

## LISTING PARTICULARS



### 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 these Listing Particulars 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”.**

These Listing Particulars have been approved as listing particulars by the Financial Conduct Authority (the **FCA**), as competent authority under the Financial Services and Markets Act 2000 (as amended, the **FSMA**). The FCA only approves these Listing Particulars as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129, as required by rule 4.2.3 of the FCA’s Listing Rules made under Part VI of the FSMA (the **Listing Rules**). Approval by the FCA should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of these Listing Particulars. Investors should make their own assessment as to the suitability of investing in the Notes. These Listing Particulars are neither (i) a prospectus for the purpose of Part VI of the FSMA nor (ii) a prospectus for the purpose of Regulation (EU) 2017/1129.

Application has been made to the FCA for Notes issued under the Programme during the period of 12 months from the date of these Listing Particulars to be admitted to the official list of the FCA (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 these Listing Particulars 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 Directive 2014/65/EU (as amended, **MiFID II**).

**These Listing Particulars are valid for 12 months from their date in relation to Notes which are to be admitted to trading on the London Stock Exchange's regulated market. The obligation to supplement these Listing Particulars in the event of a significant new factor, material mistake or material inaccuracy does not apply when these Listing Particulars are no longer valid.**

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 FCA 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 España S.A.U. (**Fitch Spain**). The Programme has been rated A+ by Fitch Deutschland GmbH (**Fitch**). Each of Fitch Spain and 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 S&P Global Ratings Europe Limited (**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 of LIBOR or EURIBOR, as specified in the applicable Final Terms. As at the date of these Listing Particulars, ICE Benchmark Administration Limited (as administrator of LIBOR) and the European Money Markets Institute (as administrator of EURIBOR) are both included in ESMA's register of administrators under Article 36 of Regulation (EU) No. 2016/1011 (the **Benchmarks Regulation**).

#### **Arranger**

**Lloyds Bank Corporate Markets**

#### **Dealers**

**Barclays  
HSBC  
Morgan Stanley  
NatWest Markets**

**BNP PARIBAS  
Lloyds Bank Corporate Markets  
MUFG  
Santander Corporate & Investment Banking**

The date of these Listing Particulars is 12th September, 2019.

## **IMPORTANT INFORMATION**

**These Listing Particulars comprise listing particulars in respect of all Notes issued under the Programme for the purposes of the Listing Rules.**

**The Issuer accepts responsibility for the information contained in these Listing Particulars and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer the information contained in these Listing Particulars is in accordance with the facts and these Listing Particulars make no omission likely to affect the import of such information.**

**These Listing Particulars are to be read in conjunction with all documents which are deemed to be incorporated in them by reference (see “*Documents Incorporated by Reference*”). These Listing Particulars shall be read and construed on the basis that those documents are incorporated in and form part of these Listing Particulars.**

**Other than in relation to the documents which are deemed to be incorporated by reference (see “*Documents Incorporated by Reference*”), the information on the websites to which these Listing Particulars refer does not form part of these Listing Particulars and has not been scrutinised or approved by the FCA.**

**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 these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in them 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.**

**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.**

**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 MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. 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 THESE LISTING PARTICULARS AND OFFERS OF NOTES GENERALLY**

These Listing Particulars do 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 these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither these Listing Particulars 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 these Listing Particulars or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of these Listing Particulars and the offering and sale of Notes. In particular, there are restrictions on the distribution of these Listing Particulars and the offer or sale of Notes in the United States, the United Kingdom, Belgium and the EEA, see “*Subscription and Sale*”.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Presentation of Financial Information

Unless otherwise indicated, the financial information in these Listing Particulars relating to the Issuer has been derived from the audited consolidated financial statements of the Issuer for the financial years ended 31st March, 2018 and 31st March, 2019 (together, the **Financial Statements**).

The Issuer's financial year ends on 31st March, and references in these Listing Particulars 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 these Listing Particulars will have the meaning attributed to them in *"Terms and Conditions of the Notes"* or any other section of these Listing Particulars. In addition, the following terms as used in these Listing Particulars have the meanings defined below:

#### In these Listing Particulars, 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 these Listing Particulars are to London time (unless specified otherwise).

Certain figures and percentages included in these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars, 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 these Listing Particulars. 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 these Listing Particulars, if one or more of the risks or uncertainties materialise, including those which the Issuer has otherwise identified in these Listing Particulars, 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 these Listing Particulars speak only as at the date of these Listing Particulars. Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of these Listing Particulars 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.

