments in the ordinary course of trade;

(b) any performance or similar bond, guarantee or indemnity or undertaking guaranteeing performance by a member of the Holdco Group under any contract entered into in the ordinary course of business not being Financial Indebtedness (including any such contract entered into in undertaking the Permitted Business);

(c) any guarantee permitted by the CTA (see "Description of the Common Documents— Common Terms Agreement—Covenants—General Covenants—Financial Indebtedness");

(d) any guarantee given in respect of the netting or set off arrangements permitted pursuant to paragraph (c) of the definition of "**Permitted Security**";

(e) any guarantee granted or permitted under the Common Documents and/or the Finance Documents;

(f) any guarantee given by a member of the Holdco Group in relation to an Obligor's obligations **provided that** if the relevant member of the Holdco Group granting the guarantee is not an Obligor it has unconditionally and irrevocably waived its rights of subrogation and to require contribution from such Obligor thereunder or otherwise subordinated such claims under the STID;

(g) any guarantee by an Obligor of leasehold rental obligations of an Obligor (not being in respect of Financial Indebtedness);

(h) any other guarantee approved or consented to in accordance with the amendments and the waivers provisions of the STID;

(i) any indemnity given in the ordinary course of an acquisition or Disposal which is a Permitted Acquisition or Permitted Disposal;

(j) guarantees granted (prior to the relevant acquisition) by persons or undertakings acquired pursuant to a Permitted Acquisition (**provided that** such guarantees are not incurred, increased (other than capitalisation pursuant to the terms of the relevant underlying obligation prevailing prior to the acquisition), or have their maturity date(s) extended in contemplation of, or following, the relevant acquisition) for a period of six months after the date of completion of the relevant acquisition;

(k) any guarantee which, were it an extension of credit, would be permitted under the definition of "Permitted Loan" to the extent that the issuer of the relevant guarantee would have been entitled to make a loan in an equivalent amount under the definition of "Permitted Loan" to the person whose obligations are being guaranteed;

(l) indemnities given in favour of directors and officers of any member of the Holdco Group in respect of liabilities they may incur in discharging their duties as such;

(m) indemnities given to professional advisers and consultants in the ordinary course of business or to the Rating Agency;

(n) any guarantees, indemnities or similar undertakings existing on the date of this Agreement and notified to the Obligor Security Trustee prior to the date of this Agreement;

(o) any indemnity granted to the trustee of any employee share option or unit trust scheme, in each case related to the Holdco Group; and

(p) any guarantee not otherwise permitted under the preceding paragraphs, the outstanding principal amount of which, when aggregated with the aggregate of all loans made under paragraph (j) of the definition of Permitted Financial Indebtedness, does not exceed the greater of £10,000,000 (or its equivalent) (indexed) and 5 per cent. of EBITDA in aggregate for the Holdco Group at any time or following the completion of a Qualifying Public Offering the greater of £35,000,000 (or its equivalent) (indexed) and the relevant percentage of EBITDA where relevant percentage means the proportion (expressed as a percentage) which £35,000,000 bears to EBITDA for the most recently reported 12 month period prior to completion of the Qualifying Public Offering.

"**Permitted Hedge Termination**" means the termination of a Hedging Transaction permitted in accordance with the Hedging Policy.

"**Permitted Joint Venture Investment**" means any investment in any Joint Venture in respect of which no member of the Holdco Group has unlimited liability to contribute funds to the Joint Venture:

provided that, in each case:

(a) the Joint Venture carries on its principal business in the United Kingdom;

(b) the Joint Venture is engaged in a Permitted Business;

(c) either:

(i) the aggregate of all amounts subscribed for shares in, lent to, or invested in all such Joint Ventures by any member of the Holdco Group (each such subscription, loan, investment being a "**Joint Venture Investment**")) does not exceed:

(A) in the period until the Financial Year ending 31 December 2016, £15,000,000 (or equivalent) (indexed);

(B) in the Financial Year ending 31 December 2017, £30,000,000 (or equivalent) (indexed),

or in each case such lower amount that results after deducting any amounts comprising Permitted Acquisitions made under paragraph (d) of the definition of Permitted Acquisition during the relevant period to the extent in excess of (x) £15,000,000 (or equivalent) (indexed) in the period to the Financial Year ending 31 December 2016 and (y) £25,000,000 (or equivalent) (indexed) in the Financial Year ending 31 December 2017 and to the extent that such Permitted Acquisitions were not funded by New Shareholder Injections, Investor Funding Loans, Additional Financial Indebtedness or Retained Excess Cashflow;

(ii) (including for the avoidance of doubt any Joint Venture Investment in the periods referred to in sub-paragraphs (A) and (B) above in excess of the relevant threshold referred to therein) the Joint Venture Investment is funded solely from the proceeds of New Shareholder Injections, Investor Funding Loans, Additional Financial Indebtedness or Retained Excess Cashflow; and

(d) no Trigger Event has occurred and is continuing or would result from such investment.

"**Permitted Loan**" means:

(a) any trade credit extended by any member of the Holdco Group to its customers, tenants or licensees, on normal commercial terms and in the ordinary course of trade;

(b) a loan that is a Permitted Joint Venture Investment;

(c) a loan made by (i) an Obligor to another Obligor or (ii) a member of the Holdco Group which is not an Obligor to a member of the Holdco Group (**provided that** any such loan from a member of the Holdco Group that is not an Obligor to an Obligor is subordinated pursuant to the STID);

(d) any loan made by an Obligor to a member of the Holdco Group which is not an Obligor so long as the aggregate amount of the Financial Indebtedness under any such loans does not exceed £15,000,000 (Indexed) (or its equivalent) at any time or **provided that** no Trigger Event has occurred or is continuing at the time of the relevant loan or would result from the making of that loan, such loan is funded solely from the proceeds of New Shareholder Injections, Investor Funding Loans or Retained Excess Cashflow;

(e) a loan made by a member of the Holdco Group to an employee or director of any member of the Holdco Group, or a loan to a trust or special purpose vehicle to fund the acquisition of shares and loan notes of directors and employees whose appointment and/or contract is terminated, or any employee share scheme or unit trust scheme, if the principal amount of that loan (when aggregated with the amount of all other loans made pursuant to this paragraph by members of the Holdco Group) does not exceed £5,000,000 (Indexed) (or its equivalent) at any time or is made on a cashless basis or **provided that** no Trigger Event has occurred or is continuing at the time of the relevant loan or would result from the making of that loan, such loan is funded using proceeds of New Shareholder Injections, Investor Funding Loans or Retained Excess Cashflows;

(f) any loan made by a member of the Holdco Group to an Excluded Group Entity which is permitted to be made under the CTA;

(g) any loans existing on the Closing Date and notified to the Obligor Security Trustee prior to the Closing Date;

(h) loans made in the ordinary course of intra-Holdco Group cash pooling arrangements maintained in a manner consistent with those operated at the Closing Date;

(i) any loans described in a structure memorandum dated on or about 6 May 2016 by the tax advisers to the Holdco Group;

(j) any deferred consideration in respect of a Permitted Disposal in an amount not exceeding the lower of £5,000,000 (Indexed) (or its equivalent) and 20 per cent. of the sale consideration;

(k) any other loans or grant of credit approved or consented to in accordance with the amendments and the waivers provisions of the STID;

(l) any loan from the Borrower to the Issuer funded from Retained Excess Cashflow, Additional Financial Indebtedness, New Shareholder Injection or Investor Funding Loan for the purpose of crediting the Issuer Debt Service Reserve Account for the purposes of satisfying the minimum liquidity requirements set out in the CTA; and

(m) any loan not permitted pursuant to one of the proceeding paragraphs so long as the aggregate amount of the Financial Indebtedness under any such loans does not exceed £15,000,000 (Indexed) (or its equivalent) at any time or **provided that** no Trigger Event has occurred or is continuing at the time of the relevant loan or would result from the making of that loan, such loan funded from New Shareholder Injections, Investor Funding Loans or Retained Excess Cashflow.

