

BASE PROSPECTUS



A2DOMINION HOUSING GROUP LIMITED

(incorporated in England as a registered society with limited liability under the Co-operative and Community Benefit Societies Act 2014 with registered number 28985R)

£1,000,000,000

Euro Medium Term Note Programme

Under this £1,000,000,000 Euro Medium Term Note Programme (the **Programme**), A2Dominion Housing Group Limited (the **Issuer**) may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

Notes may be issued in bearer or registered form (respectively **Bearer Notes** and **Registered Notes**). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme (including any Notes which, upon issue, are immediately purchased by the Issuer (**Retained Notes**)) will not exceed £1,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” 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 Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see “Risk Factors”.

Application has been made to the Financial Conduct Authority in its capacity as competent authority (the **UK Listing Authority**) for Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list of the UK Listing Authority (the **Official List**) and to the London Stock Exchange plc (the **London Stock Exchange**) for such Notes to be admitted to trading on the London Stock Exchange's regulated market.

References in this Base Prospectus to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the London Stock Exchange's regulated market and have been admitted to the Official List. The London Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU).

The requirement to publish a prospectus under the Prospectus Directive (as defined under “*Important Information*” below) only applies to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the **EEA**) and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under “*Terms*”

and Conditions of the Notes”) of Notes will be set out in a final terms document (the **Final Terms**) which will be delivered to the UK Listing Authority and, where listed, the London Stock Exchange.

Copies of Final Terms in relation to Notes to be listed on the London Stock Exchange will also be published on the website of the London Stock Exchange through a regulatory information service from time to time.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or any U.S. State securities laws and may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction.

The A2Dominion Group (as defined below) has been rated A+ by Fitch Ratings Ltd (**Fitch**). The Programme has been rated A+ by Fitch. Fitch is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). Notes issued under the Programme may be rated by one or more of Fitch, Moody’s Investors Service Ltd. (**Moody’s**) or Standard & Poor’s Rating Group (**S&P**) or may be unrated. Where a Tranche of Notes (as defined under “*Terms and Conditions of the Notes*”) is rated, such rating will be disclosed in the Final Terms and will not necessarily be the same as the rating assigned to the Programme by Fitch. 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.

Amounts payable under the Notes may be calculated by reference to one or more "benchmarks" (the **Programme Benchmarks**) for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8th June, 2016 (the **Benchmarks Regulation**). In this case, a statement will be included in the applicable Final Terms as to whether or not the relevant administrator of the relevant Programme Benchmark is included in ESMA's register of administrators under Article 36 of the Benchmarks Regulation.

Arranger

Lloyds Bank Corporate Markets

Dealers

**Barclays
HSBC
MUFG**

**BNP PARIBAS
Lloyds Bank Corporate Markets
NatWest Markets**

Santander Corporate & Investment Banking

The date of this Base Prospectus is 14th September, 2018.

IMPORTANT INFORMATION

This Base Prospectus comprises a base prospectus in respect of all Notes issued under the Programme for the purposes of Article 5.4 of the Prospectus Directive. When used in this Base Prospectus, Prospectus Directive means Directive 2003/71/EC (as amended), and includes any relevant implementing measure in a relevant Member State of the EEA.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see “*Documents Incorporated by Reference*”). This Base Prospectus shall be read and construed on the basis that those documents are incorporated and form part of this Base Prospectus.

Neither the Dealers nor the Trustee (as defined below) have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer or the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer or the Trustee to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any of the Dealers or the Trustee.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, any of the Dealers or the Trustee that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention.

PRIIPs / IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the 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 Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the **Insurance Mediation Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II product governance / target market – The Final Terms in respect of any Notes will include a legend entitled "MiFID II product governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the 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 Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Notes is a manufacturer in respect of such 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 Product Governance Rules.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF NOTES GENERALLY

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Dealers and the Trustee do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Dealers or the Trustee which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States and the EEA (including the United Kingdom), see “*Subscription and Sale*”.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

Unless otherwise indicated, the financial information in this Base Prospectus relating to the Issuer has been derived from the audited consolidated financial statements of the Issuer for the financial years ended 31st March, 2017 and 31st March, 2018 (together, the **Financial Statements**).

The Issuer's financial year ends on 31st March, and references in this Base Prospectus to any specific year are to the 12-month period ended on 31st March of such year. The Financial Statements have been prepared in accordance with generally accepted accounting principles in the United Kingdom (**UK GAAP**), which for the A2Dominion Group includes the Cooperative and Community Benefit Societies Act 2014 (and related group accounts regulations), the Housing and Regeneration Act 2008, FRS 102 (*"The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland"*), the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2014 (*"Accounting by registered social housing providers 2014"*) and the Accounting Direction for Private Registered Providers of Social Housing 2015.

Certain Defined Terms and Conventions

Capitalised terms which are used but not defined in any particular section of this Base Prospectus will have the meaning attributed to them in *"Terms and Conditions of the Notes"* or any other section of this Base Prospectus. In addition, the following terms as used in this Base Prospectus have the meanings defined below:

In this Base Prospectus, all references to:

- the **Issuer** are to A2Dominion Housing Group Limited;
- the **A2Dominion Group** are to the Issuer and its subsidiaries taken as a whole;
- **subsidiary** are to a subsidiary within the meaning of section 1159 of the Companies Act 2006 or section 271 of the Housing and Regeneration Act 2008;
- **Sterling** and **£** refer to pounds sterling;
- **euro** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended; and
- **U.S. dollars** and **\$** refer to United States dollars.

References to the singular in this document shall include the plural, and *vice versa*, where the context so requires.

All references to time in the Base Prospectus are to London time (unless specified otherwise).

Certain figures and percentages included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

Some statements in this Base Prospectus may be deemed to be forward looking statements. Forward looking statements include statements concerning the Issuer's plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward looking statements. When used in this Base Prospectus, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should" and any similar expressions generally identify forward looking statements. These forward looking statements appear in a number of sections of this Base Prospectus. The Issuer has based these forward looking statements on the current view of its management with respect to future events and financial performance. Although the Issuer believes that the expectations, estimates and projections reflected in its forward looking statements are reasonable as of the date of this Base Prospectus, if one or more of the risks or uncertainties materialise, including those which the Issuer has otherwise identified in this Base Prospectus, or if any of the Issuer's underlying assumptions prove to be incomplete or inaccurate, the Issuer's actual results of operation may vary from those expected, estimated or predicted.

Any forward looking statements contained in this Base Prospectus speak only as at the date of this Base Prospectus. Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward looking statements contained in it to reflect any change in expectations or any change in events, conditions or circumstances on which any such forward looking statement is based.

CONTENTS

Section	Page
Overview of the Programme	8
Risk Factors	13
Documents Incorporated by Reference	33
Taxation.....	35
Description of the Issuer and the A2Dominion Group.....	37
Description of the Custody Agreement	51
Subscription and Sale	52
Additional Information.....	54
Terms and Conditions of the Notes	56
Forms of the Notes	90
Form of Final Terms.....	94

Stabilisation

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s) in the applicable Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

OVERVIEW OF THE PROGRAMME

The following overview (the Overview) does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, and if appropriate, a new Base Prospectus or a supplement to the Base Prospectus, will be published.

This Overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing Directive 2003/71/EC (the **Prospectus Regulation**).

Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” have the same meanings in this Overview.

Issuer: A2Dominion Housing Group Limited

Issuer Legal Entity Identifier (LEI): 213800V1D2GGHDUSZ454

Risk Factors: There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and risks relating to the structure of a particular Series of Notes issued under the Programme. All of these are set out under “*Risk Factors*”.

Description: Euro Medium Term Note Programme

Arranger: Lloyds Bank Corporate Markets plc

Dealers: Banco Santander, S.A.
Barclays Bank PLC
BNP Paribas
HSBC Bank plc
Lloyds Bank Corporate Markets plc
MUFG Securities EMEA plc
NatWest Markets Plc

and any other Dealers appointed in accordance with the Programme Agreement.

Certain Restrictions: Each issue of 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 (see “*Subscription and Sale*”) including the following restrictions applicable at the date of this Base Prospectus.

Notes having a maturity of less than one year

Notes having a maturity of less than one year will constitute

deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (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*”.

Principal Paying Agent and Custodian:	The Bank of New York Mellon, London Branch
Programme Size:	Up to £1,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time (including, for the avoidance of doubt, any Retained Notes). The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, Notes may be denominated in Sterling, euro and U.S. dollars or any other currency agreed between the Issuer and the relevant Dealer.
Maturities:	The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price:	Notes may 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.
Form of Notes	The Notes will be issued in either bearer or registered form as described in “ <i>Form of the Notes</i> ”. Registered Notes will not be exchangeable for Bearer Notes and <i>vice versa</i> .
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer 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.
Floating Rate Notes:	Floating Rate Notes will bear interest at a rate determined: <ul style="list-style-type: none">(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or(b) on the basis of the reference rate set out in the applicable Final Terms.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Retained Notes:

If so specified in the applicable Final Terms, Notes may immediately be purchased by the Issuer upon issue. Any Notes so purchased are referred to as Retained Notes. The Bank of New York Mellon, London Branch has been appointed by the Issuer as custodian (the **Custodian**) to hold any Retained Notes on behalf of the Issuer on the terms of a custody agreement dated 25th October, 2017 (the **Custody Agreement**) (see “*Description of the Custody Agreement*” for further details).

Retained Notes will not be treated as outstanding when determining quorum or voting at meetings of Noteholders but will count towards the Programme limit of £1,000,000,000 referred to above.

The Issuer may sell or dispose of any Retained Notes at any time and on any terms. Upon sale or disposal, the Retained Notes will cease to be Retained Notes. Notes which have ceased to be Retained Notes shall carry the same rights and be subject in all respects to the same conditions as other Notes of the same series.

Redemption:

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution, see “*Certain Restrictions - Notes having a maturity of less than one year*” above.

Denomination of Notes:

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see “*Certain Restrictions - Notes*”

having a maturity of less than one year” above, and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

- Taxation:** All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction as provided in Condition 8. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted.
- Negative Pledge:** The terms of the Notes will not contain a negative pledge provision.
- Cross Default:** The terms of the Notes will contain a cross default provision as further described in Condition 10.1.
- Status of the Notes:** The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.
- Rating:** Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Programme. 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.
- Listing:** Application has been made for Notes issued under the Programme to be listed on the London Stock Exchange.
- Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.
- The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
- Governing Law:** The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Notes in the United States and the EEA (including Belgium and the United Kingdom) and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see “*Subscription and Sale*”.

United States Selling Restrictions:

Regulation S, Category 2. TEFRA C or D/TEFRA not applicable, as specified in the applicable Final Terms.

RISK FACTORS

The following is a description of the principal risks and uncertainties which may affect the Issuer's ability to fulfil its obligations under the Notes.

Before applying for any Notes, you should consider whether the relevant Notes are a suitable investment for you. There are risks associated with an investment in the Notes, many of which are outside the control of the Issuer. These risks include those in this Section.

You should carefully consider the risks described below and all other information contained in this Base Prospectus and reach your own view before making an investment decision. Words and expressions defined in the “*Terms and Conditions of the Notes*” below or elsewhere in this Base Prospectus have the same meanings in this Section. References below to the **A2Dominion Group** are to the Issuer and its subsidiaries taken as a whole.

The Issuer believes that the factors described below represent the principal risks and uncertainties which may affect its ability to fulfil its obligations under the Notes, but the Issuer may face other risks that may not be considered significant risks by the Issuer based upon information available to it at the date of this Base Prospectus or that it may not be able to anticipate. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below. If any of the following risks, as well as other risks and uncertainties that are not yet identified, or that the Issuer thinks are immaterial at the date of this Base Prospectus, actually occurs, then it could have a material adverse effect on the Issuer's ability to fulfil its obligations to pay interest, principal or other amounts in connection with the Notes.

Risks which may affect the Issuer's ability to fulfil its obligations under the Notes

The Issuer's only assets are shares in other entities within the A2Dominion Group, operating cash and loan facilities which it has provided to other members of the A2Dominion Group. Its income is entirely dependent on other members of the A2Dominion Group.

The Issuer's main activity is to provide services to asset-owning entities within the A2Dominion Group and it derives only a modest surplus from this activity. As at 31st March, 2018 the Issuer had £374.2 million of loans and borrowings, the majority of which have been on-lent to A2Dominion South Limited (**A2D South**). The Issuer also raised a further £60 million through a floating rate note in May 2018. All of its other assets and liabilities are inter-company balances relating to transactions which the Issuer undertakes on behalf of other members of the A2Dominion Group.

Whilst the Issuer holds the shares in its asset-owning subsidiaries, the Issuer itself does not own substantial assets and its income is entirely dependent on other members of the A2Dominion Group providing fees to it.

In practice, there are very close operational ties between the Issuer and the other members of the A2Dominion Group. The board of the Issuer acts as a common board for a number of other A2Dominion Group members and, as at 31st March, 2018, the Issuer employed 84 per cent. of the staff of the A2Dominion Group. All receipts of rental income and payments to suppliers are made by the Issuer and allocated to the relevant members of the A2Dominion Group through intra-group transactions.

In view of this, the solvency of the Issuer is important both to Registered Providers of Social Housing (**Registered Providers**) who are members of the A2Dominion Group (**Group Registered Providers**) and to members of the A2Dominion Group who are not Registered Providers.

The Issuer is also a Registered Provider and its importance within the A2Dominion Group is recognised by the Homes and Communities Agency (currently trading as Homes England), which regulates the Group

Registered Providers. The Regulator of Social Housing (the **Regulator**) gained formal independence after a draft order was passed by the House of Lords in May 2018.

The decision splits the Homes and Communities Agency (**HCA**) into two bodies: Homes England, which is responsible for investment, and the Regulator.

The Regulator publishes regulatory judgements for all Registered Providers, which is a key element of the Regulator's approach to regulating the social housing sector.

For each Registered Provider, the Regulator publishes two regulatory assessments: a viability (V) rating and a governance (G) rating, each measured on a scale from 1 to 4. A V1 or G1 grade means the Registered Provider meets the regulatory requirements. V2 and G2 are also compliant grades. V3/G3 and V4/G4 grades indicate that Registered Providers are non-compliant and, in the case of a V4 or G4, that they are subject to regulatory intervention or enforcement action.

The A2Dominion Group has been assigned a V1/G1 rating from the Regulator, the highest rating on the Regulator's scale.

The Issuer believes that members of the A2Dominion Group would consider that it is in their commercial interests to assist the Issuer in fulfilling its obligations under the Notes. Whilst there is no legal commitment by or contractual obligation on any member of the A2Dominion Group to do so, should the Issuer default on the Notes or become insolvent, this would trigger cross-defaults in a number of the other A2Dominion Group members' loans meaning that, in a number of situations, it will be a commercial necessity for A2Dominion Group members to continue to support the Issuer. As the board of the Issuer acts as a common board for itself and the Group Registered Providers, the Issuer is able to appoint and remove board members of the Group Registered Providers and is also able to appoint and remove the directors of A2Dominion Residential Limited and A2Dominion Developments Limited through their parent, A2D Homes Limited (**A2D Homes**). In light of this, the financial viability of the A2Dominion Group as a whole and risks affecting the A2Dominion Group as a whole may affect the Issuer's ability to fulfil its obligations under the Notes.

If, notwithstanding the above, members of the A2Dominion Group do not make any contributions to the Issuer to assist it to meet its obligations under the Notes, the Issuer may be unable to fulfil its obligations under the Notes.

The Notes will constitute unsecured obligations of the Issuer and Noteholders will not have any direct recourse to any other member of the A2Dominion Group.

Risks affecting the A2Dominion Group

1. RISKS AFFECTING THE WHOLE OF THE A2DOMINION GROUP

Members of the A2Dominion Group may be impacted by market and development risk in relation to residential properties

Residential property investment is subject to varying degrees of market and development risks. Market risks which may impact upon both the rental market and the development of residential properties include the economic environment, the risk of changes to Government regulation, including, but not limited to, regulation relating to planning, taxation, landlords and tenants and welfare benefits which could affect positively and negatively tenant trends in the United Kingdom. Furthermore, the maintenance of existing properties, development of existing sites and acquisition of additional sites may be subject to economic and political conditions, the availability of finance facilities and the costs of facilities where interest rates and inflation may also have an effect.

The A2Dominion Group operates in London and the South East of England, where there is strong demand for housing. The A2Dominion Group does not consider its market and development risk to be as significant as for Registered Providers in other areas of the country. However, market and development risks may nonetheless impact upon the expenditure incurred by members of the A2Dominion Group associated with existing residential properties, rental income produced by these properties, the value of their existing investments, their ability to develop land that they have acquired, fluctuations in the cost of developing property and also associated services and new materials, their ability to sell properties and their ability to acquire additional sites.

These factors could, in turn, impact upon the A2Dominion Group's cash flow and the ability of members of the A2Dominion Group to meet their payment obligations in a timely manner or to satisfy any payment obligations or covenants which they are required to maintain pursuant to the terms of any financing arrangements. In turn, in respect of the members of the A2Dominion Group to whom issue proceeds of the Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

Rent and levels of demand for private rented properties may fluctuate and impact on the income of the A2Dominion Group

It is intended that a significant proportion of the net proceeds of the issue of any Notes may be applied directly or indirectly to entities within the A2Dominion Group that are not Registered Providers and are not charitable and which engage in the acquisition and management of homes in the private rental sector. The risk profile of private market renting of housing is different to the risk profile of social housing activities.