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### 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 these Listing Particulars 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, new Listing Particulars or a supplement to the Listing Particulars, will be published.*

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  
Morgan Stanley & Co. International 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 these Listing Particulars.

### **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 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"><li>(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</li><li>(b) on the basis of the reference rate set out in the applicable Final Terms.</li></ul>

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.

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined for Floating Rate Notes, on the occurrence of a Benchmark Event the Issuer shall use its reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser that may (subject to certain conditions and following consultation with the Issuer) determine a Successor Rate, failing which an Alternative Reference Rate and, in either case, an Adjustment Spread, and Benchmark Amendments (if any) in accordance with Condition 4.2(c).

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, the United Kingdom, Belgium and the EEA 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 these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars 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 these Listing Particulars, 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, 2019 the Issuer had £428.0 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 £75 million (which can be drawn in 2022) through the Programme in January 2019. 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.

The board of the Issuer acts as a common board for a number of other A2Dominion Group members and, as at 31st March, 2019, the Issuer employed 85 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. The Issuer is able to appoint and remove board members of the registered providers of social housing in the A2Dominion Group (**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**). A2D Homes is the majority shareholder in A2Dominion Residential Limited.

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.

Please also refer to “Risks Related to the Notes Generally – Risks relating to structural subordination of the Notes” below.

## **Risks affecting the A2Dominion Group**

### **1. RISKS AFFECTING THE WHOLE OF THE A2DOMINION GROUP**

#### ***A) 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.

Market and development risks may 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.

#### ***B) 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 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.

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

It is possible 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 of social housing (**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, 2019, 1,401 units in the A2Dominion Group were let at market rent, out of a total of 31,946 properties owned. Private market renting could have an adverse impact on the cash flows 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.

***D) 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.

***E) 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 banks as well as through the public debt markets, including retail bond issues in 2013 and 2014 and a wholesale bond issue in 2016. 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. 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, 2019, approximately 84 per cent. of the A2Dominion Group's borrowings were fixed rate debt.

***F) 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, 2019 for A2D Homes produced by the Scheme Actuary shows a net liability of £4.4 million. Full provision for this liability has been made within the audited accounts.

**SCCPF**

As at March 2019, the Issuer had 2 active members in the SCCPF.

The FRS102 Valuation Report for the year ending 31st March, 2019 for the Issuer produced by the Scheme Actuary shows a net liability of £1.4 million. Full provision for this liability has been made within the audited accounts.

**SHPS DB**

The triennial valuation results at 30th September, 2017, completed in 2018, show the market value of the whole scheme's assets as £4.553 billion, with whole scheme liabilities of £6.075 billion, revealing a shortfall of assets compared with the value of liabilities of £1.522 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 Plan (as defined below) in place as at 31st March, 2019, in addition to employer contributions to fund future service, the A2Dominion Group paid an annual deficit contribution of £2.4 million during the year ended 31st March, 2019 in order to meet the shortfall within the scheme.

Following the 2017 Valuation SHPS DB has moved away from a tiered recovery plan approach to allocating deficit contributions on a 'full share of liability' basis (the **Recovery Plan**). This new recovery plan commenced from 1st April, 2019.

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, 2019 were £3.0 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**

### ***A) Risks related to Social Housing Rents***

Please refer to “Description of the Social Housing Sector in England” below.

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.

### ***B) Risks related to social rental income***

Please refer to “Description of the Social Housing Sector in England” below.

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, 2019, the A2Dominion Group's turnover from social rental income was £209.5 million of the A2Dominion Group's £372.2 million of turnover, and operating surpluses from social housing lettings were £77.8 million of the A2Dominion Group's £63.3 million of operating surpluses. As at 31st March, 2019, the Issuer's total current net arrears was £5.1 million. 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. As at 31st March, 2019, 37 per cent. of the A2Dominion Group's tenants received some 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.

### ***C) Risks related to the Household Benefit Cap and Occupation Size Criterion***

Please refer to “Description of the Social Housing Sector in England” below.

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.

### ***D) Risks related to Universal Credit***

Please refer to “Description of the Social Housing Sector in England” below.

The 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.

***E) Risks related to the Government's 'Right to Buy' policy***

Please refer to "Description of the Social Housing Sector in England" below.