"**Permitted Payment**" means any payment:

(a) to any Excluded Group Entity made on or before 31 December 2016 **provided that**:

(i) no CTA Default has occurred and is continuing at the time the payment is made or would directly result from the making of such payment;

(ii) no Trigger Event has occurred and is subsisting or would directly result from the making of such payment;

(iii) the aggregate value of all payments made under this paragraph (a) does not exceed £40,000,000;

(b) to any Excluded Group Entity made after 31 December 2016 **provided that**:

(i) no CTA Default has occurred and is continuing at the time the payment is made or would directly result from the making of such payment;

(ii) no Trigger Event has occurred and is subsisting or would directly result from the making of such payment;

(iii) the payment is funded from:

(A) Additional Financial Indebtedness; or

(B) Retained Excess Cashflow;

(c) under any Class B Authorised Credit Facility **provided that**:

(i) it is a Payment of interest;

(A) as permitted and in accordance with "*Description of the Common Documents—Security Trust and Intercreditor Deed—Obligor Priorities of Payment—the Obligor Pre-Acceleration Priority of Payments*" and "*Description of the Common Documents—Security Trust and Intercreditor Deed—Obligor Post-Acceleration Priority of Payments*"; or

(B) funded from a New Shareholder Injection and/or an Investor Funding Loan; or

(ii) no Trigger Event has occurred and is subsisting at the time the payment is made and the payment is funded from:

(A) Additional Financial Indebtedness;

(B) Retained Excess Cashflow;

(C) a New Shareholder Injection; and/or

(D) an Investor Funding Loan; or

(iii) the payment is funded from:

(A) a New Shareholder Injection; or

(B) an Investor Funding Loan;

(d) to any Class A Authorised Credit Provider under any Class A Authorised Credit Facility in accordance with the Common Documents and the Finance Documents; or

(e) referred to in paragraph (f) of Permitted Acquisition or paragraph (e) of Permitted Loan.

"**Permitted Reorganisation**" means:

(a) a reorganisation (including a winding up of a member of the Holdco Group) on a solvent basis, involving the business or assets of, or shares of (or equivalent ownership interests in), any member of the Holdco Group (other than Holdco and or Borrower) where:

(i) no CTA Event of Default is subsisting or would result from the reorganisation;

(ii) all of the business, assets and shares of (or other equivalent ownership in) the relevant member of the Holdco Group continue to be owned directly or indirectly by Holdco in the same or a greater percentage as prior to such reorganisation save for:

(A) the shares of (or equivalent ownership interests in) any member of the Holdco Group which has been merged into another member of the Holdco Group or which has otherwise ceased to exist (including, without limitation, by way of the collapse of a solvent partnership or solvent winding up of a corporate entity) as a result of a reorganisation which is otherwise permitted in accordance with this definition; or

(B) the business, assets and shares of (or equivalent ownership interests in) relevant members of the Holdco Group which cease to be owned:

(I) as a result of a Permitted Disposal or merger permitted under, but subject always to the terms of the Common Documents and the Senior Finance Documents; or

(II) as a result of a cessation of business or solvent winding-up of the relevant member of the Holdco Group in conjunction with a distribution of all or substantially all of its assets remaining after settlement of its liabilities to its immediate shareholder(s) or other persons directly holding equivalent ownership interests in it; or

(III) as a result of a Disposal of shares (or equivalent ownership interests) in a member of the Holdco Group required to comply with applicable laws, **provided that** any such Disposal is limited to the minimum amount required to comply with such applicable laws; and

(iii) the Obligor Secured Creditors (or the Obligor Security Trustee on their behalf) will continue to have the same or substantially equivalent guarantees and security (ignoring for the purpose of assessing such equivalency any security from any entity which has ceased to exist as contemplated in sub-paragraph (I) above) over the same or substantially

equivalent assets and over the shares (or equivalent ownership interests) in the transferee other than over any shares (or equivalent ownership interests) which have ceased to exist as contemplated in sub-paragraph (I) above, in each case to the extent such assets, shares or equivalent ownership interests are not disposed of as permitted under, but subject always to, the terms of the Common Document and the Senior Finance Documents;

provided that, in all cases:

(A) in the case of any transfer of shares, such shares are subject to security in favour of the Obligor Secured Creditors (or the Obligor Security Trustee on their behalf) which is equivalent to any security applicable to such shares immediately prior to such reorganisation;

(B) the Obligor Security Trustee shall receive:

(I) a copy of all relevant corporate authorisations of relevant member of the Holdco Group authorising the reorganisation; and

(II) a copy of any other authorisation or other document, opinion or assurance (including the execution (or re-execution) of any Obligor Security Document) which the Obligor Security Trustee may specify in connection with the entry into and implementation of the reorganisation; and

(b) any other reorganisation involving one or more members of the Holdco Group approved in accordance with the amendments and the waivers provisions of the STID.

"**Permitted Security**" means:

(a) any Security Interest under the Transaction Documents;

(b) any Security Interest or Quasi Security arising by operation of law and in the ordinary course of business and not as a result of any default or omission by any member of the Holdco Group;

(c) any netting or set off arrangement entered into by any member of the Holdco Group with an Acceptable Bank in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Holdco Group but only so long as (i) such arrangement does not permit credit balances of Obligors to be netted or set off against debit balances of members of the Holdco Group which are not Obligors and (ii) such arrangement does not give rise to other Security Interests over the assets of Obligors in support of liabilities of members of the Holdco Group which are not Obligors (except in the case of (i) and (ii), to the extent such netting, set off or Security Interest relates to or is granted in support of, a loan permitted pursuant to paragraph (e) of the definition of "Permitted Loan");

(d) rights of set-off existing in the ordinary course of trading between any member of the Holdco Group and its customers;

(e) any Security Interest or Quasi Security over or affecting any asset acquired by a member of the Holdco Group after the Closing Date if:

(i) the Security Interest or Quasi Security was not created in contemplation of the acquisition of that asset by a member of the Holdco Group;

(ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Holdco Group (other than as a result of capitalisation pursuant to the terms of the relevant secured obligation prevailing prior to the acquisition); and

(iii) the Security Interest or Quasi Security is removed or discharged within six months of the date of acquisition of such asset;

(f) any Security Interest or Quasi Security over or affecting any asset of any company which becomes a member of the Holdco Group after the Closing Date, where the Security Interest or Quasi Security is created prior to the date on which that company becomes a member of the Holdco Group if:

(i) the Security Interest or Quasi Security was not created in contemplation of the acquisition of that company;

(ii) the principal amount secured has not increased in contemplation of or since the acquisition of that company (other than as a result of capitalisation pursuant to the terms of the relevant secured obligation prevailing prior to the acquisition); and

(iii) the Security Interest or Quasi Security is removed or discharged within six months of that company becoming a member of the Holdco Group;

(g) any Security Interest or Quasi Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Holdco Group in the ordinary course of business and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Holdco Group;

(h) any Quasi Security arising as a result of a Disposal which is a Permitted Disposal;

(i) any Security or Quasi Security arising under any escrow arrangements put in place (x) in relation to consideration payable by a member of the Holdco Group in respect of a Permitted Acquisition (y) in relation to any proceeds of Permitted Financial Indebtedness prior to the application of such proceeds or (z) in relation to any refinancing of an Authorised Credit Facility by the Borrower;

(j) any Security Interest or quasi-security arising as a consequence of any finance or capital lease permitted pursuant to (e) of the definition of "Permitted Financial Indebtedness";

(k) any netting or set off arrangement under an ISDA master agreement or schedule thereto entered into by any member of the Holdco Group pursuant to the CTA for the purposes of determining its obligations by reference to its net exposure under that agreement (and for the avoidance of doubt, not as a credit support provider under any such agreement);

(l) any netting or set off arrangement or Quasi Security constituting a Permitted Transaction;

(m) any Security Interest or Quasi Security arising in the ordinary course of trade over documents of title or goods as part of a letter of credit transaction or in respect of other Permitted Financial Indebtedness;

(n) any Security over any rental deposits in respect of any Real Property leased or licensed by a member of the Holdco Group in the ordinary course of business;

(o) any Security over documents of title and goods as part of a documentary credit transaction;

(p) any Security Interest or Quasi Security over bank accounts (other than the Designated Accounts) of a member of the Holdco Group in favour of the account holding bank with whom that member of the Holdco Group maintains a banking relationship in the ordinary course of business and granted as part of that bank's standard terms and conditions;

(q) any Security Interest or Quasi Security approved or consented to in accordance with the amendments and the waivers provisions of the STID;

(r) any Security Interest arising under statute or by operation of law in favour of any government, state or local authority in respect of taxes, assessments or government charges which are being contested by the relevant member of the Holdco Group in good faith and with a reasonable prospect of success;

(s) any Security Interest created in respect of any pre-judgment legal process or any judgment or judicial award relating to security for costs, where the relevant proceedings are being contested in

good faith by the relevant member of the Holdco Group by appropriate procedures and with a reasonable prospect of success;