The entities receive rental income, the level of which may fluctuate in line with amounts attainable in the open market. The level of occupancy of property for market rent also depends on the level of demand in the market. These market forces in turn are influenced by political and general economic factors.

Private market renting activity only accounts for a relatively small element of the activities of the A2Dominion Group as a whole. As at 31st March, 2018, 1,101 units in the A2Dominion Group were let at market rent, out of a total of 31,439 properties owned. Private market renting could, nonetheless, have an adverse impact on the cashflows of members of the A2Dominion Group which could affect their ability to meet their payment obligations on a timely basis and their other financing arrangements. In turn, in respect of the members of the A2Dominion Group to whom issue proceeds of the Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

The A2Dominion Group is exposed to risks in relation to outright sales

A significant portion of income of the A2Dominion Group is derived from the development and sale of housing. Delays in planned sales would delay sales receipts. This could, in turn, impact upon the A2Dominion Group's cash flow and the ability of members of the A2Dominion Group to comply with their payment obligations and/or to satisfy any covenants which they are required to maintain pursuant to the terms of any financing arrangements. In turn, in respect of the members of the A2Dominion Group to whom issue proceeds of the Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

Significant falls in sales values caused through deterioration in the housing market could cause schemes to become loss making. This could, in turn, impact upon the A2Dominion Group's cashflow and the ability of members of the A2Dominion Group to comply with their payment obligations and/or to satisfy any covenants which they are required to maintain pursuant to the terms of any financing arrangements.

The A2Dominion Group may be unable to continue to rely on existing sources of financing

To increase funds available and ensure the A2Dominion Group has sufficient funds on a day to day basis, the A2Dominion Group currently relies on financing through secured loan facilities. The A2Dominion Group has also obtained funding from a wide range of banks as well as through the public debt markets, including retail bond issues in 2013 and 2014 and a wholesale bond issue in 2016. However, the A2Dominion Group could find itself unable to access sources of financing if bank or building society lines become unavailable to the A2Dominion Group (for example, if banks and building societies are unable to provide new facilities, or extend existing facilities, or are unable to meet commitments to provide funds under existing loan facilities) or if a reduction in the A2Dominion Group's credit rating makes the cost of accessing the public and private debt markets prohibitive.

The A2Dominion Group is also subject to interest rate risk in respect of its variable rate borrowing although the A2Dominion Group's treasury management strategy seeks to reduce interest rate risk volatility and uncertainty by allowing for a balance of fixed and variable rate interest rate debt. The risk of interest rate increases is, in certain instances, reduced through entering into fixed rate interest arrangements. Some of these arrangements are secured by charges over property. A reduction in rates can result in an obligation to provide cash and/or further security which may need to be satisfied in a short timescale.

Any upwards movements in interest rates could impact upon the A2Dominion Group's cash flow and the ability of members of the A2Dominion Group to comply with their payment obligations and/or to satisfy any agreed performance levels (often referred to as covenants) which they are required to maintain pursuant to the terms of any financing arrangements. In turn, in respect of the members of the A2Dominion Group to whom issue proceeds of the Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes. As at 31st March, 2018, approximately 91 per cent. of the A2Dominion Group's borrowings were fixed rate debt and therefore upward movements in interest rates in the future would have a limited impact on cash flows of the A2Dominion Group.

The A2Dominion Group participates in a number of joint ventures, the profitability of which depends on their activities

The A2Dominion Group has participated in a number of joint ventures engaged in a variety of activities including estate regeneration, repairs services and development for market sale and rent.

There is the risk that a joint venture might fail to deliver returns because of financial difficulty or insolvency of the other member(s) of the joint venture or the A2Dominion Group could be required to take over the joint venture in its entirety in such circumstances. In addition, the returns which the A2Dominion Group receives from these joint ventures are influenced by the profitability of the activities of the joint venture entities. This in turn is affected by market, economic and political factors.

Materially lower than expected returns from joint ventures could have an adverse impact on cash flows of certain members of the A2Dominion Group which in turn could affect their ability to meet their payment obligations on a timely basis under their other financing arrangements. In turn, in respect of the members of the A2Dominion Group to whom issue proceeds of the Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

The A2Dominion Group participates in defined benefit pension schemes which are in deficit, and may be required to contribute to other pension schemes to which it is connected or associated with

The A2Dominion Group participates in defined benefit pension schemes which are in deficit, and may be required to contribute to other pension schemes to which it is connected or with which it is associated.

The A2Dominion Group participates in the following final salary pension schemes which are all closed to new members:

- The Local Government Pension Scheme administered by Oxfordshire County Council, the Oxfordshire County Council Pension Fund (**OCCPF**);
- The Local Government Pension Scheme administered by Surrey County Council, the Surrey County Council Pension Fund (**SCCPF**); and
- The Social Housing Pension Scheme administered by the Pensions Trust (**SHPS DB**).

Financial Reporting Standard 102 (**FRS 102**) sets out the accounting standards for defined benefit pensions. Under FRS 102, actuarial valuations by a professional actuary must be obtained at intervals not exceeding three years (each an **FRS102 Valuation Report**).

OCCPF

The FRS102 Valuation Report for the year ending 31st March, 2018 for A2D Homes produced by the Scheme Actuary shows a net liability of £3.5 million. Full provision for this liability has been made within the audited accounts.

SCCPF

As at March 2018, the Issuer had 3 active members in the SCCPF.

The FRS102 Valuation Report for the year ending 31st March, 2018 for the Issuer produced by the Scheme Actuary shows a net liability of £1.6 million. Full provision for this liability has been made within the audited accounts.

SHPS DB

The triennial valuation results at 30th September, 2014, completed in 2015, show the market value of the whole scheme's assets as £3.123 billion, with whole scheme liabilities of £4.446 billion, revealing a shortfall of assets compared with the value of liabilities of £1.323 billion. It is not possible to identify the share of underlying assets and liabilities belonging to each individual participating employer in the scheme.

Under the Recovery Plans (as defined below) in place as at 31st March, 2018, in addition to employer contributions to fund future service, the A2Dominion Group paid an annual deficit contribution of £2.3 million during the year ended 31st March, 2018 in order to meet the shortfall within the scheme.

Following the 2014 Valuation SHPS DB has implemented a new recovery plan which is in addition to the recovery plan introduced at the previous valuation in 2011 (together the **Recovery Plans**). This new recovery plan commenced from 1st April, 2016.

The total employer contributions (in respect of the defined benefits structure only) that the A2Dominion Group made to SHPS DB during the financial year ended 31st March, 2018 were £2.8 million. This figure includes the deficit contribution referenced above.

General points

There may be certain circumstances in which the sponsoring employers of the pension arrangements listed above are required to make good the funding deficit. Certain forms of restructuring of the A2Dominion Group may result in circumstances in which a funding deficit has to be met. For example, a transfer of engagements or a transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006

(SI 2006/246) could trigger a net pension liability. However, the A2Dominion Group always carefully considers the pension implications of restructuring proposals and wherever possible ensures that such restructurings are organised to avoid pension liabilities crystallising.

There is also a risk that the A2Dominion Group could be required to contribute to pension schemes on the basis that they are parties "connected to" or "associated with" the relevant employers, whether or not they themselves are classified as "employers".

The Pensions Regulator may require certain parties to make contributions to certain pension schemes that have a deficit.

A contribution notice could be served if a member of the A2Dominion Group is, or is connected/associated with, an employer in a defined benefit scheme and if it was a party to, or knowingly assisted, an act of deliberate failure to act which (i) has detrimentally affected in a material way the likelihood of accrued scheme benefits being received by or in respect of members, unless the Pensions Regulator is satisfied that the A2Dominion Group has a statutory defence, or (ii) the main purpose or one of the main purposes of which was either (a) to prevent the recovery of the whole or any part of a debt which was, or might become, due from the employer under Section 75 of the Pensions Act 1995; or (b) to prevent such a debt becoming due, to compromise or otherwise settle such a debt, or to reduce the amount of such debt which would otherwise become due.

A financial support direction could be served on a member of the A2Dominion Group if that member is, or is connected to/associated with, an employer in a defined benefit scheme which is a service company or insufficiently resourced. A service company is a group company whose turnover is solely or principally derived from amounts charged for supplying employees to other members of the group. An employer is insufficiently resourced if the value of its resources is less than 50 per cent. of the pension scheme's deficit calculation on an annuity buy-out basis but if the value of the resources of one or more connected/associated persons, when added to the employer's resources, would at least equal 50 per cent. of the estimated employer debt calculated on an annuity buy-out basis. For the resources of more than one connected/associated employer to be taken into account, they must also be connected/associated with each other.

If a contribution notice or financial support direction were to be served on a member of the A2Dominion Group, this could have an adverse impact on the cash flows of that member. Specifically, if the amount payable under a contribution notice or support direction was material, this could adversely affect their ability to meet their payment obligations under their financing arrangements. In turn, in respect of the members of the A2Dominion Group to whom issue proceeds of the Notes have been lent, or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

2. FACTORS WHICH MAY AFFECT THE ABILITY OF GROUP REGISTERED PROVIDERS TO FULFIL THEIR OBLIGATIONS GENERALLY

Risks related to Social Rental Income

The tenants of the A2Dominion Group's properties are personally responsible for the rental payments on the relevant occupied properties, and consequently the A2Dominion Group is exposed to the risk of arrears and bad debts. For the year ended 31st March, 2018, the A2Dominion Group's turnover from social rental income was £212.1 million of the A2Dominion Group's £300.7 million of turnover, and operating surpluses from social housing lettings were £86.3 million of the A2Dominion Group's £100.2 million of operating surpluses. As at 31st March, 2018, the Issuer's total current net arrears was £5.4 million, which, at 3.35 per cent., is the A2Dominion Group's lowest ever level of arrears. The A2Dominion Group has made arrangements with individuals and households for arrears payments of rent and service charges. These arrangements are effectively loans granted at nil interest rate.

The A2Dominion Group receives a proportion of its social rental income from housing benefit payable by local authorities. For the year ended 31st March, 2018, 37 per cent. of the A2Dominion Group's rental income was received in the form of housing benefit. In the 2015 Summer Budget, the Government announced a series of welfare reforms which have been achieved through new legislation, the Welfare Reform and Work Act 2016 (the **Welfare Reform Act**), which came into force on 1st April, 2016. The Welfare Reform Act makes provisions on social housing rents, the household benefit cap and social security and tax credits that expose the A2Dominion Group to the risk of a reduction in rental income and an increase in arrears. In the year ended 31st March, 2018 the A2Dominion Group helped secure £5.8 million in housing benefit, discretionary housing payments and other sources of financial support on behalf of customers.

Risks related to Social Housing Rents

In the 2013 Budget, the Government signalled its intention to set out, in the spending round, a rent policy to apply for ten years from 2015-16. This commitment was in recognition of the benefit of long-term certainty to landlords, in helping them to plan for future investment. The Government also set out its aim that those in social rented housing with high incomes (deemed to be where a social tenant household has an annual income of at least £60,000) should pay the full market rent.

As part of the 2013 spending round, the Government confirmed, through its policy 'Guidance on Rents for Social Housing' published in May 2014, that, from 2015-2016, rents in the social sector should increase by up to the Consumer Price Index (**CPI**) at September of the previous year plus 1 percentage point annually, for ten years, whilst rent convergence (including the ability to charge an additional £2) would end in April 2015. The move from RPI to CPI followed the Office for National Statistics' announcement in January 2013 that the formula used to produce RPI does not meet international standards.

The relevant guidance for housing associations, published in April 2015, is contained within the Rent Standard and Rent Standard Guidance sections of the regulatory framework for social housing in England (the **Regulatory Framework**) issued by the Regulator.

In the 2015 Summer Budget, the Government announced that rents for social housing (as defined in Part 2 of the Housing and Regeneration Act 2008) in England would be reduced by 1 per cent. a year for the next four years. This change was introduced on 1st April, 2016 pursuant to Section 23 of that Act.

As at 31st March, 2018, the A2Dominion Group had reduced rents on 19,762 social housing properties (general needs, affordable rents and supported housing tenures). For the year ended 31st March, 2018, rental income from these tenures was £129.9 million of the A2Dominion Group's £300.7 million of turnover.

The Issuer adjusts its rents annually from 1st April each year and therefore the first 1 per cent. rent reduction took place on 1st April, 2016 and this will continue annually up to and including 1st April, 2019. The Government has announced a return to CPI plus 1 percentage point rent rises for five years after 2020.

The A2Dominion Group has taken proactive measures to reduce areas of expenditure such that reduced rental income can be accommodated. Two years on from the introduction of the relevant changes, some of the financial impact of rent reduction has in part been offset by achieving further savings and efficiencies and through the ongoing maximisation of other income streams, both key aspects of the A2Dominion Group's value for money aims. This year, efficiency savings of over £11.2 million were made by improving the A2Dominion Group's way of working, streamlining systems and processes, and re-procuring contracts. However, any reduction in social rental income could have an adverse impact on the cash flow of certain members of the A2Dominion Group which in turn could affect their ability to meet their payment obligations on a timely basis under their other financing arrangements. In turn, in respect of members of the A2Dominion Group to whom issue proceeds of any Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

Risks related to the Household Benefit Cap and Occupation Size Criteria

As part of the October 2010 spending review, the Government announced an intention to cap total household benefits at £500 per week for a family (£26,000 a year) and £350 per week for a single person with no children (£18,200 a year) from 2013. After a phased roll-out, the cap was in place nationwide by the end of September 2013.

Under the Welfare Reform Act, which came into effect on 16th March, 2016, the benefit cap was reduced from £26,000 per year (£18,200 for single people) to £23,000 in Greater London (£15,410 for single people) and £20,000 (£13,400 for single people) outside Greater London.

The A2Dominion Group's total current arrears balance as at 31st March, 2018 for those tenants currently affected by the total household benefit cap was £72,000.

The Issuer has estimated that 3,047 of the A2Dominion Group's current tenants have been affected by reductions in the benefit cap.

In addition, the Government used powers contained in the Welfare Reform Act 2012 to provide that, from 1st April, 2013, working-age social tenants in receipt of Housing Benefit experience a reduction in their benefit entitlement if they live in housing that is deemed to be too large for their needs. Restrictions on entitlement to Housing Benefit based on the size of the accommodation occupied have applied to claimants living in privately rented housing since 1989 (Schedule 3 to the Rent Officers (Additional Function) Order 1989).

In the social housing sector from 1st April, 2013 one bedroom is allowed for each person or couple living as part of the household with the following exceptions:

- a child of 15 or under is expected to share with another child of the same gender; and
- a child of 9 or under is expected to share with one other child aged 9 or under, regardless of gender.

Affected tenants face a reduction in their eligible rent for Housing Benefit purposes of 14 per cent. for one additional (spare) bedroom and 25 per cent. where there are two or more additional (spare) bedrooms.

The A2Dominion Group has estimated that 862 of its current tenants are affected by reductions in benefit due to occupation size criteria.

The proposed reduction in the household benefit cap and occupation size criteria may have an adverse impact on the ability of tenants to pay their rent, as they would have to pay a larger proportion of the rent themselves. In turn, this could have an adverse impact on the cash flow of certain members of the A2Dominion Group which in turn could affect their ability to meet their payment obligations on a timely basis under their other financing arrangements. In turn, in respect of members of the A2Dominion Group to whom issue proceeds of any Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

Risks related to Universal Credit

Universal Credit is designed to simplify the benefits system for claimants and administrators and to improve work incentives by supporting people who are on a low income or out of work. Universal Credit replaces six existing means-tested benefits and tax credits for working-age families, namely income support, income-based jobseeker's allowance, income-related employment and support allowance, housing benefit, child tax credit and working tax credit. Universal Credit is being introduced gradually and was originally scheduled to be completed in 2017. Full roll-out of Universal Credit is now forecast in March 2023.

As at 10th May, 2018, Universal Credit had 920,000 claimants, and was available to new single jobseekers in every job centre across the United Kingdom.

Universal Credit is based on a single monthly payment, transferred directly into a household bank account of choice, and is forecast, once fully rolled out, to impact around 16,500 of the A2Dominion Group's social housing tenants.

The Department of Work and Pensions (the **DWP**) set up a 'Direct Payment Demonstration Project', the final evaluation of which was published on 18th December, 2014 covering an 18-month period. The projects were carried out in six areas to identify key lessons from the direct payment of housing benefit to social sector tenants. The outstanding conclusion is that the predicted dramatic increase in rent arrears did not occur.

Overall, tenants paid 95.5 per cent. of all rent owed compared to 99.1 per cent. for those not on direct payment. Furthermore, the impact of direct payment lessened significantly over time: half of the total direct payment arrears were accrued in the first month (or four week period) following migration. In the fourth to sixth payment periods, the difference in payment rates had fallen to 2.8 percentage points, falling again in the seventh to ninth payment periods to 1.3 percentage points. By the eighteenth payment, tenants' average payment rate had risen to 99 per cent.