The extension of right to buy could 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.

***F) 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 of social housing (**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, 2019, shared ownership units comprised 3,754 units of the A2Dominion Group's 31,946 units of housing stock owned.

For the year ended 31st March, 2019, turnover from First Tranche sales amounted to £13.2 million and surpluses on Staircasings amounted to £9.7 million of the A2Dominion Group's £63.3 million surplus for the year.

### **3. RISKS RELATED TO REGULATION**

#### ***A) Risks relating to the Regulator***

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

Noteholders are exposed to the creditworthiness of the Issuer and any change in the regulatory framework for social housing in England from 1st April, 2015 (the **Regulatory Framework**) published by the Regulator could lead to the Issuer facing increased costs to comply with the Regulatory Framework.

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.

#### ***B) 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 or certain other members of the A2Dominion Group'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.

#### ***C) Risks related to legal and compliance***

The A2Dominion Group 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 and fire safety. 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.

#### ***D) 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.

#### ***E) Risks relating to withdrawal of the UK from the European Union***

On 29th March, 2017, the UK invoked Article 50 of the Lisbon Treaty and officially notified the European Union (the EU) of its decision to withdraw from the EU. This commenced the formal two-year process of negotiations regarding the terms of the withdrawal and the framework of the future relationship between the UK and the EU, which has since been extended to 31st October, 2019.

Due to the on-going political uncertainty as regards the terms and the timing of the UK's withdrawal from the EU and the structure of the future relationship, the precise impact on the business of the Issuer is difficult to determine. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to meet its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

### **4. 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:

##### ***A) 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.

***B) 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.

***C) 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:

***A) 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.

***B) 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.

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 Benchmark Amendments without the requirement for the consent or sanction of the Noteholders or Couponholders.

***C) The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”***

Interest rates and indices which are deemed to be “benchmarks” (including LIBOR and EURIBOR) 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”.

***D) Benchmarks Regulation***

The Benchmarks Regulation applies, subject to certain transitional provisions, 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 a “benchmark”, in particular, if the methodology or other terms of the “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 “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.

***E) Benchmark Discontinuation.***

In particular, the sustainability of LIBOR has been questioned as a result of the absence of active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. On 27th July, 2017, and in a subsequent speech by its Chief Executive on 12th July, 2018, the FCA confirmed that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the **FCA Announcements**). The FCA Announcements indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

In addition, on 29th November, 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based



transition to the Sterling Overnight Index Average (**SONIA**) over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13th September, 2018, the working group on euro risk-free rates recommended Euro Short-term Rate (**€STR**) as the new risk free rate. €STR is expected to be published by the European Central Bank (the **ECB**) by October 2019. In addition, on 21st January, 2019, the euro risk free-rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system.

It is not possible to predict with certainty whether, and to what extent, LIBOR and EURIBOR will continue to be supported going forwards. This may cause LIBOR and EURIBOR to perform differently than they have done in the past, and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading 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, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

The Conditions provide for certain fallback arrangements in the event that a Benchmark Event occurs, including if an Original Reference Rate and/or any page on which an Original Reference Rate may be published, becomes unavailable, or if the Issuer, the Principal Paying Agent or the Calculation Agent is no longer permitted lawfully to calculate interest on any Notes by reference to such an Original Reference Rate under the Benchmarks Regulation or otherwise. Such fallback arrangements include the possibility that the Rate of Interest could be set by reference to a Successor Rate or an Alternative Reference Rate, with the application of an Adjustment Spread and may include amendments to the Conditions to ensure the proper operation of the successor or replacement benchmark, all as determined by an Independent Adviser (acting in good faith, in a commercially reasonable manner and following consultation with the Issuer). An Adjustment Spread could be positive or negative or zero and would be applied with a view to reducing or eliminating, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of an Original Reference Rate. The use of a Successor Rate or Alternative Reference Rate (including with the application of an Adjustment Spread) will still result in any Notes linked to or referencing an Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the Original Reference Rate were to continue to apply in its current form.

Due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates, the involvement of an Independent Adviser and the potential for further regulatory developments, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time. If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Reference Rate is determined by the Independent Adviser, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period (in the case of Notes for which Screen Rate Determination applies) will result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In the case of Notes for which ISDA Determination applies, the ultimate fallback for a particular Interest Period will be reliant upon the provision by reference banks of offered quotations for relevant benchmark(s) which, depending on market circumstances, may not be available at the relevant time.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation or any of the international or national reforms and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes referencing a benchmark.