(t) any Security Interest in respect of the existing Financial Indebtedness provided such Security Interests are discharged in full on the Closing Date;

(u) any Security Interest in respect of which no secured obligations exist **provided that** Holdco shall use all reasonable endeavours to procure that the relevant assets are released from the relevant Security Interest and that applicable forms confirming such release are filed with the Registrar of Companies of England and Wales (or equivalent);

(v) any Security Interest or Quasi-Security granted in favour of the FCA or the Prudential Regulation Authority of the Bank of England as required for regulatory capital purposes;

(w) any Security Interest over shares in or loans to a Joint Venture securing obligations of the Holdco Group in respect of that Joint Venture **provided that** such Security Interest is limited in recourse to the shares in or the loans to that Joint Venture held or made by the relevant member of the Holdco Group; and

(x) any Security Interest or Quasi Security securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security Interest given by any member of the Holdco Group other than any permitted under paragraphs (a) to (w) above) does not exceed the greater of £10,000,000 (or its equivalent) (indexed) and 5 per cent. of EBITDA in aggregate for the Holdco Group at any time or following the completion of a Qualifying Public Offering the greater of £35,000,000 (or its equivalent) (indexed) and the relevant percentage of EBITDA where relevant percentage means the proportion (expressed as a percentage) which £35,000,000 bears to EBITDA for the most recently reported 12 month period prior to completion of the Qualifying Public Offering;

but, in each case other than paragraphs (a) and (b), excluding any such Security Interest or Quasi-Security over any Intellectual Property.

"**Permitted Share Issue**" means:

(a) an issue of shares by Holdco to its immediate Holding Company paid for in full in cash upon issue and which by their terms are not redeemable other than out of cash available for distribution;

(b) any issue of shares by a member of the Holdco Group to another member of the Holdco Group provided that if the shares of the issuer are subject to a Security Interest under the Obligor Security Documents the newly issued shares are made subject to the same Security Interest within 45 days of their issuance;

(c) where the issue is described in a structure memorandum dated on or about 6 May 2016 by the tax advisers to the Holdco Group or constitutes a Permitted Transaction; and

(d) any other issue of shares approved or consented to in accordance with the STID.

"**Permitted Tax Transaction**" means any Group Relief transaction or payment for Group Relief or agreement relating to any tax benefit or relief or any other agreement in relation to tax between any member of the Security Group and any other member of the RAC Group (including, without limitation, (a) any payment in connection with any member of the Security Group's participation in a group payment arrangement under section 59F Taxes Management Act 1970 and (b) any payment in connection with any member of the Security Group's membership of the RAC VAT Group), in each case subject to and in accordance with the Tax Deed of Covenant.

"**Permitted Transaction**" means:

(a) arrangements constituting a Permitted Reorganisation;

(b) where necessary to comply with tax or other legislation, any conversion of Subordinated Intragroup Liabilities into distributable reserves or, if required to so comply, registered share capital, provided that where the Subordinated Intragroup Liabilities were subject to a Security Interest under the

Obligor Security Documents the share capital that Subordinated Intragroup Liability is converted into is subject to the same, or materially similar, Security Interest within 60 days of the conversion;

(c) any intra-group arrangement;

(d) any Permitted Tax Transaction; and

(e) any other transaction approved or consented to by the Obligor Security Trustee in accordance the amendments and the waivers provisions of the STID.

"**Plan**" means any employee pension benefit plan subject to the provisions of Title IV of ERISA or section 412 of the Code or section 302 that is sponsored, maintained or contributed to by any member of the Holdco Group or any ERISA Affiliate.

"**Post FMD ACF**" means a Class A Authorised Credit Facility in respect of which any amount remains outstanding after its Final Maturity Date.

"**Potential Class A Note Event of Default**" means any event which, with the lapse of time and/or the giving of any notice and/or the making of any determination (in each case where the lapse of time and/or giving of notice and/or determination is provided for in the terms of such Class A Note Event of Default, and assuming no intervening remedy), will become a Class A Note Event of Default.

"**Potential Class B Note Event of Default**" means any event which, with the lapse of time and/or the giving of any notice and/or the making of any determination (in each case where the lapse of time and/or giving of notice and/or determination is provided for in the terms of such Class B Note Event of Default, and assuming no intervening remedy), will become a Class B Note Event of Default.

"**Potential CTA Event of Default**" means any event which, with the lapse of time and/or the giving of any notice and/or the making of any determination (in each case where the lapse of time and/or giving of notice and/or determination is provided for in the terms of such CTA Event of Default, and assuming no intervening remedy), will become a CTA Event of Default.

"**PP Note Issuer**" means such member of the Holdco Group which issues PP Notes from time to time.

"**PP Note Purchase Agreement**" means a note purchase agreement pursuant to which the PP Note Issuer issues PP Notes from time to time.

"**PP Note SCR Agreement**" means each secured creditor representative agency deed authorising a party to act, and be named in the relevant accession memorandum, as Secured Creditor Representative for the relevant PP Noteholders.

"**PP Note Secured Creditor Representative**" means any other person who is appointed as Secured Creditor Representative for PP Noteholders and authorised to act as such under a PP Note SCR Agreement.

"**PP Noteholders**" means those institutions which hold PP Notes from time to time.

"**PP Notes**" means any privately placed notes issued by the PP Note Issuer from time to time under and pursuant to a PP Note Purchase Agreement.

"**PPNIBLA**" means any loan agreement entered into between the PP Note Issuer and the Borrower from time to time.

"**PRA**" means Prudential Regulation Authority or any successor from time to time.

"**PRIIPs Regulation**" means Regulation (EU) 1286/2014, as amended, of the European Parliament.

"**Principal Amount Outstanding**" means, in relation to a Note or Sub-Class, the original face value thereof less any repayment of principal made to the holder(s) thereof in respect of such Note or Sub-Class.

"**Principal Paying Agents**" means the Class A Principal Paying Agent and/or the Class B Principal Paying Agent, as the case may be.

"**Programme**" means the £5,000,000,000 multicurrency Note programme established under, or otherwise contemplated in, the Class A Dealership Agreement.

"**Programme Limit**" means £5,000,000,000.

"**Prospectus**" means (a) the prospectus relating to the Class A Notes prepared in connection with the Programme and constituting (in the case of Class A Notes to be listed on a Stock Exchange), to the extent specified in it, a base prospectus for the purposes of Article 8 of the Prospectus Regulation as revised, supplemented or amended from time to time by the Issuer and, in relation to each Sub-Class of Class A Notes, the applicable Final Terms shall be deemed to be included in the Prospectus and (b) any additional standalone or drawdown prospectus that may be prepared by the Borrower and the Issuer from time to time in connection with the issuance of any Sub-Class of Class A Notes.

"**Prospectus Regulation**" means Regulation (EU) 2017/1129 of the European Parliament.

"**Public Offering**" means a listing of all or any part of the share capital of Holdco or any of the holding companies of Holdco on any recognised investment exchange or any other exchange or market in any jurisdiction or country.

"**Qualifying Issuer Creditors**" means (a) prior to the Issuer Senior Discharge Date, the Qualifying Issuer Senior Creditors and (b) on and after the Issuer Senior Discharge Date, the holders of the Class B Notes.

"**Qualifying Issuer Debt**" means (a) prior to the Issuer Senior Discharge Date, the Qualifying Issuer Senior Debt and (b) on and after the Issuer Senior Discharge Date, the Principal Amount Outstanding of the Class B Notes.

"**Qualifying Issuer Senior Creditors**" means the holders of the Class A Notes and each Issuer Hedge Counterparty that is party to an Issuer Hedging Agreement in respect of the Class A Notes.

"**Qualifying Issuer Senior Debt**" means the sum of (a) the Principal Amount Outstanding of the Class A Notes and (b) the mark-to-market value of all transactions arising under Issuer Hedging Agreements in respect of the Class A Notes to the extent that such value represents an amount which would be payable to the relevant Issuer Hedge Counterparties if an early termination date was designated at the relevant date in respect of such transactions as determined by the relevant Issuer Hedge Counterparty in accordance with the Issuer Hedging Agreements, as certified by the relevant Issuer Hedge Counterparty to the Class A Note Trustee

"**Qualifying Obligor Junior Creditors**" means each Obligor Secured Creditor to which Qualifying Obligor Junior Secured Liabilities are owed, acting through its Secured Creditor Representative(s).

"**Qualifying Obligor Junior Secured Liabilities**" means, at any time:

(a) the Outstanding Principal Amount under any Class B IBLA at such time; and

(b) the Outstanding Principal Amount under any other Class B Authorised Credit Facility at such time.