The proposed roll out of Universal Credit is likely to increase transaction costs and the receipt of rental payments by the A2Dominion Group, as landlord, may be delayed by the failure of the tenant to apply for Universal Credit and/or regularly pay rent which is due in addition to the housing benefit and/or, in circumstances where the housing benefit is not paid directly to the landlord, a failure to pass on the housing benefit payments to the landlord. In such circumstances, non-payment, partial payment or any delay in payment of rent could increase rental income arrears and bad debts, and could adversely affect certain members of the A2Dominion Group which in turn could affect their ability to meet their payment obligations on a timely basis under their other financing arrangements. In turn, in respect of members of the A2Dominion Group to whom issue proceeds of any Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

It is possible for tenants to consent to their housing benefit being paid directly to their landlord and, furthermore, the DWP has agreed to safeguard landlords' income by putting in place protection mechanisms to allow for the payment of rent direct to landlords if tenants are vulnerable or fall into two months of arrears. The DWP has set up a support and exceptions working group to look at which vulnerable claimants will fall within the support group and will be assessing the results of the pilot projects to identify the approach to arrears, which could be based on the length of time which arrears have been outstanding or the amount of arrears.

Risks related to the Government's 'Right to Buy' policy

In 2015, the Government announced an intention to extend the right to buy to assured tenants of Registered Providers. An announcement from the Secretary for Communities and Local Government on 24th September, 2015 confirmed a proposal made by the National Housing Federation to introduce the right to buy voluntarily.

Rather than including the right to buy extension in the Housing Act 2016, there is an agreement by the social housing sector to deliver the extension voluntarily. No implementation date has been announced although a pilot scheme is underway.

The proposals as to how the extension is introduced, whether voluntarily or through legislation, are still at an early stage and therefore it is difficult to determine with any certainty exactly how this proposal could impact on the Issuer and the A2Dominion Group. The Issuer has estimated that the change could generate significant cash receipts and operating surpluses for the A2Dominion Group. However, the policy could also

have an adverse impact on the rental cash flow (and operating margin) of certain members of the A2Dominion Group which in turn could affect their ability to meet their payment obligations on a timely basis under their other financing arrangements. In turn, in respect of members of the A2Dominion Group to whom issue proceeds of any Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

Risks related to Shared Ownership, Shared Equity and Asset Management

A2D Homes, A2D South and A2Dominion Housing Options also generate revenue from their shared ownership programme. Shared ownership programmes are exposed to market risk in relation to housing for sale, including both demand and pricing risks.

Shared ownership income is generated on the initial sale of the property (known as the **First Tranche**) which is sold to the shared owner; on subsequent sales of further "tranches" or portions of the property to the shared owner (known as **Staircasings**); and in the form of subsidised rent on the part of the property which the shared owner does not own until the property is fully owned by the shared owner.

There is a risk that if a purchaser of a shared ownership property borrows monies through a mortgage from a commercial lender (having obtained consent from A2D Homes, A2D South or A2Dominion Housing Options) then that lender's mortgage may take priority ahead of any security arrangements that are in place. However, if that commercial lender were to enforce its security following a purchaser defaulting on its mortgage, such lender could staircase (i.e. purchase a portion of the property) up to 100 per cent. in order to be able to sell the whole leasehold interest, in which case A2D Homes, A2D South or A2Dominion Housing Options as landlord would receive such staircasing payments from the commercial lender. If the price for the full 100 per cent. receivable on sale is not sufficient to meet the principal outstanding (plus 12 months interest and other statutorily permitted costs) then the shortfall will remain as a debt due to the landlord from the defaulting leaseholder. Under current Regulator rules, any shortfall not recovered is borne first by the provider of any grant in respect of the property, and thus A2D Homes, A2D South and A2Dominion Housing Options are only affected to the extent that the shortfall cannot be covered by grant monies. This only applies where shared ownership units are grant-funded. If a commercial lender did enforce its security by staircasing up to 100 per cent. and there was such a shortfall, A2D Homes, A2D South and A2Dominion Housing Options would no longer receive rent for their retained share of the property which could have an impact upon their respective rental income.

A material reduction in rental income could impact on the Group Registered Providers' ability to meet their payment obligations generally under their other financing arrangements. This in turn, in respect of members of the A2Dominion Group to whom issue proceeds of the Notes have been lent or upon whom the Issuer is dependent for contributions, could adversely affect the ability of the Issuer to meet its payment obligations under the Notes.

As at 31st March, 2018, shared ownership units comprised 3,761 units of the A2Dominion Group's 31,439 units of housing stock owned.

For the year ended 31st March, 2018, turnover from First Tranche sales amounted to £11.7 million and surpluses on Staircasings amounted to £11.4 million of the A2Dominion Group's £100.2 million surplus for the year.

3. RISKS RELATED TO REGULATION

The regulation of Registered Providers has undergone significant and recent change.

Bondholders are exposed to the creditworthiness of the Issuer and any change in the Regulatory Framework could lead to the Issuer facing increased costs to comply with the Regulatory Framework.

The Housing and Regeneration Act 2008, as amended by the Localism Act 2011, (the **Act**) makes provision for the regulation of social housing provision in England. Pursuant to the Act, the Regulator acts as the regulator of Registered Providers in England including the Issuer. The Regulator currently exercises its functions as Regulator acting through a separate committee established to undertake this regulatory role (the **Regulation Committee**). The Regulator continues to provide economic regulation for Registered Providers in order to ensure that they are financially viable and well governed. Under the draft Regulator of Social Housing (England) Order 2018, the Regulation Committee of the HCA will be abolished and it will transfer its functions to the Regulator.

The Regulator regulates in accordance with the Regulatory Framework that sets out the standards which apply to Registered Providers (the **Standards**). The Standards cover: governance and financial viability; value for money; rent; quality of accommodation; repairs and maintenance; allocations, mutual exchanges and tenure; neighbourhood management, local area co-operation and anti-social behaviour; and tenant involvement and empowerment. Registered Providers are expected to comply with the Standards and to establish arrangements to ensure that they are accountable to their tenants, the Regulator and relevant stakeholders.

The enforcement by the Regulator of the Standards other than those relating to governance and financial viability, rent and value for money is restricted to cases in which there is, or there is a risk of, serious detriment to tenants (including future tenants). The Regulatory Framework includes guidance as to how the Regulator will assess whether serious detriment may arise.

In April 2015 the Regulator published updates to the Regulatory Framework. These provide for changes in the way the Regulator regulates, including asset and liability registers which are aimed to ensure that social housing assets are not put at risk, to protect the public value in those assets and to ensure that the sector can continue to attract the necessary finance to build new homes. The Regulator's intention is to strengthen its expectations of Registered Providers in relation to risk management and planning for adverse events.

In December 2017 the Regulator published a regulatory judgement for the Issuer which concluded that both the viability and governance standards were met and graded the Issuer "G1" for governance and "V1" for viability.

On 30th October, 2015, the Office for National Statistics (**ONS**) announced that Registered Providers would be reclassified as public corporations. The judgement resulted from measures brought in by the Housing and Regeneration Act 2008 and effectively meant that Registered Providers, and their estimated £60 billion of debt, were now part of the public sector. The Government quickly made a commitment to deregulation of the sector to reverse the classification: in a speech on 5th November, 2015 the Secretary of State said that the ONS decision was a technical matter and that the Government intended to restore Registered Providers' classification outside the public sector.

The changes, which are now part of the Housing and Planning Act 2016 and which came into force on 6th April, 2017, include:

- removal of all requirements for Regulator consents to disposals of land;
- removal of the requirement for consents for constitutional changes, restructurings and mergers;
- removal of certain consent requirements relating to dissolution or winding up;
- removal of the Disposal Proceeds Fund (the **DPF**) for future accruals, with a transitional regime for funds currently held within the DPF; and
- restrictions upon the power to appoint board members to circumstances where that would be required to ensure compliance with legal requirements.

The consent requirements have been replaced by new notification requirements in relation to the disposals of social housing dwellings, changes to governing documents, changes of name and address, certain restructurings, dissolution and company arrangements and reconstructions.

Any breach of new or existing regulations could lead to the exercise of the Regulator's statutory powers. The Regulator publishes guidance on how it regulates. It adopts a proportionate approach with an emphasis on self-regulation and co-regulation. In practice, use of statutory powers is rare. Serious non-compliance with the economic standard is more likely to lead to a downgrade of the Regulator's published regulatory judgement and agreement with the Regulator of the corrective action to be taken. Any such intervention by the Regulator in respect of any member of the A2Dominion Group may adversely impact the Issuer's ability to meet its obligations under the Notes.

Risks related to Housing Grant

The Issuer receives grant funding from a variety of sources, including from Homes England. Due to the nature of grant funding, there is a risk that, following the approval of grant, Homes England may revise the terms of a grant and reduce the entitlement or suspend or cancel any instalment of such a grant. In certain circumstances set out in the Capital Funding Guide and the Recovery of Capital Grants General Determination of the Regulator, including, but not limited to, failure to comply with conditions associated with the grant or a disposal of the property funded by a grant, the grant may be required to be repaid or reused.

Any material repayment of historical grant funding held on the Issuer's balance sheet has the potential impact on the Issuer's cash flow that could, in turn, materially increase the Issuer's net debt position and thus its ability to satisfy any obligations which it is required to maintain pursuant to the terms of existing financing arrangements. In turn, this could adversely affect the ability of the Issuer to meet its payment obligations under the Notes.

Grant funding for Registered Providers has recently undergone significant change. Since 2005, bids for social housing grants to supply new affordable housing have been accepted by the HCA from unregistered bodies in addition to Registered Providers. This includes private developers and arm's length management organisations established by local authorities. One of the aims of the measure was to increase competition. In September 2008, as part of a package of measures announced to stimulate the housing market and deliver new social housing, the government at the time announced that local authorities who directly manage houses will also be invited to bid for grants.

In 2010, the UK government announced a funding framework, the 2011-2015 Affordable Homes Programme (the **Framework**). The Framework largely replaced the previous social housing grant programme, although outstanding grants agreed under the previous arrangements were to be paid to Registered Providers. The Framework is designed to offer more flexibility to registered housing providers, enabling them to use existing assets to support new development programmes, and to offer a wider range of housing options to people accessing social housing.

Under the Framework, however, the level of UK government grant has been reduced significantly. To compensate for this, Registered Providers are able to charge Affordable Rents which are capped at 80 per cent. of market rents and, as such, are generally higher than existing 'formula' social housing rents. This additional rental income can be used to service additional funding requirements as a result of the reduced grant levels. The option of charging Affordable Rent is only available to Registered Providers who have entered into a Framework Delivery Agreement with Homes England and can only be exercised in relation to newly developed stock and on new lettings of a proportion of existing stock.

The 2015-2018 Affordable Homes Programme (the **New Framework**) was launched in January 2014. The primary change brought about under the New Framework is that all of the available funding was not allocated from the outset. Instead, up to 75 per cent. was allocated, with the remainder being made available

via on-going market engagement. This allowed bidders the opportunity to bid for the remaining funding for development opportunities as these arise during the programme, where they can be delivered within the programme timescales. In December 2014 the Chancellor announced that the grant programme would be extended to 2020 with additional grant being made available.

Additional funding has been made available through the 2016-2021 London Affordable Homes Programme, which aims to facilitate the Mayor of London's target of 50,000 new starts by March 2021. The Issuer has formed a strategic partnership with the Greater London Authority, agreeing to deliver 60 per cent. of affordable homes across the Issuer's London programme in return for £66 million of grant funding.

The reduction in levels of grant, increased competition and the increased need for bidders to provide evidence regarding timescale compliance could result in a reduced overall amount of grant funding being allocated to Registered Providers. This could have an adverse impact on the cash flow of certain members of the A2Dominion Group which in turn could affect their ability to meet their payment obligations on a timely basis under their other financing arrangements. In turn, in respect of members of the A2Dominion Group to whom issue proceeds of any Notes have been lent or upon whom the Issuer is dependent for contributions, this could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

Risks related to proposed amendments to the moratorium regime – Housing Administration

A new special administration regime for Registered Providers in England came into force on 5th July, 2018 and replaced the former moratorium regime.

Under the new regime, no step may be taken by any person other than the Secretary of State for the winding-up, entry into administration by or enforcement of security of a Registered Provider, unless 28 days' notice of that step has been given to the Regulator and elapsed, or the Regulator has waived the notice requirement.

During that 28 day period the Secretary of State or the Regulator, with the consent of the Secretary of State, may apply for a housing administration order.

The new regime preserves a moratorium on disposals of land. However, each housing administration order will last for 12 months (subject to certain exceptions), during which there will be restrictions on disposing of social housing assets.

The new housing administration regime may delay the disposal of social housing assets by any insolvent Group Registered Providers. In turn, if they do not have sufficient cash resources, this may delay the ability of insolvent Group Registered Providers to repay their loans they have borrowed from the Issuer that have been funded out of the proceeds of the Notes. This could have an adverse impact on the ability of the Issuer to comply with its obligations under the Notes.

Risks related to legal and compliance

The Issuer knows the significance to its operations of, and is focused on, adhering to all legal and compliance legislation, in particular those in relation to health and safety including gas safety, fire safety, asbestos and legionella. The A2Dominion Group is not currently aware of any material failure to adhere to applicable health and safety laws that have not already been reported and accounted for. However, any failure by the Issuer or any member of the A2Dominion Group to comply with relevant legal and compliance requirements in the future could have an adverse impact on the A2Dominion Group's results of operations and, in turn, the Issuer's ability to meet its obligations under the Notes

Factors which are material for the purpose of assessing the market risks associated with the Notes

Risks related to the structure of a particular issue of Notes

Fixed Rate Notes and Floating Rate Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain of such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature could limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate and any early redemption premium on the Notes. At those times, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Risks relating to structural subordination of the Notes

The Issuer is the holding company of the A2Dominion Group and, as such, its operations are principally conducted through its subsidiaries. Accordingly, the Issuer is and will be entirely dependent on its subsidiaries' operations to service its indebtedness, including the Notes. The Notes will be structurally subordinated to the claims of all holders of debt securities and other creditors, including trade creditors, of the Issuer's subsidiaries. In the event of an insolvency, liquidation, reorganisation, dissolution or winding up

of the business of any subsidiary of the Issuer, creditors of such subsidiary generally will have the right to be paid in full before any distribution is made to the Issuer.

The Notes constitute unsecured, unsubordinated obligations of the Issuer and accordingly, on a winding-up of the Issuer, claims of Noteholders will rank equally with all other unsecured creditors of the Issuer, including trade creditors of, and hold of any other Series of Notes issued by, the Issuer.

The Terms and Conditions of the Notes contain provisions which may permit their modification, waiver and substitution without the consent of all Noteholders

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit majorities of certain sizes to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a different manner than the majority did.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders or Couponholders: (a) agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the trust deed constituting the Notes dated 25th October, 2016 (as modified and/or supplemented and/or restated from time to time) (the **Trust Deed**) or determine, without any such consent as aforesaid, that any Event of Default or potential Event of Default (as defined in the Conditions) shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error or an error which, in the opinion of the Trustee, is proven; or (b) agree to the substitution of a subsidiary of the Issuer as principal debtor under the Notes in place of the Issuer, in the circumstances described in Condition 16 and subject to the satisfaction of certain conditions.

The regulation and reform of "benchmarks" could adversely affect the value of any Notes linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks" (including the Programme Benchmarks) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a "benchmark". The Benchmarks Regulation was published in the Official Journal of the EU on 29th June, 2016 and has applied from 1st January, 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing any Programme Benchmark, in particular, if the methodology or other terms of the relevant Programme Benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant Programme Benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the following effects on certain "benchmarks" (including the Programme Benchmarks): (i) discourage market participants from continuing to administer or contribute to the "benchmark"; (ii) trigger changes in the rules

or methodologies used in the "benchmark" or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a Programme Benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a Programme Benchmark.

Future discontinuance of LIBOR or any other benchmarks may adversely affect the value of Floating Rate Notes which reference LIBOR or such other benchmarks

On 27th July, 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Investors should be aware that, if any Programme Benchmark were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference such Programme Benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the relevant Programme Benchmark is to be determined under the Terms and Conditions, this may (i) if ISDA Determination applies, be reliant upon the provision by reference banks of offered quotations for the rate of such Programme Benchmark which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when the relevant Programme Benchmark was available.

In addition, following any Benchmark Event (as defined in the Conditions), the Conditions provide for the determination of: (A) the relevant rate of interest by reference to a successor rate or an alternative rate (as applicable) determined by an independent adviser (or, where such independent adviser is unable to make such a determination, the Issuer); and (B) an adjustment spread (determined by the independent adviser, failing which the Issuer) to be applied to such successor rate or alternative rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the relevant circumstances, any economic prejudice or benefit (as applicable) to the Noteholders and Couponholders as a result of the replacement of the original rate with the successor rate or alternative rate (as applicable), all as more fully described in Condition 4.2(c).

The Issuer (in consultation with the independent adviser, if appointed) may also determine (acting in good faith) that other amendments to the Conditions, Trust Deed or Agency Agreement (as applicable) are necessary in order to ensure proper operation of the relevant successor rate or alternative rate (as applicable).

No consent of the Noteholders shall be required in connection with effecting any relevant successor or alternative rate (as applicable) or any other related adjustments and/or amendments described above.

If neither the relevant independent adviser nor the Issuer is able to determine a successor rate or an alternative rate, the fall-back provisions described in the second paragraph of this risk factor will apply.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes.

Investors should note that, in the case of such Notes, the relevant independent adviser or the Issuer (as the case may be) will have discretion to adjust the relevant successor rate or alternative rate (as applicable) in the circumstances described above, including by the application of an adjustment spread. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favourable to each Noteholder.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Notes.