***F) 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.

***G) 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:

***A) 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.

***B) 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). If the status of the rating agency rating the Notes changes, European regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes which may impact the value of the Notes and any secondary market. 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 these Listing Particulars.

***C) 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.

***D) 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.

***E) 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.

***F) 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 these Listing Particulars 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.

***G) 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, shall be incorporated in, and form part of, these Listing Particulars:

- (a) [the auditors' report and audited 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 Listing Rules;

- (b) [the auditors' report and audited consolidated annual financial statements for the financial year ended 31st March, 2019 of the Issuer](#) including the information set out at the following pages in particular:

Consolidated statement of comprehensive income .....	Page 66
Consolidated statement of financial position.....	Page 68
Consolidated statement of changes in equity .....	Pages 70 to 71
Consolidated statement of cash flows .....	Page 73
Notes to the financial statements .....	Pages 74 to 132
Audit report .....	Pages 59 to 62

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 Listing Rules;

- (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; and
- (d) the Terms and Conditions of the Notes contained in the [Base Prospectus dated 14th September, 2018](#), pages 56 to 89 (inclusive) prepared by the Issuer in connection with the Programme.

Following the publication of these Listing Particulars a supplement may be prepared by the Issuer and approved by the FCA in accordance with Section 81 of the FSMA. 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 these Listing Particulars or in a document which is incorporated by reference in these Listing Particulars. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of these Listing Particulars.

Any documents themselves incorporated by reference in the documents incorporated by reference in these Listing Particulars shall not form part of these Listing Particulars.

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

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in these Listing Particulars which is capable of affecting the assessment of any Notes, prepare a supplement to these Listing Particulars or publish new Listing Particulars 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 the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register 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. The website of the Issuer can be accessed at <https://www.a2dominiongroup.co.uk/>.

#### 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 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 Director and shareholder of Cox Family Enterprises Ltd Non-executive Chair of Cornwall Investment Delivery
Darrell Mercer	Board Member of West Ealing BID Director of Homes for Reading
Anne Waterhouse	Non-executive Director of Hornsey Housing Trust
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	Trustee of Basingstoke Charities
Peter Walker	Trustee of RBS Pension Scheme

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 August 2019 when the Regulator issued a narrative regulatory judgement in which the Issuer retained the highest possible regulatory rating of G1 for Governance. The Issuer was awarded V2 for financial viability, which is a compliant grade.

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 A2Dominion Group*”.

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

<b>Name</b>	<b>Title</b>	<b>Principal activities outside the Issuer</b>
Darrell Mercer	Group Chief Executive	Board Member of West Ealing BID Director of Homes for Reading
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	Non-executive Director of Hornsey Housing Trust
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 (excludes co-optees).

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 414 new homes (351 private sale, 63 private rental).
- 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 was provided by A2D Residential. All units have legally completed as at September 2018.
- 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 375 new homes at Walton-on-Thames (276 private sale, 72 affordable rent, 27 shared ownership).
- 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 471 units (273 private sale, 159 private rent, 16 affordable rent, 22 shared ownership, 1 commercial).
- 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 126 units (112 private sale, 13 intermediate rent, 1 commercial).
- 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 (173 private sale, 54 affordable rent, 5 shared ownership).
- A2D NK Homes LLP, a limited liability partnership (with registered number OC420304), is a joint venture with Nicholas King Developments PLC. A2D NK Homes LLP is a parent entity, with the principal activity being to establish individual property companies as follows: A2D NKH (Rowlands

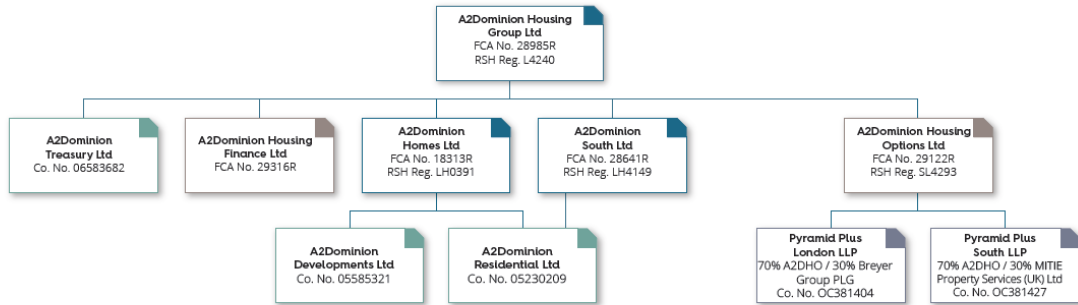
Castle) Limited Co. No: 11183008 developing 43 units; A2D NKH (Mytchett) Limited Co. No: 11766094 developing 248 units; and A2D NKH (Pitstone) Limited.