"**Qualifying Obligor Secured Creditor Instruction Notice**" has the meaning given to it in the STID.

"**Qualifying Obligor Secured Creditors**" has the meaning given to it in the STID.

"**Qualifying Obligor Secured Liabilities**" has the meaning given to it in the STID.

"**Qualifying Obligor Senior Creditors**" means each Obligor Secured Creditor to which Qualifying Obligor Senior Secured Liabilities are owed, acting through its Secured Creditor Representative(s) and (b) each Issuer Hedge Counterparty for the purposes of paragraph (c) of the definition of Qualifying Obligor Senior Secured Liabilities.

"**Qualifying Obligor Senior Secured Creditors**" means (a) each Obligor Secured Creditor to which Qualifying Obligor Senior Secured Liabilities are owed, acting through its Secured Creditor Representative(s) and (b) each Issuer Hedge Counterparty for the purposes of paragraph (c) of the definition of "Qualifying Obligor Senior Secured Liabilities".

"**Qualifying Obligor Senior Liabilities**" means, at any time:

(a) the Outstanding Principal Amount under any Class A IBLA at such time;

(b) the Outstanding Principal Amount under each other Class A Authorised Credit Facility (including any PP Note Purchase Agreement where the Borrower is a PP Note Issuer or PPNIBLA constituting a Class A Authorised Credit Facility but excluding any Liquidity Facility Agreement and the Borrower Hedging Agreements) at such time;

(c) subject to Entrenched Rights which apply at all times, in respect of each Issuer Hedge Counterparty and the matters described under the section "*Description of the Common Documents—Security Trust and Intercreditor Deed—Qualifying Obligor Secured Liabilities*" only, the Outstanding Principal Amount under the Issuer Hedging Transactions of that Issuer Hedge Counterparty at such time; and

(d) subject to Entrenched Rights which apply at all times, in respect of each Borrower Hedge Counterparty and the matters described under the section "*Description of the Common Documents—Security Trust and Intercreditor Deed—Qualifying Obligor Secured Liabilities*" only, the Outstanding Principal Amount under the Borrower Hedging Transactions of that Borrower Hedge Counterparty at such time.

"**Qualifying Public Offering**" means a listing of all or any part of the share capital of Holdco or any of the holding companies of Holdco on any recognised investment exchange or any other exchange or market in any jurisdiction or country, **provided that**:

(a) the ratio of Total Net Debt to EBITDA for the most recent Test Period calculated on a pro forma basis to take account of any prepayment of the Obligor Secured Liabilities from the proceeds of such listing and any subsequent offering of securities following such listing, any proceeds that are received directly by a member of the Holdco Group as a consequence of such listing or any subsequent offering of securities, including through the making of a New Shareholder Injection or Investor Funding Loan and to take account any Restricted Payment to be made on or around completion of that listing or subsequent offering of securities, to the extent funded by Cash or Cash Equivalent Investments of the Holdco Group is less than 4.75:1; and

(b) the Rating Agency confirms (taking into account the matters provided for in the finance documents triggered by the occurrence of a Qualifying Public Offering) on or at any time following such listing or subsequent offering of securities, as the case may be, a current rating of the Class A Notes and that current rating is no lower than (i) the rating of the Class A Notes immediately prior to the Rating Agency providing such confirmation and (ii) BBB-(sf).

"**Quasi Security**" means an arrangement or transaction contemplated under sub-paragraph (ii) under the section "*Description of the Common Documents—Common Terms Agreement—Covenants—General Covenants—Negative Pledge*".

"**RAC**" means Holdco and each of its consolidated Subsidiaries.

"**RAC (2003) Pension Scheme**" means the pension scheme known as the RAC (2003) Pension Scheme which was established on 30 June 1971.

"**RAC Group**" means RAC Group (Holdings) Limited and each of its Subsidiaries.

"**RAC Motoring Services**" means the unlimited liability company incorporated in England and Wales with company number 01424399.

"**RAC Pension Schemes**" means the Group Personal Pension Plan 1, the Group Personal Pension Plan 2, the Group Personal Pension Plan 3, the RACMS (Ireland) Limited Retirement Plus Plan and the RAC Unfunded Unapproved Pension Plan.

"**RAC Unfunded Unapproved Pension Plan**" means the unfunded pension scheme known as the RAC Unfunded Unapproved Pension Plan which provides pension benefits on a defined benefit basis (generally related to final salary) for certain individuals.

"**RAC VAT Group**" means the VAT group with value added tax registration number 115 1047 63 of which RAC Motoring Services is the representative member.

"**RACIL**" means RAC Insurance Limited, a limited liability company incorporated in England and Wales with company number 02355834.

"**RACMS (Ireland) Limited Retirement Plus Plan**" means the pension scheme known as the RACMS (Ireland) Limited Retirement Plus Plan which was established on 1 July 1994 and which is governed by a trust deed and rules of the same date (as amended from time to time).

"**Rating Agency**" means S&P and any successor.

"**Rating Confirmation**" in respect of a proposed action means a confirmation in writing by the Rating Agency mandated by the Issuer from time to time (who gives such Ratings Confirmations as a part of their mandate), in respect of each Class or Sub-Class of the relevant Notes, to the effect that the rating on such Class or Sub-Class of Notes would not be reduced below the lower of (a) the Initial Rating of such Notes or (b) the then current credit rating (before the proposed action).

"**Real Property**" means:

(a) any freehold, leasehold or immovable property; and

(b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold or immovable property.

"**Receiver**" means any receiver, manager, receiver and manager or Administrative Receiver who (in the case of an Administrative Receiver) is a qualified person in accordance with the Insolvency Act 1986 and who is appointed:

(a) by the Obligor Security Trustee under the Obligor Security Documents in respect of the whole or any part of the Obligor Security;

(b) by the Issuer Security Trustee under the Issuer Deed of Charge in respect of the whole or any part of the Issuer Security; or

(c) by the Obligor Security Trustee, under the Topco Security Documents in respect of whole or part of the Topco Security.

"**Redemption Amount**" has the meaning given to that term in Class A Condition 21 (*Definitions*).

"**Reference Rate**" means, in respect of:

(a) the Notes, the meaning given thereto or to the term "Compounded Reference Rate" (in each case, if any) in the Class A Conditions or the Class B Conditions (as applicable); and

(b) an Authorised Credit Facility, the meaning given to such term or to the term "Compounded Reference Rate" (if any) in that Authorised Credit Facility.

"**Refinancing Escrow Account**" means an escrow bank account opened by the Issuer (or the Issuer Cash Manager on its behalf) in its name in connection with any refinancing of the Issuer Secured Liabilities from time to time, for the purposes of holding any funds as may be required pending completion of such refinancing.

"**Registered Definitive Note**" means a Class A Registered Definitive Note or, to the extent Class B Notes are issued, a Class B Registered Definitive Note.

"**Registered Note**" means a Class A Registered Note or, to the extent Class B Notes are issued, a Class B Note.

"**Registrars**" means the Class A Registrar and/or, to the extent Class B Notes are issued, the Class B Registrar, as the case may be.

"**Regulation S**" means Regulation S adopted by the Securities and Exchange Commission under the Securities Act.

"**Regulation S Global Note**" means a Class A Regulation S Global Note or, to the extent Class B Notes are issued, a Class B Regulation S Global Note.

"**Regulations**" means (a) in respect of the Class A Notes, the regulations concerning the transfer of Class A Notes as the same may be promulgated from time to time by the Issuer and approved by the Class A Registrar and the Class A Note Trustee (the initial such regulations being set out in the Class A Agency Agreement) and (b) to the extent Class B Notes are issued and in respect of the Class B Notes, the regulations concerning the transfer of Class B Notes as the same may be promulgated from time to time by the Issuer and approved by any Class B Registrar and any Class B Note Trustee (the initial such regulations being set out in any Class B Agency Agreement).

"**Regulator**" means the FCA, PRA or any other person with regulatory, enforcement or supervisory powers in any jurisdiction over any member of the RAC Group.

"**Regulatory Capital Requirements**" means in relation to a Special Regulated Entity the minimum Capital Resources for such Special Regulated Entity which it is required to maintain at a solo or consolidated level under the Regulatory Requirements including pursuant to individual capital guidance given by a Regulator.

"**Regulatory Requirements**" means all applicable legislation, regulations and codes of practice in force from time to time relevant to the performance of duties and obligations that are subject to regulation by a Regulator including, without limitation, FSMA, FCA Rules, PRA Rules and other relevant requirements, rules, regulations, guidance and codes of practice of the FCA and/or PRA.