The value of the Notes could be adversely affected by a change in English law or administrative practice

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Definitive Notes are (i) in case of Notes in bearer form, security-printed securities which may be transferred by delivery and (ii) in the case Notes in registered form, security-printed securities which evidence the holder's rights in respect of the relevant Notes.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

There may not be a liquid secondary market for the Notes and their market price may be volatile

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, you may not be able to sell your Notes easily or at prices that will provide you with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks and are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. This lack of liquidity may have a severely adverse effect on the market value of 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 advisers to determine whether and to what extent the Notes are legal investments for it. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes

Notes issued under the Programme may be rated or unrated. Where an issue of Notes is rated, the applicable rating will be specified in the relevant Final Terms. Such rating will not necessarily be the same as the rating assigned to Notes already issued. There are no guarantees that such ratings will be assigned or maintained. Any credit rating agency may lower its ratings or withdraw the rating if, in the sole judgement of the credit rating agency, the credit quality of the Notes has declined or is in question. In addition, at any time a credit rating may revise its relevant rating methodology with the result that, among other things, any rating assigned to the Notes may be lowered. If any of the ratings assigned to the Notes is lowered or withdrawn, the market value of the Notes may be reduced. Furthermore, the ratings may not reflect the potential impact of all risks described above, and other factors that may affect the value of the Notes. Accordingly, a credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

Yield

The indication of yield (i.e. the income return on the Notes) stated within the applicable Final Terms applies only to investments made at (as opposed to above or below) the issue price of the relevant Notes. If you invest in the Notes at a price other than the issue price of the Notes, the yield on the investment will be different from the indication of yield on the Notes as set out in the applicable Final Terms.

Realisation from sale of Notes may be less than your original investments

If an investor chooses to sell its Notes in the open market at any time prior to maturity of the Notes, the price the investor will receive from a purchaser may be less than its original investment, and may be less than the amount due to be repaid at maturity of the Notes if the investor were to hold onto the Notes until then. Factors that will influence the price received by investors who choose to sell their Notes in the open market may include, but are not limited to, market appetite, inflation, the period remaining to maturity of the Notes, prevailing interest rates and the financial position of the Issuer.

Exchange rate fluctuations and exchange controls may adversely affect your return on your investments in the Notes and/or the market value of the Notes

The Issuer will pay principal and interest on the Notes in the currency specified in the applicable Final Terms (the **Specified Currency**). This presents certain risks relating to currency conversions if your financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease: (a) the Investor's Currency-equivalent yield on the Notes; (b) the Investor's Currency equivalent value of the principal payable on the Notes; and (c) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, you may receive less interest or principal than expected, or no interest or principal.

The value of Fixed Rate Notes may be adversely affected by movements in market interest rates

The Notes may bear interest at a fixed rate. You should note that if interest rates rise, then the income payable on such Notes might become less attractive and the price that investors could realise on a sale of the Notes may fall. However, the market price of the Notes from time to time has no effect on the total income you receive on maturity of the Notes if you hold the Notes until the maturity date. Further, inflation will reduce the real value of the Notes over time, which may affect what you could buy with your investment in the future and may make the fixed rate payable on the Notes less attractive in the future, again affecting the price that you could realise on a sale of the Notes.

The clearing systems

Because the Global Note (as defined below) relating to each Series of Notes may be held by or on behalf of Euroclear or Clearstream, Luxembourg, you will have to rely on their procedures for transfer, payment and communication with the Issuer.

The Notes in each Series of Notes will be represented by a temporary global note in bearer form (the **Temporary Global Note**), without interest coupons, a permanent global note in bearer form (the **Permanent Global Note**), without interest coupons, (each a **Bearer Global Note**) or a global note in registered form (each a **Registered Global Note**) in each case as specified in the relevant Final Terms. References to a **Global Note** in this Base Prospectus shall include both Bearer Global Notes and Registered Global Notes where the context so admits and reference to Notes being in **global form** shall, where the context so admits, mean Notes in bearer form that are represented by a Bearer Global Note or Notes in registered form that are represented by a Registered Global Note. A Global Note may be deposited with a common depository for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**). Except in the circumstances described in the relevant Global Note, Noteholders will not be entitled to receive individual notes in definitive form (**Definitive Notes**). Definitive Notes in bearer form are security-printed securities which may be transferred by delivery. Definitive Notes in registered form are security-printed securities which evidence the holder's rights in respect of the relevant Notes. Euroclear and Clearstream, Luxembourg will maintain records of the interests in the relevant Global Note. While any Notes issued under the Programme are represented by a Global Note, Noteholders will be able to trade their interests only through Euroclear or Clearstream, Luxembourg.

While Notes are represented by a Global Note, the Issuer will discharge its payment obligations under such Notes by making payments to the common depository for Euroclear and Clearstream, Luxembourg for distribution to the relevant account holders. A holder of an interest in the relevant Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg, as the case may be, to receive payments under

the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, interests in any Global Notes.

Holders of interests in a Global Note will not have a direct right to vote in respect of the Notes represented by such Global Note. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear or Clearstream, Luxembourg.

Trustee indemnity

In certain circumstances, the Noteholders may be dependent on the Trustee to take certain actions in respect of the Notes. Prior to taking such action, pursuant to the Conditions the Trustee may require to be indemnified and/or secured and/or pre-funded to its satisfaction. If so, and the Trustee is not indemnified and/or secured and/or pre-funded to its satisfaction, it may decide not to take any action and such inaction will not constitute a breach by it of its obligations under the Trust Deed. Consequently, the Noteholders would have to either provide such indemnity and/or security and/or pre-funding or accept the consequences of such inaction by the Trustee. Noteholders should be prepared to bear the costs associated with any such indemnity and/or security and/or pre-funding and/or the consequences of any potential inaction by the Trustee. Such inaction by the Trustee will not entitle Noteholders to take action directly against the Issuer to pursue remedies for any breach by it of the terms of the Trust Deed or the Notes unless the Trustee has failed within a reasonable time to do so.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published and have been filed with the Financial Conduct Authority, shall be incorporated in, and form part of, this Base Prospectus:

- (a) the auditors' report and audited consolidated annual financial statements for the financial year ended 31st March, 2017 of the Issuer including the information set out at the following pages in particular:

Consolidated statement of comprehensive income	Page 56
Consolidated statement of financial position.....	Page 58
Consolidated statement of changes in equity	Page 60
Consolidated statement of cash flows	Page 63
Notes to the financial statements	Pages 64 to 104
Audit report	Page 53

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation;

- (b) the auditors' report and audited consolidated and non-consolidated annual financial statements for the financial year ended 31st March, 2018 of the Issuer including the information set out at the following pages in particular:

Consolidated statement of comprehensive income	Page 62
Consolidated statement of financial position.....	Page 64
Consolidated statement of changes in equity	Page 66
Consolidated statement of cash flows	Page 69
Notes to the financial statements	Pages 70 to 103
Audit report	Pages 57 to 59

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Prospectus Regulation; and

- (c) the Terms and Conditions of the Notes contained in the Base Prospectus dated 25th October, 2016, pages 114 to 143 (inclusive) prepared by the Issuer in connection with the Programme.

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the UK Listing Authority in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this

Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the registered office of the Issuer and from the specified office of the Principal Paying Agent for the time being in London and will be available for viewing on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

The contents of the websites of the A2Dominion Group do not form part of this Base Prospectus and investors should not rely on them.

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 any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

TAXATION

If you are considering applying for Notes issued under the Programme, it is important that you understand the taxation consequences of investing in those Notes. This Section should be regarded as general advice only. You should read this Section and discuss the taxation consequences with your tax adviser, financial adviser or other professional adviser before deciding whether to invest.

United Kingdom

The following is a summary of the Issuer's understanding of current United Kingdom law and published HM Revenue and Customs (**HMRC**) practice in the United Kingdom relating only to United Kingdom withholding tax treatment of payments of interest (as that term is understood for United Kingdom tax purposes) in respect of the Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Withholding tax on the Notes

Payments of interest by the Issuer on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes carry a right to interest and the Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The London Stock Exchange is a recognised stock exchange for these purposes. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000 (**FSMA**)) and admitted to trading on the London Stock Exchange. Provided, therefore, that the Notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.

Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where the maturity of the Notes is less than 365 days from the date of issue and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, an amount must generally be withheld from payments of interest on the Notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any other available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to such Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

The proposed financial transactions tax (FTT)

On 14th February, 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as **FATCA**, a "foreign financial institution" (as defined by FATCA) 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 FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the 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 Notes, such withholding would not apply prior to 1st January, 2019 and 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 "*Terms and Conditions of the Notes – Further Issues*") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

DESCRIPTION OF THE ISSUER AND THE A2DOMINION GROUP

This Section sets out information about the Issuer and the A2Dominion Group.

DESCRIPTION OF THE ISSUER

Incorporation

A2Dominion Housing Group Limited (the **Issuer**) was incorporated as Apex Housing Group Limited on 27th September, 1999 and changed its name to A2Dominion Housing Group Limited on 1st October, 2008.

The Issuer is registered in England as a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014 (with registered number 28985R).

It is also registered as a Registered Provider with the Regulator of Social Housing (the **Regulator**) (with registered number L4240) and is an exempt charity.

The registered address of the Issuer is The Point, 37 North Wharf Road, London, W2 1BD. The telephone number of the registered address is 020 8825 1000.

Principal activities of the Issuer

The Issuer is a social landlord and the non-asset holding parent of the A2Dominion Group. It is responsible for the A2Dominion Group's overall strategy and performance and provides central and development services for the A2Dominion Group.

The Issuer has a number of subsidiaries and these are detailed in the “*Description of the A2 Dominion Group*” below.

The Issuer's principal activity, through its Registered Provider subsidiaries, is providing affordable and social rented homes, student, key worker and temporary accommodation, as well as supported and sheltered housing. The Issuer does not undertake any of these activities itself.

Board

The board members of the group board (all of whom, other than Darrell Mercer and Anne Waterhouse, are non-executive) (the **Board**) and their principal activities outside the Issuer are:

Name	Principal activities outside the Issuer which are significant with respect to the Issuer
Ian Cox (Chair)	Joint owner of Cox Development Partners Ltd Joint owner of Cotswold Village Homes Ltd Director of Clipper Development Partners LLP Joint owner and shareholder of Ralph Allen Yard Ltd Director of Charlbury Deli Ltd Director of Rushy BP Ltd (dormant)

	Director of Fair Oaks Garden Village Ltd
Darrell Mercer	None
Anne Waterhouse	None
David Coates	Director of Elswyn House RTM
Sara Dickinson	Chief Financial Officer of Expedia Partner Solutions
Caroline Tolhurst	Non-executive Director, Chair Audit Committee, Member Remuneration Committee of LocatED Property Limited Non-executive Director of Wynnstay Properties plc Director of Exeter House Ltd Director of Mont Fort Ltd (dormant)
Caroline Tiller	None

The business address for each of the Board members is The Point, 37 North Wharf Road, London, W2 1BD.

The secretary of the Issuer is Zoë Ollerearnshaw whose business address is The Point, 37 North Wharf Road, London, W2 1BD.

There are no potential conflicts of interest between any duties to the Issuer of the Board members of the Issuer and their private interests and/or duties.

Corporate governance

The Issuer aims to follow best practice with regard to corporate governance.

The Issuer is regulated by the Regulator. Regulation takes the form of ensuring that the Issuer complies with a regulatory framework which assesses performance under two headings: Governance and Viability. The Regulator summarises its judgements in a regulatory judgement which is updated as part of the ongoing regulation process. The Issuer was last reviewed in December 2017 when the Regulator issued a strapline regulatory judgement in which the Issuer retained the highest possible regulatory ratings with top scores of G1 and V1 awarded for governance and financial viability.

The Board steers and directs the activities of the Issuer. Specific responsibilities have been delegated to A2Dominion Group committees, which have their own Board-approved terms of reference. The committees supporting the Board are:

- Audit, Risk and Assurance Committee;
- Treasury Committee; and
- Governance & Remuneration Committee.

In addition, there is a Customer Advisory Panel and a Development & Property Panel, both of which are made up of officers and external members.

Further detail regarding the committees and panels can be found below in the “*Description of the A2 Dominion Group*”.

Day-to-day performance management is delegated to the executive officers. The executive officers are:

Name	Title	Principal activities outside the Issuer
Darrell Mercer	Group Chief Executive	None
John Knevett (will leave the A2Dominion Group on 30th September, 2018)	Executive Director (New Business)	Director of Camberley Heath Golf Club Ltd Owner of JK Partnerships Ltd
Andrew Boyes	Executive Director (Change and IT)	None
Dean Tufts	Executive Director (Finance and Strategy)	None
Anne Waterhouse	Executive Director (Central and Financial Services) and Deputy Chief Executive	None
Andrew Evans	Executive Director (Operations)	None
Nick Hutchings	Executive Director (Managing Director - Commercial)	None

There are no potential conflicts of interest between any duties to the Issuer of the executive team of the Issuer and their private interests and/or duties.

Share capital

The entire issued share capital of the Issuer comprises 5 ordinary shares of £1 each, all of which are fully paid up.

The shares of the Issuer are held by the five non-executive Board members.

The shares provide members with the right to vote at general meetings, but do not provide any rights to dividends or distributions on a winding up.

Recent Developments

There have been no recent events particular to the Issuer that are, to a material extent, relevant to the evaluation of the Issuer's solvency.

DESCRIPTION OF THE A2DOMINION GROUP

This Section sets out information about the A2Dominion Group.

Organisational structure

The A2Dominion Group includes the Issuer and the organisations listed below:

- A2Dominion Homes Limited (**A2D Homes**), a charitable registered society (with registered number 18313R) and a Registered Provider. A2D Homes is responsible for managing the A2Dominion Group's homes in the London boroughs, Oxfordshire, Buckinghamshire, Cambridgeshire and Berkshire. A2D Homes operates within the following main business areas: long term rented housing for people who are unable to afford to rent or buy in the open market, sheltered and supported housing and care for those who need additional support, temporary housing for those who would otherwise be homeless, low cost home ownership housing and student accommodation, key worker accommodation and private rented homes.
- A2Dominion South Limited (**A2D South**), a charitable registered society (with registered number 28641R) and a Registered Provider. A2D South is responsible for managing the A2Dominion Group's homes in Surrey, Kent, Hampshire, East and West Sussex and Wiltshire. A2D South operates within the same business areas as A2D Homes.
- A2Dominion Housing Options Limited (**A2D Housing Options**), a non-charitable registered society (with registered number 29122R) providing low cost home ownership homes, particularly shared ownership. It is a Registered Provider.
- A2Dominion Developments Limited (**A2D Developments**) (formerly known as Dominion Developments (2005) Limited), a non-charitable private limited company (with registered number 05585321). A2D Developments develops homes for private sale and homes for affordable rent, shared ownership and private rent that are sold to other members of the A2Dominion Group to manage. These activities generate profits which are reinvested in the provision of affordable housing, enabling the A2Dominion Group to grow organically through the development of mixed tenure schemes. It is not a Registered Provider.
- A2Dominion Housing Finance Limited (**A2D Housing Finance**), a non-charitable registered society (with registered number 29316R). A2D Housing Finance is a special purpose company which on lends the proceeds of a loan facility to A2D South. It is not a Registered Provider.
- A2Dominion Residential Limited (**A2D Residential**) (formerly known as Dominion Developments (2004) Limited), a non-charitable private limited company (with registered number 05230209). A2D Residential provides private rental homes to the open market with an ongoing management service for residents. It is not a Registered Provider.
- A2Dominion Treasury Limited (**A2DTL**), a non-charitable private limited company (with registered number 6583682), which acts as a financing company for the A2Dominion Group. It is not a Registered Provider.

The A2Dominion Group also has the following dormant or non-trading subsidiaries:

- Affordable Property Management Limited;
- A2Dominion Investments Limited;
- Kingsbridge Residential Limited;

- Upper Richmond Buildings Limited
- A2Dominion Enterprises Limited;
- Home Farm Exemplar Limited; and
- Westland Close Management Limited.

The A2Dominion Group also controls two special purpose vehicles: A2D Funding plc and A2D Funding II plc, whose shares are held on trust for the Issuer by a third party.

The Issuer is dependent on other members of the A2Dominion Group as its income derives entirely from fees paid to it by its subsidiaries for the provision of services to them on a cost recovery basis.

The registered office and principal place of business for each A2Dominion Group member is The Point, 37 North Wharf Road, London W2 1BD. The telephone number of the registered address is 020 8825 1000.