"**Relevant Debt**" means any principal amount outstanding (without double counting) under the Senior Term Facility Agreements, the Class A Notes, the Class A IBLA, any debt under any other Class A Authorised Credit Facility and any other debt incurred by the Issuer, the Borrower and/or a PP Note Issuer from time to time that bears interest at a floating rate or is denominated in a Foreign Currency and bears interest at a fixed rate and in either case that ranks pari passu with the foregoing debt (other than (i) any Liquidity Facility, (ii) any Hedging Agreement, (iii) any amounts payable to the Issuer by way of the Fifth Facility Fee, (iv) any amounts payable to the Issuer by way of the Sixth Facility Fee and (v) any back-to-back hedge agreement entered into between the Issuer and the Borrower).

"**Relevant Financial Centre**" means, with respect to any Class A Note, the financial centre specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the Relevant Rate is most closely connected as determined by the Class A Agent Bank.

"**Relevant Jurisdiction**" means, in relation to an Obligor:

(a) its jurisdiction of incorporation;

(b) any jurisdiction where any asset subject to or intended to be subject to the Obligor Security Documents to be created by it is situated;

(c) any jurisdiction where it conducts its business; and

(d) the jurisdiction whose laws govern the perfection of any of the Obligor Security Documents entered into by it.

"**Required Sweep Percentage**" means, in respect of a Cash Sweep Payment Date, the percentage of Excess Cashflow (as specified in the relevant Class A Authorised Credit Facility with a then-existing Bank Debt Sweep Period) required to be applied towards prepaying the Outstanding Principal Amount under the relevant Class A Authorised Credit Facility on that Cash Sweep Payment Date, subject to and in accordance with the Obligor Pre-Acceleration Priority of Payments.

"**Requisite Rating**" means a long-term rating from S&P of at least BBB+ or such lower rating level notified in writing by the Issuer to the Issuer Security Trustee which has been affirmed in writing (or in such form as may be permitted by the then current policy of the Rating Agency) by the Rating Agency as a rating level which would not adversely affect the then current rating of the Class A Notes (including any downgrade of the Class A Notes or placing the Class A Notes on credit watch negative (or equivalent) or

withdrawal of the rating of the Class A Notes), and provided that if the Rating Agency refuses or is unwilling to deliver such an affirmation in any instance (for any reason other than related to the rating itself), then the rating level shall be such as would, in the opinion of the Issuer (and where the Rating Agency was prepared to consult with the Issuer this opinion is based on consultation with the Rating Agency), not lead to any downgrade or the placing on credit watch negative (or equivalent) or withdrawal of the then current ratings ascribed to any Class A Notes.

"**Reservations**" means:

(a) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court, the limitation of enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting the rights of creditors;

(b) the time barring of claims under applicable limitation laws (including the Limitation Acts), the possibility that an undertaking to assume liability for or to indemnify a person against non-payment of stamp duty may be void, defences of set off or counterclaim; and

(c) any other general principles which are set out as qualifications as to matters of law in any Opinion.

"**Restricted Cash**" means cash held by any member of the Holdco Group to the extent that depriving such member of the Holdco Group of that cash would cause any authorised person in the Holdco Group to fail to satisfy its Regulatory Capital Requirements.

"**Restricted Payment**" means:

(a) any payment (in cash or in kind) of a dividend, charge, fee or other distribution on or in respect of its shares or share capital (or any class of it), any funds from any of their premium account or any management, advisory, servicing or other fee or any other payment by an Obligor to or to the order of any Excluded Group Entity;

(b) any payment or repayment of interest, principal, fees of other amounts under any Investor Funding Loan or other loan made by a member of the Holdco Group to an Excluded Group Entity; or

(c) any payment of any amount under any Class B Authorised Credit Facility.

"**Restricted Person**" means a person: (a) listed on any Sanctions List; (b) that is, or is part of, a government of a country or territory that is the target of country-wide Sanctions; (c) owned or controlled by, or acting on behalf of or at the direction of, any of the foregoing; (d) located or resident in or organised or incorporated under the laws of a country or territory that is the target of country-wide Sanctions; or (e) otherwise a target of Sanctions.

"**Restricted Transaction**" means:

(a) any Permitted Loan made to RACIL;

(b) any Permitted Guarantee granted in respect of the obligations of RACIL;

(c) any Permitted Disposal made to RACIL; and

(d) any Permitted Share Issue made by RACIL,

if and to the extent that following the entry into such Restricted Transaction the aggregate of:

(i) the nominal amount of all Permitted Loans made to RACIL;

(ii) the aggregate amount guaranteed pursuant to Permitted Guarantees granted in respect of the obligations of RACIL;

(iii) the market value of all assets disposed of pursuant to Permitted Disposals made to RACIL; and

(iv) the aggregate subscription amount for all shares issued pursuant to Permitted Share Issues made by RACIL,

would exceed £15,000,000.

"**Retail Price Index**" means the all items retail prices index for the United Kingdom published by the Office for National Statistics as made available by the Bank of England (at http://www.bankofengland.co.uk/publications/inflationreport/irlatest.htm) or if the retail prices index ceases to exist, such other indexation procedure as the Obligor Security Trustee may approve on recommendation of the Holdco Group Agent.

"**Retained Excess Cashflow**" means, at any time, the cumulative aggregate amount of Excess Cashflow released and made available to the Holdco Group in respect of any Financial Year, to the extent unspent at that time and in determining such cumulative aggregate amount:

(a) Excess Cashflow shall only be included for a Financial Year in which a Bank Debt Sweep Period applies to the extent such Excess Cashflow is released and made available to the Holdco Group in accordance with the Obligor Pre-Acceleration Priority of Payments;

(b) if Excess Cashflow is required to be applied in accordance with paragraph 2, 3 or 4 of the Obligor Pre-Acceleration Priority of Payments set out in the STID. (see "*Description of the Common Documents—Security Trust and Intercreditor Deed—Obligor Priorities of Payment—Obligor Pre-Acceleration Priority of Payments*"), Excess Cashflow shall only be treated as released and available to the Holdco Group to the extent such Excess Cashflow is released and made available to the Holdco Group in accordance with paragraph 2, 3 or 4 of the Obligor Pre-Acceleration Priority of Payments set out in the STID. (see "*Description of the Common Documents—Security Trust and Intercreditor Deed—Obligor Priorities of Payment—Obligor Pre-Acceleration Priority of Payments*");

(c) for so long as Excess Cashflow is not required to be applied in accordance with paragraphs 1, 2, 3 or 4 of the Obligor Pre-Acceleration Priority of Payments set out in the STID. (see "*Description of the Common Documents—Security Trust and Intercreditor Deed—Obligor Priorities of Payment—Obligor Pre-Acceleration Priority of Payments*"), Excess Cashflow shall only be treated as released and available to the Holdco Group on the first day of which the Obligors are permitted to make a Permitted Payment pursuant to the CTA; and

(d) the aggregate amount of all payments made pursuant to paragraph (a) of the definition of Permitted Payment shall be deducted.

"**S&P**" or "**Standard & Poor's**" means Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc. or any successor to its rating business.

"**Sanctioned Country**" means, at any time, a country, region or territory which is subject to a general export, import, financial or investment embargo under any Sanctions.

"**Sanctions**" means any trade, financial or economic sanctions laws, regulations, embargoes or similar or equivalent restrictive measures administered, enacted or enforced by: (i) the United States government; (ii) the United Nations; (iii) the European Union; (iv) the United Kingdom; (v) the member states of the European Union; or (vi) the respective governmental institutions and agencies of any of the foregoing, including, the Office of Foreign Assets Control of the U.S. Department of Treasury ("**OFAC**"), the United States Department of State and HM Treasury (together "**Sanctions Authorities**").

"**Sanctions List**" means the "Specially Designated Nationals and Blocked Persons" list, the "Sectoral Sanctions Identifications List" and the "List of Foreign Sanctions Evaders" issued by OFAC, the Consolidated List of Financial Sanctions Targets and the "Ukraine: list of persons subject to restrictive measures in view of Russia's actions destabilising the situation in Ukraine" issued by HM Treasury, or any similar list issued or maintained or made public by any of the Sanctions Authorities, each as amended, supplemented or substituted from time to time.

"**Second Facility Fee**" means the ongoing facility fee payable by the Borrower to the Issuer equal to:

(a) before a Note Acceleration Notice has been given, all amounts due and payable by the Issuer under paragraph 2 of the Issuer Pre-Acceleration Priority of Payments; and

(b) after a Note Acceleration Notice has been given, all amounts due and payable by the Issuer under paragraph (b) of the Issuer Post-Acceleration Priority of Payments,

as applicable and as the context may so require.

"**Secured Creditor Representative**" means the representative(s) of an Obligor Secured Creditor (as applicable) or Topco Secured Creditor appointed in accordance with the STID.

"**Secured Creditors**" means the Obligor Secured Creditors and the Issuer Secured Creditors.

"**Secured Intellectual Property**" means, other than certain excluded intellectual property set out in the Obligor Security Agreement, (i) the registered Intellectual Property set out in the Obligor Security Agreement and any Intellectual Property in those rights, and (ii) any other Intellectual Property which is owned by an Obligor and which is required to conduct the business of the Obligors or any part of it.

"**Securities Act**" means the United States Securities Act of 1933.

"**Security Group**" means the Issuer, Topco and each member of the Holdco Group.

"**Security Interest**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Semi-Annual Financial Statements**" means the semi-annual financial statements delivered pursuant to paragraph (a)(ii) and (v), (b) and/or (c)(ii) of the section "*Description of the Common Documents—Common Terms Agreement—Covenants—Information Covenants—Financial Statements*".

"**Senior Finance Document**" means:

(a) any Class A IBLA;

(b) any STF Finance Documents;

(c) any WCF Finance Documents;

(d) the Initial Liquidity Facility Agreement;

(e) the Borrower Hedging Agreements;

(f) any other Class A Authorised Credit Facility;

(g) (i) any fee letter, commitment letter, arrangement letter, or request entered into in connection with the facilities referred to in paragraphs (a), (c), (d), (f) above or the transactions contemplated in such facilities and (ii) any other document that has been entered into in connection with such facilities or the transactions contemplated thereby that has been designated as a Senior Finance Document by the parties thereto (including at least one Obligor);

(h) each agreement or other instrument designated as a Senior Finance Document by the Holdco Group Agent, the Obligor Security Trustee and, if applicable, such additional Obligor Secured Creditor in the accession memorandum for such additional Obligor Secured Creditor; and

(i) any amendment and/or restatement agreement relating to any of the above documents.

"**Senior Finance Party**" means a Class A Authorised Credit Provider or any other person which is a Finance Party under a Class A Authorised Credit Facility.

"**Senior Term Facility Agreements**" means the 2020 Senior Term Facility Agreement, the 2021 Senior Term Facilities Agreement and the 2022 Senior Term Facility Agreement.

"**Seventh Facility Fee**" means the ongoing facility fee payable by the Borrower to the Issuer equal to:

(a) before a Note Acceleration Notice has been given, all amounts due and payable by the Issuer under paragraph 9 of the Issuer Pre-Acceleration Priority of Payments; and

(b) after a Note Acceleration Notice has been given, all amounts due and payable by the Issuer under paragraph (g) of the Issuer Post-Acceleration Priority of Payments,

as applicable and as the context may so require.

"**Share Enforcement Event**" means the events set forth in any Class B IBLA which permit the Obligor Security Trustee acting upon the instructions of the Topco Secured Creditors under and in accordance with the STID, to enforce the Topco Payment Undertaking and the Topco Security Documents.

"**Shortfall**" means, in the event that any amounts are paid to the Class A Note Trustee or Class B Note Trustee (as the case may be) in the winding-up of the Issuer in respect of the claims of the Noteholders, the Class A Receiptholders and the Class A Couponholders without them being paid in full, the amount by which the aggregate amount paid or distributed by the liquidator in the winding-up of the Issuer is less than the amount due to the Noteholders, the Class A Receiptholders and the Class A Couponholders.

"**Sixth Facility Fee**" means the ongoing facility fee payable by the Borrower to the Issuer equal to:

(a) before a Note Acceleration Notice has been given, all amounts due and payable by the Issuer under paragraph 6(a) of the Issuer Pre-Acceleration Priority of Payments; and

(b) after a Note Acceleration Notice has been given, all amounts due and payable by the Issuer under paragraph (e)(ii) of the Issuer Post-Acceleration Priority of Payments,

as applicable and as the context may so require.

"**SME**" refers to RAC's small and medium enterprise customers.

"**SONIA**" means the Sterling Over-night Index Average reference rate.

"**Special Regulated Entity**" means any of RAC Insurance Limited, RAC Motoring Services and RAC Financial Services Limited.

"**Specified Currency**" means, subject to any applicable legal or regulatory restrictions, euro, sterling, U.S. dollars and such other currency or currencies as may be agreed from time to time by the Issuer, the relevant Dealer, the Class A Principal Paying Agent and the Class A Note Trustee and specified in the applicable Final Terms.

"**Specified Denomination**" means in respect of a Sub-Class of Notes, the denomination or denominations of such Class A Notes specified in the applicable Final Terms.

"**Specified Office**" means, in relation to any Agent, either the office identified with its name in the relevant Final Terms or any other office notified to any relevant parties pursuant to any Agency Agreement.

"**Sponsor Affiliate**" means:

(a) any funds or limited partnerships advised by affiliates of CVC Capital Partners Limited;

(b) Sphinx Investment Pte Ltd and any funds or entities managed or advised by GIC Special Investments Pte Ltd; and

(c) any other person who, pursuant to an agreement or understanding (whether formal or informal) with a party under paragraphs (a) or (b) above or any other person who is the beneficial owner of equity (directly or indirectly) in Holdco, actively co-operates with such party to enter into a Debt Purchase Transaction,

provided that: in each case:

(i) Gamstar Pte Ltd;

(ii) CVC Capital Partners Credit Partners Limited and any other trust, fund or other entity which has been established primarily for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled by CVC Capital Partners Credit Partners Limited (or any of its respective direct or indirect subsidiaries which conduct the same or similar business as CVC Capital Partners Credit Partners Limited) independently from all other trusts, funds or other entities managed or controlled by a Sponsor or any of their Affiliates which have been established for the primary or main purpose of investing in the share capital of companies; or

(iii) any other trust, fund or other entity which is primarily engaged in making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by a Sponsor or any other person who is the beneficial owner of equity (directly or indirectly) in Holdco,

shall not constitute a Sponsor Affiliate.

"**Sponsors**" means:

(a) any funds or limited partnerships advised by affiliates of CVC Capital Partners Limited or any investors in such funds or limited partnerships (but excluding any portfolio companies in which such funds or limited partnerships hold an investment and excluding CVC Capital Partners Credit Partners Limited and its direct or indirect Subsidiaries and any funds or entities managed or advised by them) from time to time; and/or

(b) Sphinx Investment Pte Ltd and any funds or entities managed or advised by GIC Special Investments Pte Ltd.

"**Standby Drawing**" means a drawing under any Liquidity Facility Agreement as a result of a downgrade of a Liquidity Facility Provider below the Requisite Rating or in the event that a Liquidity Facility Provider fails to renew its commitment under a Liquidity Facility Agreement.

"**Step-Up Commitment Fee**" means the per annum rate set out in the LF Fee Letter as being the step-up commitment fee applicable to the Liquidity Facility Agreement.

"**Step-Up Floating Fee Rate**" has the meaning given to it in the relevant Final Terms.

"**Step-Up Margin**" means any step-up in the Margin of a Liquidity Facility pursuant to the relevant Liquidity Facility Agreement.

"**Sterling**" and "**£**" means the lawful currency for the time being of the U.K.

"**STF Facility**" or "**Senior Term Facility**" means the facility made available under the Senior Term Facility Agreements.

"**STID**" means the security trust and intercreditor deed between, amongst others, the Issuer, the Borrower, the Original Obligors, the Obligor Security Trustee, each Note Trustee and the Issuer Security Trustee entered into on 6 May 2016 (as amended and/or restated from time to time).

"**STID Proposal**" means a proposal or request made by the Holdco Group Agent in accordance with the STID proposing or requesting the Obligor Security Trustee to concur in making any modification, giving any consent or granting any waiver under or in respect of any Common Document.

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

"**Sub-Class**" means, with respect to any Class of Notes, those Class A Notes which are identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Price, such Sub-Class comprising one or more Sub-Classes of the relevant Class of Notes.

"**Subordinated Hedge Amounts**" means any termination payment due or overdue to:

(a) a Borrower Hedge Counterparty under any Borrower Hedging Agreement; or

(b) an Issuer Hedge Counterparty under any Issuer Hedging Agreement,

which arises as a result of the occurrence of an Event of Default (as defined in the relevant Hedging Agreement) where the relevant Hedge Counterparty is the Defaulting Party (as defined in the relevant Hedging Agreement).