A2D Developments has also entered into the following joint ventures:

- Green Man Lane LLP, a limited liability partnership (with registered number OC353120) which is a joint venture with Real (Ealing) Limited for the regeneration of the Green Man Lane Estate in Ealing, West London, established for the purpose of providing a total of 314 new homes for private sale.
- Essex Wharf Homes LLP, a limited liability partnership (with registered number OC334564), a joint venture with Sherrygreen Homes Limited established for the purpose of developing 44 new homes for private sale in East London.
- Queens Wharf Riverside LLP, a limited liability partnership (with registered number OC351121), which is a joint venture with Hammersmith Developments Holdco Limited, part of the Mount Anvil group. Queens Wharf Riverside LLP was established with the purpose of developing 165 homes for private sale in a riverside site in Hammersmith and re-provision of the former Riverside Studios. Funding for the scheme has been provided by A2D Residential.
- Crest A2D (Walton Court) LLP, a limited liability partnership (with registered number OC403952), which is a joint venture with Crest Nicholson Operations Limited, established for the purpose of providing around 300 new homes at Walton-on-Thames (tenure mix to be finalised).
- Keybridge House LLP, a limited liability partnership (with registered number OC396276), which is a joint venture with Mount Anvil (Keybridge House) Limited. The principal activity of the partnership is to deliver 273 units for private sale, 159 for private rent and 38 affordable homes.
- Keybridge House 2 LLP, a limited liability partnership (with registered number OC417566), which is a joint venture with Mount Anvil (Keybridge House 2) Limited. The principal activity of the partnership is to provide 432 units for private sale, 22 affordable homes and 16 social housing units.
- Elmsbrook (Crest A2D) LLP, a limited liability partnership (with registered number OC418100), which is a joint venture with Crest Nicholson Operations Limited, established for the purpose of providing 232 new homes in North West Bicester.
- A2D NK Homes LLP, a limited liability partnership (with registered number OC420304), is a joint venture with Nicholas King Homes PLC. A2D NK Homes LLP is a parent entity, with special purpose vehicles sitting below that. A2D NKH (Rowlands Castle) Limited Co. No: 11183008 is the first of these. The principal activity of the partnership is to establish individual property companies

for the purposes of acquiring, holding, development and/or selling the properties in the partnership's target areas.

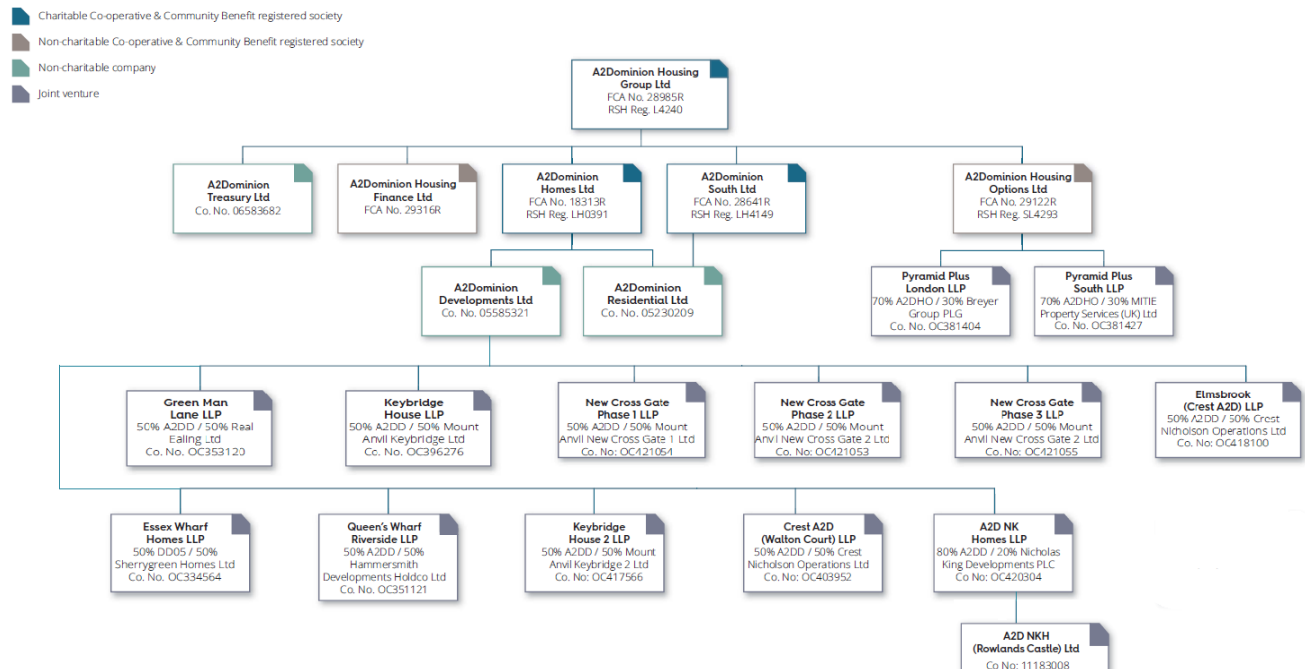
- New Cross Gate Phase 1 LLP, a limited liability partnership (with registered number OC421054), which is a joint venture with Mount Anvil (New Cross Gate) 1 Limited. The principal activity of the partnership is to develop a mixed-use scheme relating to land at 263 New Cross Road, London SE14.
- New Cross Gate Phase 2 LLP, a limited liability partnership (with registered number OC421053), which is a joint venture with Mount Anvil (New Cross Gate) 2 Limited. The principal activity of the partnership is to develop a mixed-use scheme relating to land at 263 New Cross Road, London SE14.
- New Cross Gate Phase 3 LLP, a limited liability partnership (with registered number OC421055), which is a joint venture with Mount Anvil (New Cross Gate) 3 Limited. The principal activity of the partnership is to develop a mixed-use scheme relating to land at 263 New Cross Road, London SE14.

A2D Housing Options has also entered into the following joint ventures:

- Pyramid Plus London LLP, a limited liability partnership (with registered number OC381404), which provides a repairs service to the A2Dominion Group's residents in the London area.
- Pyramid Plus South LLP, a limited liability partnership (with registered number OC381427), which provides a repairs service to the A2Dominion Group's residents in the South East of England.



Group structure chart



Business Overview

The A2Dominion Group is one of the largest housing organisations in Southern England, operating in London and throughout the South East with its head office in central London.

The principal activities of the A2Dominion Group are the provision of social housing, housing management and development. A2D Homes and A2D South are both Registered Providers (with registered numbers LH0391 and LH4149 respectively) with charitable status.

The A2Dominion Group is committed to working towards its four key business objectives, which are to:

- provide new high quality homes and places;
- deliver customer-led services;
- invest in its homes and local communities; and
- strengthen its business.

During the 2017/2018 financial year the A2Dominion Group:

- built 954 homes, including 221 affordable homes, 406 for private sale, 226 for private rent and 101 for shared ownership; and
- managed over 37,000 homes in London and the South East, with approximately 2,120 to be developed over the next two years.

The A2Dominion Group has an annual turnover of £300.7 million and £3,742.8 million in assets.

Investments

The A2Dominion Group's guiding principle is to provide homes and neighbourhoods that people want to live in and its development programme aims to match tenures and property types to different needs, aspirations and means. The A2Dominion Group has an on-going development programme with a target to build 900 homes each year over the next two years rising to 1,200 from April 2020. As at 31st March, 2018, the date of its last audited accounts, it had the following capital commitments:

Capital Commitment

Capital expenditure commitments were as follows:

Capital Expenditure	2018 (£ million)
Expenditure contracted for but not provided in the financial statements	79.8
Expenditure authorised by the Board, but not contracted	660.5
Maintenance expenditure contracted and authorised by the Board	32.6
	772.9

The A2Dominion Group expects to meet the above commitments from and the following sources:

- undrawn loan facilities totalling £330.4 million as at 31st March, 2018; and
- social housing grants and projected proceeds from first tranche sales of shared ownership dwellings and build for sale properties of £814.3 million as at 31st March, 2018.

Current trading

The A2Dominion Group operates in areas of high demand for both social and non-social housing, with most of its stock concentrated in London, Surrey, Berkshire, Oxfordshire and Hampshire.

Changes in the economic environment, regulation, funding, legislation and the impact of welfare reform are having a major effect on the A2Dominion Group's business, development programme and services. In addition, new technology is transforming how customers access services and engage with the business and how the A2Dominion Group works. There is a continuing drive for efficiency, savings and transparency.

Sales receipts increase the funding available for affordable new homes and the A2Dominion Group's wider social programme. Satisfaction with repairs is currently above target.

Income management (arrears collection and re-let times) remains strong, despite many of the A2Dominion Group's residents being impacted by welfare reform changes.

Re-let turnaround times fell just below the A2Dominion Group's target due to delays in tenancy sign-ups, but the result still remains in the upper quartile of performance when compared to the A2Dominion Group's peers (Source: 2016/2017 HouseMark analysis).

Compliance with the Decent Homes Standard and with applicable gas safety requirements is partly reliant on being able to gain access to properties. The A2Dominion Group has a comprehensive access policy to help ensure it can fulfil its health and safety responsibilities, with legal action taken against residents if necessary.

Financial performance remains strong. In 2016 the A2Dominion Group introduced additional performance triggers, designed to help the senior management and Board ensure early interventions are taken where future cashflow/drawdown capacity may be put at risk by under-performance in key areas.

The Affordable Rent Framework has resulted in significantly reduced grant rates being available to Registered Providers and, as a result, the A2Dominion Group is growing its commercial activities to generate subsidy for new social housing provision and the improvement of existing homes and services. Due to the A2Dominion Group's areas of operation in London and the South East, demand for its shared ownership and private sale developments has remained high.

Board

The Board also acts as the board for A2D Homes, A2D South, A2D Residential and A2D Housing Options. The Board steers and directs the activities of the A2Dominion Group. The members of the Board are chosen to ensure a broad cross-section of skills and experience within the housing sector, comprising the following persons:

Ian Cox (Chair)

Ian has worked within the property industry for over 35 years', holding senior-level development and regeneration roles at Bellway Homes and Redrow. He is Managing Partner and shareholder of Cox Development Partners. Ian is also part-time project director for the North Solihull regeneration project.

David Coates

David has worked as a finance and treasury professional in the retail sector for over 25 years, holding a number of Finance Director roles at companies including Sainsbury's and Debenhams. David is Chair of the A2Dominion Group's Audit, Risk and Assurance Committee. He currently manages his own property portfolio and prior to this was Group Finance Director at New Look.

Sara Dickinson

Sara has worked in financial roles for the past 20 years and is Chair of the A2Dominion Group's Treasury Committee. She has previously worked as Group Financial Controller for Sage Group PLC and as Vice President & Finance Director of eBookers Group, a pan European online travel agency. She is currently Chief Financial Officer at Expedia Partner Solutions.

Caroline Tolhurst

Caroline has 30 years' experience in the property and investment management sectors. She was Company Secretary at Grosvenor and NewRiver Retail, and Compliance Officer at Knight Frank. Caroline is Chair of the A2Dominion Group's Governance and Remuneration Committee and is the former Chair of the Board at Women's Pioneer Housing.

Caroline Tiller

Caroline has over 30 years' housing experience. Most recently, Caroline was Chief Executive of Central and Cecil Housing Trust – a post she held for six years. Prior to that, Caroline held a number of director level positions, with a focus on customer-facing operations, in large and medium sized housing associations.

Darrell Mercer

Darrell has 40 years' experience in the housing sector and was previously Assistant Director of Housing for the London Borough of Islington. He is the former CEO of Acton Housing Association and Dominion Housing Group and is currently the Group Chief Executive of the A2Dominion Group.

Anne Waterhouse

Anne is a chartered accountant with over 20 years' finance experience. Prior to her current role, Anne was Deputy Group Finance Director at Dominion Housing Group. She is a member of the Chartered Institute of Management Accountants and has also worked in finance within the house building industry.

Executive Management Team

Darrell Mercer (Group Chief Executive)

See above.

John Knevett (Executive Director – New Business)

John has worked in the housing sector for over 30 years, in addition to his extensive experience as a structural and civil engineer. He was previously CEO of the Issuer and is currently Executive Director (New Business) of the A2Dominion Group.

Andrew Boyes (Executive Director – Change and IT)

Andrew has over 30 years' experience in IT working across a broad range of business sectors, including housing, insurance, retail and distribution. Andrew joined the A2Dominion Group in 2009 as Group Director

of IT and became Executive Director (Change and IT) in 2014. He has been an IT Director since 1998, holding three other IT Director roles at insurance firms Castle Cover Ltd and RIAS plc and convenience retailer Alldays plc.

Kathryn Bull (*Executive Director – Projects*)

Kathryn has significant senior management experience in the public sector. Prior to her current role, she was Group Director of Risk & Planning at Dominion Housing Group. She was also Assistant Director of Housing at the London Borough of Croydon and worked at the London Borough of Wandsworth for six years.

Andrew Evans (*Executive Director – Operations*)

Andrew has over 25 years' service delivery experience in both the private and public sectors. Prior to his current role, Andrew was Group Operations Director for A2 Housing Group for 12 years and was Spelthorne Housing Association's Deputy Chief Executive. Andrew is a member of the Institute of Management.

Nick Hutchings (*Executive Director – Managing Director – Commercial*)

Nick has over 30 years' experience in the house-building industry and formerly worked at the Berkeley Group where he held senior management posts including Land Director. Nick's previous roles included Managing Director of St George Central London and then Development Director at St William – both part of the Berkeley Group.

Dean Tufts (*Executive Director – Finance and Strategy*)

Dean is a chartered accountant and has over 30 years' experience in the housing sector. Prior to his current role, he was Dominion Housing Group's Finance Director, a role he held for four years from 2004 until the creation of the A2Dominion Group in 2008. Previously he worked for Acton Housing Association from 1993 until it joined Dominion Housing Group in 2004 and before that he was at sheltered housing company McCarthy & Stone plc. Dean is an associate of the Institute of Chartered Accountants in England and Wales.

Anne Waterhouse (*Executive Director – Central and Financial Services and Deputy Chief Executive*)

See above.

The Board members and executive officers' principal activities outside the Issuer and the A2Dominion Group, where these are significant with respect to the Issuer and the A2Dominion Group, are set out in the Description of the Issuer above.

John Knevet will be leaving the A2Dominion Group in September 2018.

Board committees and panels

The A2Dominion Group operates a collapsed group structure on a "virtual" basis as a means of running the A2Dominion Group and its companies as a single entity. This structure has been adopted to achieve a more efficient way of working at board level. The A2Dominion Group delegates authority to the following committees and panels:

- **Treasury Committee:** The Treasury Committee is responsible for ensuring effective management of the A2Dominion Group's treasury function. The Treasury Committee (and its members) also acts as the Board for the A2Dominion Group's financial management subsidiaries (A2D Housing Finance and A2DTL).
- **Audit, Risk & Assurance Committee:** The Audit, Risk & Assurance Committee provides assurance to the A2Dominion Group on performance for all services provided to the A2Dominion

Group's homes and residents, ensuring legal, regulatory and performance requirements are met. It also oversees the systems of internal control, risk management, and the external and internal audit functions for the whole A2Dominion Group to ensure that these functions are effective and well managed. This also includes responsibility for the oversight of performance of the compliance areas of health and safety, insurance and procurement.

- **Governance & Remuneration Committee:** The Governance & Remuneration Committee is responsible to the Board for matters relating to governance, ensuring that governance across the A2Dominion Group is robust and complies with regulatory requirements (including the governance component of the Governance and Viability standard) and good practice. The Governance & Remuneration Committee also oversees the remuneration of staff, board and committee members within the A2Dominion Group and has responsibility for monitoring, regulating and approving remuneration and pension policies.
- **Development & Property Panel:** This executive-led panel is responsible for overseeing the delivery of the Land and Development Strategy and the Asset Management Strategy on behalf of A2Dominion Group members. The panel approves development schemes and the stock investment programme and monitors delivery of the development programme to ensure that standards of development in the A2Dominion Group are maintained. The members of the panel will also act as the board for the A2Dominion Group's development subsidiary, A2Dominion Developments.
- **Customer Advisory Panel:** This panel reviews the framework for customer engagement, feedback and insight and resident involvement, informing future strategy as well as day to day service delivery, and supporting a wide range of customer tenures and customer segments in order to meet regulatory standards. The panel also reviews resident involvement, making recommendations for future capability.

Corporate Governance

The principal corporate governance rules applicable to the A2Dominion Group is the National Housing Federation's (the **NHF**) Code of Governance (the **Code**), the updated version of which was published in March 2015. The Board is fully compliant with the Code.

The Registered Provider members of the A2Dominion Group (including the Issuer) are regulated by the Regulator. Regulation takes the form of ensuring that the Issuer complies with a regulatory framework which assesses performance under two headings: Governance and Viability. The Regulator summarises its judgements in a regulatory judgement which is updated as part of the ongoing regulation process. The Issuer was last reviewed in December 2017 when the Regulator issued a strapline regulatory judgement in which the Issuer retained the highest possible regulatory ratings with top scores of G1 and V1 awarded for governance and financial viability.

The Board is confident that the regulatory judgement from the Regulator, together with the assessments against the regulatory framework and its code of governance, provide assurance that governance across the A2Dominion Group is strong.

Objects and purposes

In accordance with Rule A2 of the Issuer's Rules, the Issuer's charitable objects are to carry on for the benefit of the community:

- the business of providing and managing housing, including social housing, and providing assistance to help to house people and associated facilities, amenities and services for poor people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people; and

- any other charitable object that can be carried out from time to time by a registered society registered as a provider of social housing with the Regulator.

These are replicated exactly by the Rules of A2D Homes, A2D South and A2D Housing Options.