"**Subordinated Increased Costs Amounts**" means in relation to any Class A Authorised Credit Facility the aggregate amount of:

(a) the amount of any increased costs (howsoever described) required to be paid under that Class A Authorised Credit Facility due to:

(i) the introduction of or any changes in (or in the interpretation, administration or application of) any law or regulation; or

(ii) compliance with any law or regulation,

in each case made after the date of that Class A Authorised Credit Agreement; and

(b) the amount by which the deemed Reference Rate or EURIBOR (as applicable) of a Class A Authorised Credit Provider under such Class A Authorised Credit Facility which results from a market disruption event (howsoever described in such Class A Authorised Credit Facility) exceeds Reference Rate or EURIBOR (as applicable) fixed for the last preceding loan interest period without recourse to the relevant market disruption provisions (such excess an ***Additional Reference Rate/EURIBOR Payment***),

to the extent that the payment of such increased cost amounts and/or Additional Reference Rate/EURIBOR Payments would (if such payment were to be treated instead as an increase in the applicable Margin under such Class A Authorised Credit Facility) cause the applicable Margin (expressed as a percentage rate per annum) to exceed 3.00 per cent.

"**Subordinated Intragroup Creditor**" means the Borrower, Holdco, each other Obligor and any other member of the Holdco Group which is a party or accedes to the STID as a Subordinated Intragroup Creditor.

"**Subordinated Intragroup Liabilities**" means all present and future liabilities at any time of any Obligor to a Subordinated Intragroup Creditor in respect of any Financial Indebtedness.

"**Subordinated Investor**" means each Investor which is party, or accedes, to the STID as a Subordinated Investor.

"**Subordinated Investor Liabilities**" means all present and future liabilities at any time of an Obligor to a Subordinated Investor, in respect of any Investor Debt.

"**Subordinated Liquidity Amount**" means the proportion of any amount of interest payable in respect of any Liquidity Drawing which is attributable to the Step-Up Margin and Step-Up Commitment Fee.

"**Subordinated Step-up Fee Amount**" means, in respect of a Sub-Class of Floating Rate Class A Notes, the Step-Up Floating Fee Rate.

"**Subscription Agreement**" means an agreement supplemental to the Dealership Agreement (by whatever name called) substantially in the form set out in the Dealership Agreement or in such other form as may be agreed between, among others, the Issuer and the Lead Manager or one or more Dealers (as the case may be).

"**Subsidiary**" means:

(a) a subsidiary within the meaning of section 1159 (and Schedule 6) of the Companies Act 2006; and

(b) unless the context otherwise requires, a "Subsidiary Undertaking" within the meaning of section 1162 (and Schedule 7) of the Companies Act 2006,

provided that, for the purposes of the Common Documents the Issuer shall not be considered to be a subsidiary of Holdco or any member of the Holdco Group.

"**Substitute Liquidity Facility Agreement**" has the meaning given to it in the relevant Liquidity Facility Agreement.

"**Successor**" means, in relation to the Principal Paying Agents, the other Paying Agents, the Registrars, the Transfer Agents and the Class A Agent Bank, any successor to any one or more of them in relation to the Notes of the relevant Class which shall become such pursuant to the provisions of the Class A Note Trust Deed, any Class B Note Trust Deed, the Class A Agency Agreement and/or any Class B Agency Agreement (as the case may be) and/or such other or further principal paying agent, paying agents, registrar, transfer agent and agent bank (as the case may be) in relation to the Notes as may from time to time be appointed as such, and/or, if applicable, such other or further specified offices (in the case of the Principal Paying Agents and the Registrars being within the same city as the office(s) for which it is substituted) as may from time to time be nominated, in each case by the Issuer and the Obligors, and (except in the case of the initial appointments and specified offices made under and specified in the Class A Conditions, the relevant Class B Conditions, the Class A Agency Agreement and/or any Class B Agency Agreement, as the case may be) notice of whose appointment or, as the case may be, nomination has been given to the Noteholders.

"**Successor Issuer Cash Manager**" means any successor to the Cash Manager in relation to the Class A Notes which shall from time to time be appointed pursuant to the Issuer Cash Management Agreement.

"**TARGET Settlement Day**" means any day on which the TARGET2 is open for the settlement of payments in euro.

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest) and **Taxes, taxation, taxable** and comparable expressions will be construed accordingly.

"**Tax Authority**" means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function, including HMRC.

"**Tax Deed of Covenant**" means the deed to be entered into on or about the Closing Date by (among others) the relevant Obligors, the Issuer, the Obligor Security Trustee and the Issuer Security Trustee regulating certain tax related issues including, but not limited to, group payment arrangements, VAT tax grouping, tax de-grouping and Group Relief.

"TDC Breach" has the meaning given to it in the Tax Deed of Covenant.

"**Test Date**" means 31 December 2016 and thereafter 31 December and 30 June in each year or such other dates as may be agreed as a result of a change in Accounting Reference Date (and associated change in the calculation of financial covenants) relating to any Obligor and the Holdco Group.

"**Test Period**" means the 12 month period ending on a Test Date.

"**Third Facility Fee**" means the ongoing facility fee payable by the Borrower to the Issuer equal to:

(a) before a Note Acceleration Notice has been given, all amounts due and payable by the Issuer under paragraph 3 of the Issuer Pre-Acceleration Priority of Payments; and

(b) after a Note Acceleration Notice has been given, there shall be no Third Facility Fee payable,

as applicable and as the context may so require.

"**Topco**" means RAC Midco II Limited, a limited liability company registered in England and Wales with registered number 09229775.

"**Topco Enforcement Instruction**" means an instruction provided by the Topco Secured Creditors (through their Secured Creditor Representatives) as to whether and/or how the Obligor Security Trustee should enforce the Topco Security, on the terms and subject to the conditions of the Topco Transaction Documents.

"**Topco Fixed Security**" means first-ranking fixed security by way of legal mortgage (to take effect in equity pending the delivery of a Topco Enforcement Instruction) over the entire issued share capital of Holdco that is owned by Topco and by way of a fixed charge in respect of such shares and any loans from Topco to any of its subsidiaries and by way of assignment of its rights under the loans from Topco to any of its subsidiaries.

"**Topco Payment Undertaking**" means any English law deed of undertaking entered into from time to time following the entry by the Borrower into a Class B Authorised Credit Facility between Topco, the Issuer and the Obligor Security Trustee in respect of payment obligations of Topco to the Topco Secured Creditors.

"**Topco Secured Creditor**" means:

(c) the Obligor Security Trustee;

(d) the Issuer;

(e) each other Class B Authorised Credit Provider;

(f) any Receiver or Administrative Receiver appointed by the Obligor Security Trustee in respect of the Topco Security; and

(g) each Facility Agent under any Class B Authorised Credit Facility,

or any of them, as applicable and as the context may so require.

"**Topco Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent) of Topco to any Topco Secured Creditor any Topco Payment Undertaking.

"**Topco Secured Property**" means the whole of the right, title, benefit and interest of Topco in the property, rights and assets of Topco secured by or pursuant to the Topco Security.

"**Topco Security**" means the Security Interests constituted by the Topco Security Documents.

"**Topco Security Agreement**" means any English law security agreement entered into from time to time between Topco and the Obligor Security Trustee securing obligations owed by Topco to the Topco Secured Creditors.

"**Topco Security Documents**" means:

(a) any Topco Security Agreement;

(b) any document evidencing or creating security over any asset of Topco to secure any obligation of Topco to a Topco Secured Creditor in respect of any Topco Secured Liabilities; and

(c) any other document or agreement designated as a "Topco Security Document" by Topco, the Issuer and the Obligor Security Trustee,

or any of them, as applicable and as the context may so require.

"**Topco Transaction Documents**" means:

(a) any Topco Payment Undertaking;

(b) any Topco Security Documents; and

(c) any other document or agreement designated as a "**Topco Transaction Document**" by a Class B Authorised Credit Provider and the Obligor Security Trustee,

or any of them, as applicable and as the context may so require.