Material contracts relating to the A2Dominion Group

The following is a summary of the key joint-venture agreements (not being contracts entered into in the ordinary course of the A2Dominion Group's business) that have been entered into by members of the A2Dominion Group which could result in the relevant member of the A2Dominion Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders:

Green Man Lane LLP

Green Man Lane LLP (**Green Man**) was incorporated on 11th March, 2010. The principal activity of Green Man Lane LLP is the development of 314 homes for private sale as part of the regeneration of the Green Man Lane Estate in West Ealing (now known as Jigsaw). The joint venture partners are A2D Developments and Real (Ealing) Limited, with each owning a 50% share in Green Man. Real (Ealing) Limited is a wholly owned subsidiary of Real Limited, which is a wholly owned subsidiary of Rydon Holdings Limited. Rydon Holdings Limited is the holding company for Rydon Group Limited, the parent of Rydon Homes Limited. Rydon Homes Limited is the contractor for the private sale units on behalf of Green Man Lane, as well as the contractor for the affordable housing being developed at Green Man Lane by A2Dominion Homes.

Pyramid Plus London LLP & Pyramid Plus South LLP

Pyramid Plus London LLP and Pyramid Plus South LLP are joint venture companies which have been set up to offer a responsive repairs service initially to the A2Dominion Group's housing stock with the future option of expanding the service offering to the wider housing industry and beyond.

Each of Pyramid Plus London LLP and Pyramid Plus South LLP was established to serve a certain geographical area; Pyramid Plus London serves the A2Dominion Group's properties in the London area and Pyramid Plus South serves A2Dominion Group's properties outside of London, largely in the South East of England. Both Pyramid Plus London LLP and Pyramid Plus South LLP commenced trading on 2nd April, 2013.

Pyramid Plus London LLP is 70% owned by A2D Housing Options and 30% owned by Breyer Group plc. The contract period is for 10 years commencing in January 2013, renewable for a further 5 years by agreement at the expiration of the initial term.

Pyramid Plus South LLP is 70% owned by A2D Housing Options and 30% by Mitie Property Services (UK) Limited. The contract period is 10 years commencing in January 2013, renewable for a further 5 years by agreement at the expiration of the initial term.

The relationship with both of the joint venture partners remains strong and each company is seeking further external clients.

Essex Wharf Homes LLP

Essex Wharf Homes LLP is a 50/50 joint venture A2D Developments and Sherrygreen Homes Ltd, a subsidiary of Sherrygreen Group Limited. The principal activity of Essex Wharf Homes LLP is the development and sale of housing properties in East London. The LLP has completed the development of its private sale units and the 50% equity of £4.2million was fully repaid to A2D Developments during the financial year 2015/16.

Keybridge House LLP

Keybridge House LLP is a joint venture between A2D Developments and Mount Anvil (Keybridge House) Limited. Incorporated on 4th November, 2014 the principal activity of the LLP is the development of 470 new homes for outright sale, shared ownership, private rent and affordable rent, as well as 3,500sqm of commercial space at the UK's tallest brick-built residential tower in Vauxhall, South East London.

Keybridge House 2 LLP

Keybridge House 2 LLP is a joint venture between A2D Developments and Mount Anvil (Keybridge House 2) Limited. The principal activity of the joint venture is to provide 432 units for private sale, 22 affordable homes and 16 social housing units.

Queens Wharf Riverside LLP

Incorporated on 24th December, 2009 as A2Dominion (Wharf Road) LLP it changed its name to Queens Wharf Riverside LLP on 29th August, 2013. The principal activity of the LLP is the development and sale of 165 homes at Queens Wharf, Hammersmith. It is a 50/50 joint venture between A2D Developments and Hammersmith Developments Holdco Limited.

Crest A2D (Walton Court) LLP

A 50% interest is held in Crest A2D (Walton Court) LLP with Crest Nicholson Operations Limited. A2D Developments entered into a new agreement with Crest A2D (Walton Court) LLP joint venture on 29th January, 2016 to provide around 300 new homes at Walton Court in Walton-on-Thames (tenure mix to be finalised).

Elmsbrook (Crest A2D) LLP

A 50/50 joint venture by A2D Developments with Crest Nicholson Operations, Elmsbrook (Crest A2D) LLP has been established in order to provide 232 new homes in North West Bicester, comprising 30 per cent. affordable housing.

A2D NK Homes LLP

An 80/20 (but with 50/50 voting rights) joint venture by A2D Developments with Nicholas King Homes PLC. The principal activity of the partnership is to establish individual property companies for the purposes of acquiring, holding, development and/or selling the properties in the partnership's target areas.

New Cross Gate Phase 1 LLP

A 50/50 joint venture with Mount Anvil (New Cross Gate) 1 Limited. The principal activity of the partnership is to develop a mixed-use scheme relating to land at 263 New Cross Road, London SE14.

New Cross Gate Phase 2 LLP

A 50/50 joint venture with Mount Anvil (New Cross Gate) 2 Limited. The principal activity of the partnership is to develop a mixed-use scheme relating to land at 263 New Cross Road, London SE14.

New Cross Gate Phase 3 LLP

A 50/50 limited liability partnership (with registered number OC421055), which is a joint venture with Mount Anvil (New Cross Gate) 3 Limited. The principal activity of the partnership is to develop a mixed-use scheme relating to land at 263 New Cross Road, London SE14.

Recent Developments

There have been no recent events particular to the A2Dominion Group that are, to a material extent, relevant to the evaluation of the A2Dominion Group's solvency.

DESCRIPTION OF THE CUSTODY AGREEMENT

Custody Agreement

Pursuant to the custody agreement dated 25th October, 2017 (the **Custody Agreement**) between A2Dominion Housing Group Limited (the **Issuer**) and The Bank of New York Mellon, London Branch as custodian (the **Custodian**), the Issuer has instructed the Custodian to open, in the name of the Issuer, a custody account to hold any Retained Notes (the **Custody Account**).

Payments and Delivery

The Issuer will authorise the Custodian to make payments and delivery from the Custody Account.

Payment Waiver

Pursuant to a letter dated 25th October, 2017 addressed to the Custodian, the Principal Paying Agent, the Registrar and the Transfer Agents (the **Payment Waiver Letter**), the Issuer will unconditionally and irrevocably:

- (a) waive its rights to receive payments of interest, principal or premium in respect of the Retained Notes and, for the avoidance of doubt, such waiver by the Issuer of such rights will continue to be effective following the occurrence of an Event of Default;
- (b) authorise the Custodian to disclose the waiver referred to in (a) above in respect of the Retained Notes (and the aggregate principal amount of Retained Notes of a particular series held by the Custodian) to any applicable international clearing system(s) for the Retained Notes to ensure that the waiver of the right to receive payments of interest, principal or premium in respect of the Retained Notes is effected; and
- (c) direct the Custodian, in respect of each Retained Notes held by the Custodian on behalf of the Issuer in definitive form, (i) on each Interest Payment Date, to surrender the interest coupon for such Retained Note corresponding to such Interest Payment Date to the paying agents appointed with respect to the Notes for cancellation and (ii) to surrender any Retained Notes in definitive form to the paying agents appointed with respect to the Notes for cancellation on any date on which the Retained Notes are to be redeemed in full.

The Custodian and the Issuer each acknowledge and agree that the waiver, authorisation and direction provided by the Issuer as described above will be irrevocable.

Termination of Custody Agreement

The Issuer may revoke its appointment of the Custodian upon not fewer than 30 days' notice to the Custodian (subject to the appointment of a replacement Custodian in accordance with the terms of the Custody Agreement).

The Custodian may resign its appointment upon giving not fewer than 30 days' notice to the Issuer (subject to the appointment of a replacement Custodian in accordance with the terms of the Custody Agreement).

Pursuant to the Custody Agreement, the Issuer shall, in the event of a revocation or resignation of the Custodian, appoint a successor custodian, whereupon the Issuer and the successor custodian shall acquire and become subject to the same rights and obligations between themselves as if they entered into an agreement in the form *mutatis mutandis* of the Custody Agreement, save as otherwise agreed between such parties.

SUBSCRIPTION AND SALE

This Section contains a description of the material provisions of the Programme Agreement.

The Dealers have, in an Amended and Restated Programme Agreement (such Amended and Restated Programme Agreement as modified and/or supplemented and/or restated from time to time, the **Programme Agreement**) dated 14th September, 2018, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

Selling restrictions

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold 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 meanings given to them by Regulation S under the Securities Act.

The 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. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have 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 Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or 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 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 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 Notes in, from or otherwise involving the United Kingdom.

Belgium

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Prohibition of Sales to EEA Retail Investors

Unless the applicable Final Terms in respect of any Notes specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision, the expression **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 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Trustee nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the Trustee and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

ADDITIONAL INFORMATION

This Section sets out further information on the Issuer and the Programme which the Issuer is required to include under applicable rules.

These include the availability of certain relevant documents for inspection, confirmations from the Issuer and details of the listing of the Notes.

Listing and admission to trading of the Notes

It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's regulated market will be admitted separately as and when issued. Application has been made to the UK Listing Authority for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's regulated market. The listing of the Programme in respect of Notes is expected to be granted on or around 18th September, 2018.

Issuer's authorisation

The establishment of the programme was duly authorised by a resolution of the Group Finance Committee of the Issuer passed on 25th October, 2016. The update of the Programme was duly authorised by a resolution of the Treasury Committee of the Issuer dated 16th August, 2018.

The Issuer has obtained all necessary consents, approvals and authorisations in England and Wales in connection with the issue and performance of the Notes.

Significant or material change statement

There has been no significant change in the financial or trading position of the A2Dominion Group, and no material adverse change in the prospects of the Issuer, since 31st March, 2018.

Litigation statement

There are no, and have not been, any governmental, legal or arbitration proceedings against the Issuer or the A2Dominion Group (including any such proceedings which are pending or threatened of which the Issuer or the A2Dominion Group, as the case may be, is aware) in the 12 months preceding the date of this document which may have, or have in such period had, a significant effect on the financial position or profitability of the Issuer or the A2Dominion Group.

Clearing systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code, ISIN, CFI (if applicable) and FISN (if applicable) for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the 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 Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

Documents available for inspection

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in London:

- (a) the constitutional documents of the Issuer;
- (b) the audited consolidated financial statements of the Issuer in respect of the financial years ended 31st March, 2017 and 31st March, 2018, in each case together with the audit reports prepared in connection therewith;
- (c) the most recently published interim financial statements (if any) of the Issuer, together with any audit or review reports prepared in connection therewith;
- (d) the Programme Agreement, the Trust Deed, the Agency Agreement and the Custody Agreement;
- (e) the Issuer-ICSDs Agreement dated 25th October, 2016 and the Issuer Effectuation Authorisation dated 25th October, 2016;
- (f) a copy of this Base Prospectus; and
- (g) any future offering circulars, prospectuses, information memoranda, supplements and Final Terms to this Base Prospectus and any other documents incorporated therein by reference.

Auditors

The consolidated financial statements of the Issuer for the financial years ended 31st March, 2017 and 31st March, 2018 have been audited without qualification by BDO LLP, a member firm of the Institute of Chartered Accountants of England and Wales, of 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0PA.

Dealers transacting with the Issuer

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 other services for the Issuer and its affiliates in the ordinary course of business.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Yield

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Applicable Final Terms” for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by A2Dominion Housing Group Limited (the **Issuer**) constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 25th October, 2016 made between the Issuer and Prudential Trustee Company Limited (the **Trustee**, which expression shall include any successor as Trustee).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note;
- (c) any definitive Notes in bearer form (**Bearer Notes**) issued in exchange for a Global Note in bearer form; and
- (d) any definitive Notes in registered form (**Registered Notes**) (whether or not issued in exchange for a Global Note in registered form).

The Notes and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 25th October, 2017 and made between the Issuer, the Trustee, The Bank of New York Mellon, London Branch as issuing and principal paying agent and agent bank (the **Principal Paying Agent**, which expression shall include any additional or successor paying agents), The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar (the **Registrar**, which expression shall include any successor registrar), and a transfer agent and the other transfer agents named therein (together with the Registrar, the **Transfer Agents**, which expression shall include any additional or successor transfer agents). The Principal Paying Agent, the Registrar, the Paying Agents and other Transfer Agents are together referred to as the **Agents**.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions (the **Conditions**). References to the **applicable Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. The expression **Prospectus Directive** means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

Definitive Bearer Notes have interest coupons (**Coupons**) and, in the case of Bearer Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons.

The Trustee acts for the benefit of the Noteholders (which expression shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below), and the holders of the Coupons (the **Couponholders**, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours at the registered office for the time being of the Principal Paying Agent being at One Canada Square, London E14 5AL and at the specified office of each of the other Paying Agents. If the Notes are to be admitted to trading on the regulated market of the London Stock Exchange, the applicable Final Terms will be published on the website of the London Stock Exchange through a regulatory information service. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed, the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In the Conditions, **euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1. **FORM, DENOMINATION AND TITLE**

The Notes are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denominations (the **Specified Denomination(s)**) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a Fixed Rate Note, a Floating Rate Note, or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Trustee and any Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note in bearer or the registered holder of the relevant Global Note in registered form shall be treated by the Issuer, the Trustee and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and 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 Part B of the applicable Final Terms.

If so specified in the applicable Final Terms, Notes may immediately be purchased by the Issuer on the Issue Date thereof. Such Notes are referred to as **Retained Notes**. Any Retained Notes may (in each case, together with the related Coupons and Talons) be purchased by and held by or for the account of the Issuer and may be sold or otherwise disposed of in whole or in part by private treaty at any time, and shall cease to be Retained Notes to the extent of and upon such sale or disposal.

Retained Notes shall, pending sale or disposal by the Issuer, carry the same rights and be subject in all respects to the same Conditions as the other Notes, except that Retained Notes will not be treated as outstanding for the purposes of determining quorum or voting at meetings of Noteholders or of considering the interests of the Noteholders save as otherwise provided in the Trust Deed. Notes which have ceased to be Retained Notes shall carry the same rights and be subject in all respects to the same Conditions as the other Notes.

Retained Notes will be held by The Bank of New York Mellon, London Branch as custodian (the **Custodian**) pursuant to a Custody Agreement dated 25th October, 2017 (the **Custody Agreement**) between the Issuer, the Trustee and the Custodian.

2. TRANSFERS OF REGISTERED NOTES

2.1 Transfers of interests in Global Notes in registered form

Transfers of beneficial interests in Global Notes in registered form will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Global Note in registered form will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Global Note in registered form of the same series only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and

operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Trust Deed and the Agency Agreement.

2.2 Transfer of Registered Notes in definitive form

Subject as provided in Condition 2.3 below, upon the terms and subject to the conditions set forth in the Trust Deed and the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (a) the holder or holders must (i) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer, the Trustee and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 6 to the Trust Deed). Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

2.3 Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

2.4 Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

3. STATUS OF THE NOTES

The Notes and any related Coupons are direct, unconditional and unsecured obligations of the Issuer and rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

4. INTEREST

The applicable Final Terms will indicate whether the Notes are Fixed Rate Notes or Floating Rate Notes.

4.1 Interest on Fixed Rate Notes

This Condition 4.1 applies to Fixed Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 4.1 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest, in accordance with this Condition 4.1:

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
 - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number

of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

- (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

4.2 Interest on Floating Rate Notes

(a) Interest Payment Dates

This Condition 4.2 applies to Floating Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 4.2 for full information on the manner in which interest is calculated on Floating Rate Notes. In particular, the applicable Final Terms will identify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction. Where ISDA Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Interest Determination Date(s) and Relevant Screen Page.

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions, **Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 4.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, 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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment 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 Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, **Business Day** means a day which is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (b) if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open; and
- (c) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(b) **Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), **Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(ii) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either LIBOR or EURIBOR, as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(c) Benchmark Replacement

Notwithstanding the provisions of Condition 4.2(b)(ii) above, if the Issuer (in consultation with the Principal Paying Agent) determines that a Benchmark Event (as defined below) has occurred or that there may be a Successor Rate (as defined below) when any Rate of Interest (or the relevant component part thereof) remains to be determined by the relevant Reference Rate, then the following provisions shall apply:

- (i) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser (as defined below) to determine (without any requirement for the consent or approval of the Noteholders) a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) and (in either case) an Adjustment Spread (as defined below) no later than five Business Days prior to the Interest Determination Date relating to the next Interest Period (the **IA Determination Cut-off Date**) for the purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 4.2(c));
- (ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, then the Issuer (in consultation with the Principal Paying Agent and acting in good faith and a commercially reasonable manner) shall determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate and (in either case) any Adjustment Spread;
- (iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Reference Rate for all future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 4.2(c));
- (iv) if the Independent Adviser or, in accordance with Condition 4.2(c)(ii) above, the Issuer (acting in good faith) determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as the case may be) may also, without the consent or approval of the Noteholders and following consultation with the Principal Paying Agent, specify changes to the Conditions (including, without limitation, to the Relevant Screen Page, Specified Period(s)/Specified Interest Payment Dates, Business Day Convention, Additional Business Centre(s), Interest Determination Date and Day Count Fraction, and/or the definition of "Reference Rate" applicable to the Notes), and the method for determining the Rate of Interest in relation to the Notes in order to ensure the proper operation of such Successor Rate or Alternative Reference Rate (as the case may be) and (in either case) any Adjustment Spread. If the Independent Adviser or the Issuer (acting in good faith) (as applicable) determines that an Adjustment Spread (as defined below) is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then

such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;

- (v) if any Successor Rate, Alternative Reference Rate or Adjustment Spread is determined in accordance with this Condition 4.2(c) and the Issuer, following consultation with the Independent Adviser (if appointed) and acting in good faith, determines (A) that amendments to these Conditions, the Trust Deed and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Reference Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.2(c)(vi) below, without any requirement for the consent or approval of Noteholders, vary these Conditions, the Trust Deed and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice. At the request of the Issuer and subject to paragraphs (vi) and (vii) below, the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed and, if required, the Agency Agreement) and the Trustee shall not be liable to any party for any consequences thereof;
- (vi) the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend its rights and/or the protective provisions afforded to the Trustee in these Conditions or the Trust Deed or any other document to which it is a party (including, for the avoidance of doubt, any supplemental trust deed) in any way. For the avoidance of doubt, no consent of the Noteholders or Couponholders of the relevant Series shall be required in connection with effecting the Benchmark Amendments or such other changes, including for the execution of any documents or the taking of other steps by the Trustee, the Issuer or any of the parties to the Agency Agreement (if required);
- (vii) Prior to any such Benchmark Amendments taking effect, the Issuer shall provide a certificate to the Trustee signed by two authorised signatories of the Issuer confirming, in the Issuer's reasonable opinion (following consultation with the Independent Adviser (if appointed)): (i) that a Benchmark Event has occurred; (ii) the Successor Rate or Alternative Reference Rate (as applicable); (iii) where applicable, any Adjustment Spread; (iv) where applicable, the terms of any Benchmark Amendments, in each case determined in accordance with this Condition 4.2(c); and (v) that such Benchmark Amendments are necessary to give effect to any application of this Condition 4.2(c) and the Trustee shall be entitled to rely on such certificate without further enquiry or liability to any person. For the avoidance of doubt, the Trustee shall not be liable to the Noteholders or any other person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. Without prejudice to the Trustee's ability to rely on such certificate (as aforesaid), the Successor Rate or Alternative Reference Rate (as applicable) and, where applicable, any Adjustment Spread and any Benchmark Amendments will be binding on the Issuer, the Trustee, the Paying Agents, the Noteholders and the Couponholders;
- (viii) the Issuer shall promptly following the determination of any Successor Rate or Alternative Reference Rate (as applicable) or (in either case) any Adjustment Spread and the specific terms of any Benchmark Amendments to these Conditions and/or the Trust Deed and/or the

Agency Agreement give notice thereof to the Trustee, the Principal Paying Agent and the Noteholders (in accordance with Condition 15). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any; and

- (ix) if neither the Independent Adviser nor the Issuer is able to determine a Successor Rate or an Alternative Reference Rate prior to the Interest Determination Date relating to the next Interest Period in accordance with the above provisions, the fallback provisions set out in the Agency Agreement shall apply.

An Independent Adviser appointed pursuant to this Condition 4.2(c) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Principal Paying Agent, the Trustee or the Noteholders for any advice given to the Issuer or any determination made pursuant to this Condition 4.2(c).

Without prejudice to the obligations of the Issuer under this Condition 4.2(c), the Reference Rate and the other provisions in this Condition 4 will continue to apply unless and until the Principal Paying Agent has been notified of the Successor Rate or Alternative Reference Rate (as applicable), the Adjustment Spread (if any) and any Benchmark Amendments.

For the purpose of this Condition 4.2(c):

Adjustment Spread means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser or the Issuer (as applicable) determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the relevant circumstances, any economic prejudice or benefit (as applicable) to the Noteholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (a) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body (as defined below); or
- (b) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or
- (c) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable) determines (acting in good faith) to be appropriate;

Alternative Reference Rate means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its sole discretion is most comparable to the relevant Reference Rate;

Benchmark Event means:

- (a) the Reference Rate ceases to be published for a period of five or more Business Days or ceases to exist; or
- (b) a public statement by the administrator of the Reference Rate that it will, by a specified date within the following six months, cease publishing the Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Reference Rate); or
- (c) a public statement by the supervisor of the administrator of the Reference Rate that the Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the Reference Rate that means the Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (e) it has become unlawful for any Paying Agent, Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Reference Rate;

Independent Financial Adviser means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense;

Relevant Nominating Body means, in respect of a Reference Rate:

- (a) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the Reference Rate relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (iii) a group of the aforementioned central banks or other supervisory authorities, or (iv) the Financial Stability Board or any part thereof; and

Successor Rate means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

(d) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of subparagraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of subparagraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(e) **Determination of Rate of Interest and calculation of Interest Amounts**

The Principal Paying Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (i) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (ii) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 4.2:

- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Interest Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D₁ is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Interest Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D₁ is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

- (vii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Interest Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D₁ is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

(f) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as the Issuer shall determine as appropriate for such purposes.

Designated Maturity means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(g) Notification of Rate of Interest and Interest Amounts

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(h) Determination of Calculation by Trustee

If for any reason at any relevant time the Principal Paying Agent defaults in its obligation to determine the Rate of Interest or in its obligation to calculate any Interest Amount in accordance with subparagraph (b)(i) or subparagraph (b)(ii) above, as the case may be, and in each case in accordance with subparagraphs (e) and (f) above, the Trustee (or an agent on its behalf, appointed at the expense of the Issuer) shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Principal Paying Agent.

(i) **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 this Condition 4.2 by the Principal Paying Agent, the Independent Adviser or the Issuer (as the case may be) shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Principal Paying Agent, the other Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Principal Paying Agent, the Independent Adviser, the Issuer or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

4.3 Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) as provided in the Trust Deed.

5. COVENANTS

5.1 Financial Covenant of the Issuer

For so long as any of the Notes remain outstanding, the Issuer shall procure that the aggregate Net Available Properties Value in respect of all members of the A2Dominion Group shall be not less than 130% of the Total Unsecured Debt of the A2Dominion Group.

For the purpose of these Conditions:

A2Dominion Group means the Issuer (and any entity with which the Issuer may merge or be consolidated with at any time) and its subsidiaries from time to time;

Applicable Valuation Basis means a valuation made on the basis of existing use value for social housing, as defined in “The Red Book – Royal Institution of Chartered Surveyors Appraisal and Valuation Standards” (as may be amended or supplemented from time to time), taking into account any restrictions of which the Valuer is aware, or such other valuations basis as the Valuer might consider appropriate at any time;

Fixed Asset Investments and Stock & WIP means, in respect of each member of the A2Dominion Group, the amounts as shown in the most recent audited financial statements of such member of the A2Dominion Group (or, if none, the Issuer) for such items;

Net Available Properties Value means, in respect of each member of the A2Dominion Group, the Total Properties Value of such member of the A2Dominion Group less the Total Secured Debt of such member of the A2Dominion Group;

Properties means all estates or interests in any freehold, leasehold, heritable or other immovable property situated in the United Kingdom;

Total Properties Value means, in respect of each member of the A2Dominion Group, such amount as represents the aggregate of the total value, as at the last day of the financial year of such member of the A2Dominion Group of each of the Properties (each determined in accordance with the

Applicable Valuation Basis), as confirmed to the Issuer by the Valuer, and the Fixed Asset Investments and Stock & WIP;

Total Secured Debt means, in respect of each member of the A2Dominion Group, the aggregate of all secured borrowings of such member of the A2Dominion Group as at the last day of each financial year of such member of the A2Dominion Group calculated by reference to the audited financial statements of such member of the A2Dominion Group (or, if none, the Issuer) for such financial year;

Total Unsecured Debt means, in respect of the A2Dominion Group, the aggregate of all unsecured borrowings (excluding any borrowings from other members of the A2Dominion Group) of all members of the A2Dominion Group as at the last day of each financial year of the Issuer, calculated by reference to the audited financial statements of the Issuer for such financial year; and

Valuer means any firm of external or independent professional valuers as may be from time to time be appointed by the Issuer or any other member of the A2Dominion Group.

5.2 Compliance Certificate

A certificate addressed to the Trustee by two authorised signatories of the Issuer as to any of the following may, in the absence of manifest error, be relied on by the Trustee and, if so relied upon, shall be conclusive and binding on the Noteholders and Couponholders:

- (a) compliance with the covenant in Condition 5.1; and
- (b) any calculation under Condition 5.1; and
- (c) any amount or quantification of any defined term under Condition 5.1,

provided the requirement for a confirmation of the Valuer as provided under the definition of Total Properties Value is met.

The Issuer will deliver such a certificate (together with the confirmation of the Valuer referred to in the definition of Total Properties Value) to the Trustee within 210 days of the end of each financial year of the Issuer.

The Trustee may accept and rely on the confirmation of the Valuer whether or not any such confirmation or any document entered into by the Trustee and the Valuer in connection therewith contains any limit on liability of the Valuer.

6. PAYMENTS AND EXCHANGES OF TALONS

6.1 Method of Payment

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986 (as amended, 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 Condition 8) any law implementing an intergovernmental approach thereto.

6.2 Presentation of definitive Bearer Notes and Coupons

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 6.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

6.3 Payments in respect of Global Notes in bearer form

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Global Note, where

applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

6.4 Payments in respect of Notes in registered form

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Note in registered form (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the **Register**) (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. For these purposes, **Designated Account** means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by transfer on the due date to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the **Record Date**). Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

No commissions or expenses shall be charged to the holders by the Registrar in respect of any payments of principal or interest in respect of Registered Notes.

None of the Issuer, the Trustee or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Global Notes in registered form or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

6.5 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the obligations of the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear

or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

6.6 Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 9) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (i) in the case of Notes in definitive form only, the relevant place of presentation;
 - (ii) each Additional Financial Centre (other than TARGET2 System) specified in the applicable Final Terms;
 - (iii) if TARGET2 System is specified as an Additional Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open; and
- (b) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

6.7 Interpretation of principal and interest

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

- (a) any additional amounts which may be payable with respect to principal under Condition 8 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes; and
- (e) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

7. REDEMPTION AND PURCHASE

7.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as provided below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

7.2 Redemption for taxation reasons

Subject to Condition 7.6, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Trustee and the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 8) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee to make available at its specified office to the Noteholders (i) a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a

result of such change or amendment and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Notes redeemed pursuant to this Condition 7.2 will be redeemed at their Early Redemption Amount referred to in Condition 7.6 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

7.3 Redemption at the option of the Issuer (Issuer Call)

This Condition 7.3 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Issuer (other than for taxation reasons), such option being referred to as an **Issuer Call**. The applicable Final Terms contains provisions applicable to any Issuer Call and must be read in conjunction with this Condition 7.3 for full information on any Issuer Call. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount, any minimum or maximum amount of Notes which can be redeemed and the applicable notice periods.

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in applicable Final Terms to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

The Optional Redemption Amount will either be:

- (i) the specified percentage of the nominal amount of the Notes stated in the applicable Final Terms; or
- (ii) if Spens Amount is specified in the applicable Final Terms as the Optional Redemption Amount, the Optional Redemption Amount will be equal to the higher of (A) 100 per cent. of the principal amount outstanding of the Notes to be redeemed or (B) the principal amount outstanding of the Notes to be redeemed multiplied by the price, as reported to the Issuer and the Trustee by the Financial Adviser, at which the Gross Redemption Yield on such Notes on the Reference Date is equal to the Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time specified in the applicable Final Terms on the Reference Date of the Reference Bond, plus the Redemption Margin, all as determined by the Financial Adviser; or
- (iii) if Make-Whole Amount is specified in the applicable Final Terms as the Optional Redemption Amount, the Optional Redemption Amount shall be an amount calculated by the Financial Adviser equal to the higher of (i) 100 per cent. of the outstanding principal amount outstanding of the Notes to be redeemed and (ii) the sum of the present values of the principal amount outstanding of the Notes to be redeemed and the Remaining Term Interest on such Note (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on an annual basis at the Reference Bond Rate, plus the Redemption Margin.

In this Condition 7.3:

FA Selected Bond means one or more government securities selected by the Financial Adviser as having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

Financial Adviser means a financial adviser selected by the Issuer after consultation with the Trustee;

Gross Redemption Yield means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by the Financial Adviser on the basis set out by the United Kingdom Debt Management Office in the paper “Formulae for Calculating Gilt Prices from Yields”, page 4, Section One: Price/Yield Formulae “Conventional Gilts”; Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date” (published 8th June, 1998, as supplemented, amended, updated or replaced from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or on such other basis as the Trustee may approve;

Quotation Time shall be as specified in the applicable Final Terms;

Redemption Margin shall be as specified in the applicable Final Terms;

Reference Bond shall be as specified in the applicable Final Terms or the FA Selected Bond;

Reference Bond Price means, with respect to any redemption date, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Financial Adviser obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

Reference Bond Rate means, with respect to any redemption date, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such redemption date;

Reference Date will be specified in the relevant notice of redemption and

Reference Government Bond Dealer means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

Reference Government Bond Dealer Quotations means, with respect to each Reference Government Bond Dealer and any redemption date, the arithmetic average, as determined by the Financial Adviser, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the Final Terms on the Reference Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer;

Remaining Term Interest means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term of such Note determined on the basis of

the rate of interest applicable to such Notes from and including the date on which such Note is to be redeemed by the Issuer pursuant to this Condition 7.3.

All notifications, opinions, determinations, certifications, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7.3 by the Financial Adviser, shall (in the absence of negligence, wilful deceit or bad faith) be binding on the Issuer, the Financial Adviser and the Trustee, the Paying Agents and all Noteholders and Couponholders.

7.4 Redemption at the option of the Noteholders (Investor Put)

This Condition 7.4 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Noteholder, such option being referred to as an **Investor Put**. The applicable Final Terms contains provisions applicable to any Investor Put and must be read in conjunction with this Condition 7.4 for full information on any Investor Put. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount and the applicable notice periods.

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 15 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2. If this Note is in definitive bearer form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear, Clearstream, Luxembourg, or any common depository or common safekeeper, as the case may be for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

7.5 Provisions relating to Partial Redemption

In the case of a partial redemption of Notes, the Notes to be redeemed (Redeemed Notes) will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules 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). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 not less than 15 days prior to the date fixed for redemption.

7.6 Early Redemption Amount

For the purpose of Condition 7.2 above and Condition 10, each Note will be redeemed at its Early Redemption Amount.

7.7 Purchase of Notes by the Issuer or members of the A2Dominion Group

The Issuer and any of its subsidiaries may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or surrendered to any Paying Agent and/or the Registrar for cancellation.

The Issuer will purchase any Retained Notes on the Issue Date.

7.8 Cancellation

All Notes (other than Retained Notes) which are (a) redeemed or (b) purchased by or on behalf of the Issuer or any of its subsidiaries and surrendered for cancellation will forthwith be cancelled, together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption. All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 7.7 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

The Issuer may cancel any Retained Notes held by it or on its behalf at any time.

8. TAXATION

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) the holder of which is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 6.6).

As used herein:

- (i) **Tax Jurisdiction** means the United Kingdom or any political subdivision or any authority thereof or therein having power to tax; and
- (ii) the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

9. PRESCRIPTION

The Notes (whether in bearer or registered form) and Coupons will become void unless claims in respect of principal and/or interest are made within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8).

There shall not be included in any Coupon sheet issued upon exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 9 or Condition 6.2.

10. EVENTS OF DEFAULT

10.1 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in nominal amount of the Notes (excluding any Retained Notes) then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), (but, in the case of the happening of any of the events described in subparagraphs (b) (other than a failure by the Issuer to comply with Condition 5.1), (c) and (k) inclusive, only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give written notice to the Issuer that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at their Early Redemption Amount, together with accrued interest as provided in the Trust Deed, in any of the following events (**Events of Default**):

- (a) default is made in the payment in the Specified Currency of any principal or interest due in respect of the Notes or any of them and the default continues for a period of 7 days in the case of principal or 14 days in the case of interest; or
- (b) the Issuer fails to perform or observe any of its other obligations under these Conditions or the Trust Deed and (except in any case where the Trustee considers the failure to be incapable of remedy, when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days (or such longer period as the Trustee may permit) following the service by the Trustee on the Issuer of written notice requiring the same to be remedied; or
- (c) (A) any other present or future indebtedness of the Issuer or any Material Subsidiaries for or in respect of moneys borrowed or raised is declared due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described); or
(B) any such indebtedness is not paid when due (after the expiry of any originally applicable grace period); or

- (C) the Issuer or any Material Subsidiary fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised,

provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in (A), (B) or (C) above have occurred equals or exceeds £10,000,000 or its equivalent in other currencies (as reasonably determined by the Trustee); or

- (d) any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or any Material Subsidiary save for the purposes of a Permitted Reorganisation or other reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or
- (e) the Issuer or any Material Subsidiary ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of a Permitted Reorganisation or other reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or
- (f) any Material Subsidiary which is a Registered Provider of Social Housing on the date of issue of the Notes or (if it joins the A2Dominion Group after such date) on the date on which it joins the A2Dominion Group, ceases to be a Registered Provider of Social Housing; or
- (g) the Issuer or any Material Subsidiary stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (h) (A) proceedings are initiated against the Issuer or any Material Subsidiary under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any Material Subsidiary or, as the case may be, in relation to all or substantially all of the undertaking or assets of the Issuer or any Material Subsidiary or an encumbrancer takes possession of all or substantially all of the undertaking or assets of the Issuer or such Material Subsidiary, as the case may be, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against all or substantially all of the undertaking or assets of the Issuer or such Material Subsidiary, as the case may be; and
(B) in any such case (other than the appointment of an administrator) is not discharged within 14 days,

save for the purposes of a Permitted Reorganisation or other reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or

- (i) the Issuer or any Material Subsidiary (or their respective board members or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) other than (in the case of any Material Subsidiary) for the purposes of a Permitted Reorganisation or other reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or

- (j) the Issuer or any Material Subsidiary (or their respective board members or shareholders) makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors) save for the purposes of a Permitted Reorganisation or other reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or
- (k) it is or becomes unlawful for the Issuer to perform or comply with its obligations under the Notes or the Trust Deed.