"**Total Class A Net Debt**" means, at any time, the aggregate amount of all obligations of members of the Holdco Group for or in respect of Financial Indebtedness incurred in connection with the Class A IBLA, the STF Facilities, the Working Capital Facility, the Liquidity Facility and any other Obligor Senior Secured Liabilities that ranks *pari passu* with, or senior to, the Class A IBLA, the STF Facilities, the Working Capital Facility and the Liquidity Facility (to the extent that it remains undrawn at that time) at that time but:

(a) excluding any such obligations to any other member of the Holdco Group;

(b) deducting the aggregate amount of Cash and Cash Equivalent Investments held by any member of the Holdco Group at that time (including any amounts on deposit in any of the Designated Accounts (other than any Liquidity Facility Standby Account)); and

(c) excluding any liabilities under any Hedging Agreements or under any transaction permitted under the CTA,

and so that no amount shall be included or excluded more than once.

"**Total Debt Service Charges**" means, in respect of any relevant period, the amount equal to:

(a) the aggregate of:

(i) any accrued interest (whether paid or not or capitalised) and scheduled amortisation of principal (whether paid or not) payable by any member of the Holdco Group in respect of any Financial Indebtedness incurred by any member of the Holdco Group (excluding in the case of any non-fully amortising facility, any principal amount falling due on the Final Maturity Date under that Class A Authorised Credit Facility, Class B Authorised Credit Facility); and

(ii) any recurring fees, commission, costs, discounts, premiums, charges or any other finance payments payable by any member of the Holdco Group in respect of any Financial Indebtedness incurred by any member of the Holdco Group, in each case disregarding any amount not permitted to be paid pursuant to the Common Documents or funded using the proceeds of any New Shareholder Injection or Investor Funding Loan; less

(b) any interest received on any bank accounts or in respect of Cash Equivalent Investments by any member of the Holdco Group during such relevant period.

"**Total Net Debt**" means, at any time, the aggregate amount of all obligations of members of the Holdco Group for or in respect of Financial Indebtedness (other than any Standby Drawing (to the extent that it remains undrawn at that time)) at that time but:

(a) excluding any such obligations to any other member of the Holdco Group;

(b) deducting the aggregate amount of Cash and Cash Equivalent Investments held by any member of the Holdco Group at that time (including any amounts on deposit in any of the Designated Accounts (other than any Liquidity Facility Standby Account));

(c) excluding any such obligations under any Investor Funding Loan that is subordinated pursuant to the STID; and

(d) excluding any liabilities under any Hedging Agreements or under any transaction permitted by the CTA,

and so that no amount shall be included or excluded more than once.

"**Transaction Documents**" means:

(a) the Common Documents;

(b) the Finance Documents;

(c) the Issuer Transaction Documents; and

(d) the Topco Transaction Documents.

"**Transfer Agent**" means, in relation to all or any relevant Registered Notes, the several institutions at their respective specified offices initially appointed as transfer agents in relation to such Notes by the Issuer pursuant to the relative Agency Agreement and/or, if applicable, any Successor transfer agents at their respective specified offices in relation to all or any Registered Notes.

"**Transition Services**" means the provision by Enterprise of its reasonable assistance in relation to the transition of the services to a replacement supplier.

"**Treasury Transaction**" means any currency or interest rate purchase, cap or collar agreement, forward rate agreement, interest rate agreement, index linked agreement, interest rate or currency or future or option contract, foreign exchange or currency purchase or sale agreement, interest rate swap, currency swap, commodity swap or combined similar agreement or any derivative transaction protecting against or benefiting from fluctuations in any rate or price.

"**Trigger Event**" means any event described in the Common Terms Agreement.

"**Trigger Event Consequences**" means any of the consequences of a Trigger Event identified in the Common Terms Agreement.

"**Trigger Event Ratio Level**" means 1.35:1.00.

"**U.S.**" means the United States of America.

"**U.S. dollars**", "**U.S.D**" or "**$**" means the lawful currency for the time being of the U.S.

"**U.S. GAAP**" means the generally accepted accounting practice principles in the U.S.

"**UK**" means the United Kingdom of Great Britain and Northern Ireland.

"**UK Car Parc**" is all vehicles registered for road use in the UK.

"**UK MiFIR**" means Regulation (EU) No 600/2014 of the European Parliament as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

"**UK PRIIPs Regulation**" means Regulation (EU) No 1286/2014 of the European Parliament as it forms part of domestic law by virtue of the EUWA.

"**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 of the European Parliament in relation to the UK, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018).

"**Unused Capital Maintenance Spend Amount**" has the meaning given in the Common Terms Agreement.

"**Utilisation**" means a loan under an Authorised Credit Facility or a Letter of Credit.

"**Utilisation Date**" has the meaning given to it under the relevant Senior Term Facility Agreement.

"**VAT**" (a) in respect of any agreement which contains a definition of VAT, has the meaning given thereto in such agreement; and (b) in any other case, means value added tax as imposed by VATA and legislation and regulations supplemental thereto and includes any other tax of a similar fiscal nature whether imposed in the UK (instead of, or in addition to, value added tax) or elsewhere from time to time.

"**VATA**" means the Value Added Tax Act 1994.

"**Voted Qualifying Obligor Secured Liabilities**" means the Outstanding Principal Amount actually voted by the Qualifying Obligor Secured Creditors.

"**Voting Control Notice**" means a notice served in accordance with the Issuer Deed of Charge by the Issuer Security Trustee on Holdco on or following the delivery of an Issuer Security Enforcement Notice

specifying that control over voting rights in relation to Issuer Shares are to pass to the Issuer Security Trustee.

"**WC Facility**" or "**Working Capital Facility**" means the working capital facility of an aggregate facility amount of up to £50 million made available to the Borrower by the Original WCF Lenders on 6 May 2016 pursuant to the Working Capital Facility Agreement.

"**WCF Agent**" means BNP Paribas.

"**WCF Arrangers**" means Barclays Bank PLC, Banco Santander S.A., London Branch, BNP Paribas Fortis SA/NV, Deutsche Bank Luxembourg S.A., HSBC UK Bank plc, J.P. Morgan Securities plc, Lloyds Bank Corporate Markets plc and National Westminster Bank Plc.

"**WCF Finance Documents**" means the Working Capital Facility Agreement, any ancillary facility documentation, the fee letters in respect of and in relation to the Working Capital Facility Agreement, the Common Documents and any other document designated as such by the WCF Agent and the Holdco Group Agent.

"**WCF Lender**" means:

(a) any Original WCF Lender as defined in the Working Capital Facility Agreement; and

(b) any bank, financial institution, trust, fund or other entity which has become a Party as a WCF Lender,

which in each case has not ceased to be a WCF Lender in accordance with the terms of the WCF Loan.

"**WCF Loan**" means a loan made or to be made under the WC Facility or the principal amount outstanding for the time being of that loan.

"**WCF Parties**" means the parties under the Working Capital Facility.

"**Working Capital**" means the amount equal to the difference between the current assets and the current liabilities as shown in the management accounts to be published at the end of every second Accounting Period (excluding, (a) when determining the amount of current assets, Cash and Cash Equivalent Investments of the Holdco Group and (b), when determining the amount of current liabilities: (i) any amounts in respect of interest costs payable by the Holdco Group; and (ii) any amounts in respect of Capital Expenditure required to be paid or reserved during such period).

"**Working Capital Facility**" means each facility made available to the Borrower for the working capital purposes of the Holdco Group.

"**Working Capital Facility Agreement**" means the Working Capital Facility Agreement and each facility agreement pursuant to which a Working Capital Facility is made available to the Borrowers.

"**XCCY Hedging Transaction**" means, in respect of Relevant Debt denominated in a certain Foreign Currency, a Hedging Transaction entered into by the Borrower or the Issuer and a Hedge Counterparty in respect of currency exchange rate hedging, under which one transaction calculation amount is denominated in such Foreign Currency and the other in Sterling (such that the Borrower or Issuer makes payment in Sterling and receives payments in such Foreign Currency).

"**XCCY Overhedged Position**" has the meaning given to it in the Common Terms Agreement.

INDEX OF DEFINED TERMS

REGISTERED OFFICE OF THE ISSUER

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West Midlands WS5 4AW, UK

REGISTERED OFFICE OF THE OBLIGORS

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West Midlands WS5 4AW, UK

OBLIGOR SECURITY TRUSTEE

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London EC2N 2DB, UK

ISSUER SECURITY TRUSTEE AND CLASS A NOTE TRUSTEE

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London EC2N 2DB, UK

CLASS A AGENT BANK, CLASS A EXCHANGE AGENT AND CLASS A PRINCIPAL PAYING AGENT

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London EC2N 2DB, UK

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To the Obligor Security Trustee, the Issuer Security Trustee and the Class A Note Trustee as to English law

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