10.2 Interpretation

For the purposes of this Condition:

Material Subsidiary means:

- (a) any subsidiary of the Issuer:
 - (i) whose assets or turnover (consolidated in the case of a subsidiary which itself has subsidiaries) represent, in each case, not less than 5% of the consolidated assets at historic cost or turnover of the A2Dominion Group, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such subsidiary and the then latest audited consolidated accounts of the Issuer, provided that in the case of a subsidiary of the Issuer acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer relate, the reference to the then latest audited consolidated accounts of the Issuer for the purposes of the calculation above shall, until consolidated accounts for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned accounts as if such subsidiary had been shown in such accounts by reference to its then latest relevant audited accounts, adjusted as deemed appropriate by the Auditors of the Issuer; or
 - (ii) to which has been transferred (whether in a single transaction or a series of transactions (whether related or not)) the whole or substantially the whole of the assets of a subsidiary of the Issuer which immediately prior to such transaction(s) was a Material Subsidiary;
- (b) A2Dominion Homes Limited; and
- (c) A2Dominion South Limited.

Permitted Reorganisation means any transfer, amalgamation, merger, consolidation or transfer of engagements (whether entering into or acceptance thereof) of the whole of the Issuer or any member of the A2Dominion Group's property (including, for the avoidance of doubt, any statutory procedure as provided for under the Co-operative and Community Benefit Societies Act 2014) made between the Issuer or any member of the A2Dominion Group (**Party A**) and any other entity (**Party B**) provided that:

- (a) following any such transfer, amalgamation, merger, consolidation or transfer of engagements either:
 - (i) in respect of a registered society where the property of Party A (including, for the avoidance of doubt, any liabilities) shall become vested in Party B or a new

amalgamated entity, Party B or such new amalgamated entity will thereafter be responsible for all the liabilities of Party A pursuant to the Co-operative and Community Benefit Societies Act 2014; or

- (ii) in respect of a company, the company or the company's assets, continue to be owned or controlled, directly or indirectly by the Issuer; and
- (b) a certificate executed by two authorised signatories of Party A or Party B confirming the above is provided to the Trustee.

Registered Provider of Social Housing means a person listed in the register of providers of social housing established under Chapter 3 of Part 2 of the Housing and Regeneration Act 2008 (as amended from time to time) or a person having a status which, in the opinion of the Trustee, is substantially equivalent under any replacement or successor legislation thereto.

10.3 Reports

A report by the two authorised signatories of the Issuer whether or not addressed to the Trustee that, in their opinion, a subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary may be relied upon by the Trustee without further enquiry or evidence and, if relied upon by the Issuer or the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties.

11. ENFORCEMENT

11.1 Enforcement by the Trustee

The Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) against or in relation to the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Coupons or otherwise, but it shall not be bound to take any such proceedings or any other steps or action unless (a) it has been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding (excluding any Retained Notes) and (b) it has been indemnified and/or secured and/or pre-funded to its satisfaction.

11.2 Limitation on Trustee actions

The Trustee may refrain without liability from doing anything that would or might in its opinion be contrary to any law of any state or jurisdiction (including but not limited to the United States of America or any jurisdiction forming a part of it and England and Wales) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, in its opinion, necessary to comply with any such law, directive or regulation. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

11.3 Enforcement by the Noteholders

No Noteholder or Couponholder shall be entitled to (i) take any steps or action against the Issuer to enforce the performance of any of the provisions of the Trust Deed, the Notes or the Coupons or (ii) take any other proceedings (including lodging an appeal in any proceedings) in respect of or

concerning the Issuer, in each case unless the Trustee, having become bound so to take any such action, steps or proceedings, fails so to do within a reasonable period and the failure shall be continuing.

12. REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

13. AGENTS

The initial Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent and a Registrar; and
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.5. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 15.

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

14. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

15. NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

16. SUBSTITUTION

The Trustee may, without the consent of the Noteholders or Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Coupons and the Trust Deed of any of its subsidiaries subject to:

- (a) the Notes being unconditionally and irrevocably guaranteed by the Issuer;
- (b) the Trustee being satisfied that the substitution is not materially prejudicial to the interests of the Noteholders; and
- (c) certain other conditions set out in the Trust Deed being complied with.

17. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

17.1 Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing more than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting, and whether or not they voted on the resolution, and on all Couponholders.

17.2 Modification, waiver, authorisation and determination

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or potential Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error or an error which, in the opinion of the Trustee, is proven. Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

In addition, the Trustee shall be obliged to agree to such modifications to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to Condition 4.2(c) in connection with effecting any Alternative Reference Rate, Alternative Relevant Screen Page, Adjustment Spread or related changes referred to in Condition 4.2(c) without the requirement for the consent or sanction of the Noteholders or Couponholders. Any such modification, waiver, authorisation or determination shall be binding on the Noteholders or Couponholders of that Series and, unless the Trustee agrees otherwise, shall be notified to the Noteholders of that Series as soon as practicable thereafter.

17.3 Trustee to have regard to interests of Noteholders as a class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 8 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 8 pursuant to the Trust Deed.

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

18.1 Indemnification and protection of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer, the Noteholders and the Couponholders, including (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances. The Trust Deed provides that, when determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Noteholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security.

18.2 Trustee contracting with the Issuer

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any of the Issuer's subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, and/or any of the Issuer's subsidiaries, (b) to 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 Noteholders or Couponholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

19. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

20. GOVERNING LAW AND SUBMISSION TO JURISDICTION

20.1 Governing Law

The Trust Deed, the Agency Agreement, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes and the Coupons are governed by, and shall be construed in accordance with, English law.

20.2 Jurisdiction of English Courts

- (i) Subject to Condition 20.2(iii) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Deed, the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes and/or the Coupons (a **Dispute**) and accordingly the Issuer submits to the exclusive jurisdiction of the English courts in relation to any Dispute.
- (ii) For the purposes of this Condition 20.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (iii) To the extent allowed by law, the Trustee, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction, and (ii) concurrent proceedings in any number of jurisdictions.

21. RIGHTS OF THIRD PARTIES

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

FORMS OF THE NOTES

Bearer and Registered Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (**Regulation S**).

Bearer Notes

Each Tranche of Bearer Notes will be in bearer form and will initially be issued in the form of a temporary global note (a **Temporary Global Note**) or, if so specified in the applicable Final Terms, a permanent global note (a **Permanent Global Note** and, together with a Temporary Global Note, each a **Bearer Global Note**) which, in either case, will:

- (a) if the Bearer Global Notes are intended to be issued in new global note (**NGN**) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**); and
- (b) if the Bearer Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the **Common Depositary**) for Euroclear and Clearstream, Luxembourg.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Bearer Notes of the relevant Tranche 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 or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Bearer Notes are represented by either a Temporary Global Note or a Permanent Global Note, they are referred to as being held in “global form”. Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, Euroclear and Clearstream, Luxembourg will be notified as to whether or not such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Bearer Notes of the relevant Tranche 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 or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Bearer Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Global Note of the same Series or (ii) for definitive Bearer

Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, interest coupons and talons attached upon either (a) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Principal Paying Agent as described therein or (b) only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 10) has occurred and is continuing, (ii) 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 Trustee is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form and a certificate to such effect signed by two Directors of the Issuer is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent. Definitive Bearer Notes are security-printed securities which may be transferred by delivery.

The exchange of a Permanent Global Note for definitive Bearer Notes upon notice from Euroclear and/or Clearstream (acting on the instructions of any holder) or at any time at the request of the Issuer should not be expressed to be applicable in the applicable Final Terms if the Bearer Notes are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as €1,000 (or its equivalent in another currency). Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Bearer Notes which is to be represented on issue by a Temporary Global Note exchangeable for definitive Notes.

The following legend will appear on all Bearer Notes (other than Temporary Global Notes) and interest coupons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

“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 provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, receipts or interest coupons and will not be entitled to capital gains

treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes, receipts or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

The Registered Notes of each Tranche will initially be represented by a global note in registered form (a **Registered Global Note**). Whilst any Registered Notes are represented by a Registered Global Note, they are referred to as being in “global form”.

Registered Global Notes will be deposited with a common depository or, if the Registered Global Notes are to be held under the new safe-keeping structure (the **NSS**), a common safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg, and registered in the name of the nominee for the Common Depository of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Where the Registered Global Notes issued in respect of any Tranche is intended to be held under the **NSS**, the applicable Final Terms will indicate whether or not such Registered Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Registered Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for a Registered Global Note held under the **NSS** will either by Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 6.4) as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent, the Trustee or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6.4) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default has occurred and is continuing, (ii) 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, in any such case, no successor clearing system satisfactory to the Trustee is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form and a certificate to that effect signed by two Directors of the Issuer is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an

interest in such Registered Global Note) or the Trustee may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar. Definitive Registered Notes are security-printed securities which evidence the holder's rights in respect of the relevant Notes.

No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

General

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein 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.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

FORM OF FINAL TERMS

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The 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 European Economic Area (**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 Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.]

[MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)]**[MiFID II]**; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the 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 Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[Date]

A2DOMINION HOUSING GROUP LIMITED

Legal entity identifier (LEI): 213800V1D2GGHDUSZ454

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the £1,000,000,000
Euro Medium Term Note Programme**

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 14th September, 2018 [and the supplement[s] to it dated [] [and []] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the **Base Prospectus**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing [on the website of the Issuer at []], during normal business hours at the offices of the Issuer and on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/news/market-news/rns/rns.htm>.

1. Issuer: A2Dominion Housing Group Limited

2. (a) Series Number: []

- (b) Tranche Number: []
- (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [] below, which is expected to occur on or about []][Not Applicable]
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
- (a) Series: [] [of which [] [are/will, on the Issue Date, be] Retained Notes]
- (b) Tranche: [] [of which [] [are/will, on the Issue Date, be] Retained Notes]
5. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from []]
6. (a) Specified Denominations: []
- (b) Calculation Amount (in relation to calculation of interest in global form see Conditions): []
7. (a) Issue Date: []
- (b) Interest Commencement Date: [[]/Issue Date/Not Applicable]
8. Maturity Date: []/Interest Payment Date falling in or nearest to []]
9. Interest Basis: [[] per cent. Fixed Rate]
- [[[] month [LIBOR/EURIBOR]] +/- [] per cent. Floating Rate]
- (see paragraph [14]/[15] below)
10. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [] per cent. of their nominal amount
11. Change of Interest Basis: []/[Not Applicable]
12. Put/Call Options: [Issuer Call]
- [Investor Put]

[(see paragraph [17]/[18] below)]

[Not Applicable]

13. [Date [Board] approval for issuance of Notes [] [and [], respectively]]
obtained:

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable/Not Applicable]
- (a) Rate(s) of Interest: [] per cent. per annum payable in arrear on each Interest Payment Date
 - (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date
 - (c) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [] per Calculation Amount
 - (d) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []][Not Applicable]
 - (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
 - (f) Determination Date(s): [[] in each year][Not Applicable]
15. Floating Rate Note Provisions [Applicable/Not Applicable]
- (a) Specified Period(s)/Specified Interest Payment Dates: [] [, subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
 - (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention][Not Applicable]
 - (c) Additional Business Centre(s): []
 - (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
 - (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): []

- (f) Screen Rate Determination:
- Reference Rate: [] month [LIBOR/EURIBOR]
 - Interest Determination Date(s): []
 - Relevant Screen Page: []
- (g) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (h) Linear Interpolation: [Not Applicable/Applicable - the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
- (i) Margin(s): [+/-] [] per cent. per annum
- (j) Minimum Rate of Interest: [] per cent. per annum
- (k) Maximum Rate of Interest: [] per cent. per annum
- (l) Day Count Fraction: [Actual/Actual (ISDA)][Actual/Actual]
 Actual/365 (Fixed)
 Actual/365 (Sterling)
 Actual/360
 [30/360][360/360][Bond Basis]
 [30E/360][Eurobond Basis]
 30E/360 (ISDA)]

PROVISIONS RELATING TO REDEMPTION

16. Notice periods for Condition 15 Minimum period: [30] days
 Maximum period: [60] days
17. Issuer Call: [Applicable/Not Applicable]
- (a) Optional Redemption Date(s): []
 - (b) Optional Redemption Amount: [[] per Calculation Amount][Spens Amount][Make-Whole Amount]

- (c) Reference Bond: []/[FA Selected Bond]/[Not Applicable]
- (d) Quotation Time: []
- (e) Redemption Margin: [[] per cent.]/[Not Applicable]
- (f) If redeemable in part:
- Minimum Redemption Amount: []
- Maximum Redemption Amount: []
- (g) Notice periods: Minimum period: [15] days
Maximum period: [30] days
- (h) Investor Put: [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): []
- (j) Optional Redemption Amount: [] per Calculation Amount
- (k) Notice period(s): Minimum Period: [15] days
Maximum Period: [30] days
18. Final Redemption Amount: [] per Calculation Amount
19. Early Redemption Amount payable on redemption for taxation reasons or on event of default: [] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

20. Form of Notes:

- (a) Form: [Bearer Notes:
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
- [Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
- [Registered Notes:
- Global Registered Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for

Euroclear and Clearstream, Luxembourg]]

(b) New Global Note: [Yes][No]

21. Additional Financial Centre(s): [Not Applicable/[]]

22. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

[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 A2Dominion Housing Group Limited:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(a) Listing and Admission to trading [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange and to listing on the Official List of the UK Listing Authority with effect from [].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange and to listing on the Official List of the UK Listing Authority with effect from [].]

(b) Estimate of total expenses related to admission to trading: []

2. RATINGS

Ratings:

[The Notes to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

[[] by Fitch Ratings Ltd]

[[] by Moody's Investors Service Ltd.]

[[] by Standard & Poor's Ratings Group].

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for the fees [of [*insert relevant fee disclosure*]] payable to the Dealer[s], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer[s] and [its]/[their] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD

Indication of yield: []

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. [HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters].]

6. OPERATIONAL INFORMATION

- (a) ISIN: []
- (b) Common Code: []
- (c) CFI: []/Not Applicable
- (d) FISN: []/Not Applicable
- (e) EU Benchmark Regulation: Article 29(2) statement on benchmarks: [Not Applicable]
- [Applicable: Amounts payable under the Notes are calculated by reference to *[insert name[s] of benchmark(s)]*, which [is/are] provided by *[insert name[s] of the administrator[s] – if more than one specify in relation to each relevant benchmark]*.
- [As at the date of this Final Terms, *[insert name[s] of the administrator[s]]* [is/are] [not] included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011).] *[repeat as necessary]*
- (f) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/[]]
- (g) Delivery: Delivery [against/free of] payment
- (h) Names and addresses of additional Paying Agent(s) (if any): []
- (i) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the 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 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 Notes are capable of meeting them the 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 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.]

7. DISTRIBUTION

- (a) Method of distribution: [Syndicated/Non-syndicated]
- (b) If syndicated, names of Managers: [Not Applicable/[]]
- (c) Date of Subscription Agreement: []
- (d) Stabilisation Manager(s) (if any): [Not Applicable/[]]
- (e) If non-syndicated, name of relevant Dealer: [Not Applicable/[]]
- (f) U.S. Selling Restrictions: Reg. S Compliance Category 2; [TEFRA D/TEFRA C/TEFRA not applicable]
- (g) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]

THE ISSUER

A2Dominion Housing Group Limited

The Point
37 North Wharf Road
London W2 1BD

ARRANGER

Lloyds Bank Corporate Markets plc

10 Gresham Street
London EC2V 7AE
United Kingdom

DEALERS

Banco Santander, S.A.

Ciudad Grupo Santander
Avenida de Cantabria S/N
Edificio Encinar, planta baja
28660, Boadilla del Monte
Madrid, Spain

Barclays Bank PLC

5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

BNP Paribas

10 Harewood Avenue
London NW1 6AA
United Kingdom

HSBC Bank plc

8 Canada Square
London E14 5HQ
United Kingdom

Lloyds Bank Corporate Markets plc

10 Gresham Street
London EC2V 7AE
United Kingdom

MUFG Securities EMEA plc

Ropemaker Place
25 Ropemaker Street
London EC2Y 9AJ
United Kingdom

NatWest Markets Plc

250 Bishopsgate
London EC2M 4AA
United Kingdom

THE TRUSTEE

Prudential Trustee Company Limited

Laurence Pountney Hill
London EC4R 0HH

THE PRINCIPAL PAYING AGENT AND CUSTODIAN

The Bank of New York Mellon, London Branch

One Canada Square
London E14 5AL

THE REGISTRAR

The Bank of New York Mellon SA/NV, Luxembourg Branch
Vertigo Building – Polaris, 2-4 rue Eugène Ruppert
L-2453 Luxembourg

LEGAL ADVISERS

To the Issuer
Devonshires Solicitors LLP
30 Finsbury Circus
London EC2M 7DT

To the Dealers and the Trustee
Allen & Overy LLP
One Bishops Square
London E1 6AD

AUDITORS TO THE ISSUER

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex RH6 0PA