- A2D NKH CHINNOR LLP, a limited liability partnership (with registered number OC422689), which is a joint venture with Nicholas King Developments plc. The principal activity of the partnership is to deliver 78 units (46 private sale, 23 affordable rent, 9 shared ownership).
- 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 phase 1 of a mixed-use scheme (with around 1400 units across all phases) 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 phase 2 of a mixed-use scheme (with around 1400 units across all phases) 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 phase 3 of a mixed-use scheme relating to land at 263 New Cross Road, London SE14.

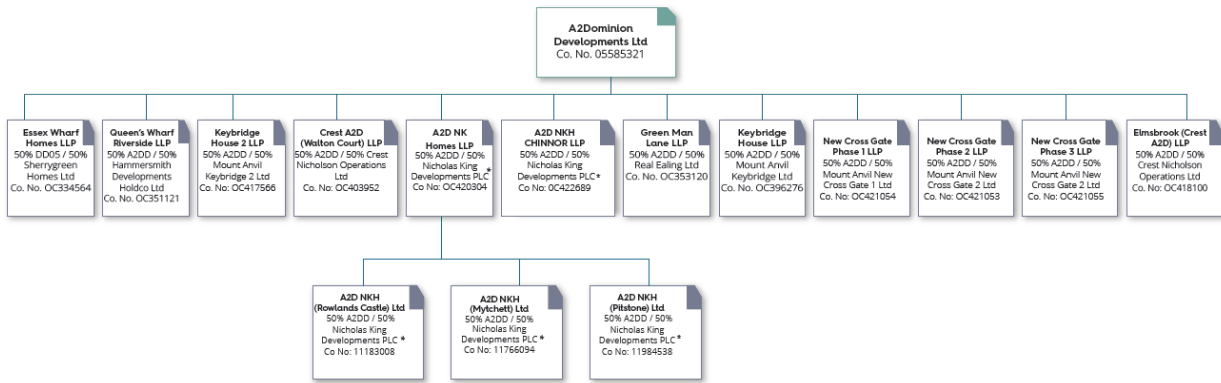
A2D Housing Options has also entered into the following joint ventures:

- 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.

- Charitable Co-operative & Community Benefit registered society
- Non-charitable Co-operative & Community Benefit registered society
- Non-charitable company
- Joint venture



- Non-charitable company
- Joint venture



## 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 2018/2019 financial year the A2Dominion Group:

- built 875 homes, including 113 for affordable rent, 24 for social rent, 354 for private sale, 296 for private rent and 88 for shared ownership; and



- managed over 38,000 homes in London and the South East, with approximately 1,775 to be developed over the next two years.

The A2Dominion Group has an annual turnover of £372.2 million and £3,918.2 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 1,200 homes each year from April 2020. As at 31st March, 2019, the date of its last audited accounts, it had the following capital commitments:

## Capital Commitment

Capital expenditure commitments were as follows:

<b>Capital Expenditure</b>	<b>2019 (£ million)</b>
Expenditure contracted for but not provided in the financial statements	293.1
Expenditure authorised by the Board, but not contracted	640.2
Maintenance expenditure contracted and authorised by the Board	38.1
<b>TOTAL</b>	<b>971.4</b>

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

- undrawn loan facilities totalling £405.1 million as at 31st March, 2019; and
- social housing grants and projected proceeds from first tranche sales of shared ownership dwellings and build for sale properties of £1,304.0 million as at 31st March, 2019.

## 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.

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. The A2Dominion Group also measures additional performance triggers, designed to help the senior management and Board ensure early interventions are taken where future cash flow/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 in the urban regeneration and property industry for over 35 years. He now has his own development and consultancy company and has worked with Government Agency Local Partnerships and North Solihull Partnership on projects in Essex, Gloucester and the Midlands. Ian's development company specialises in low energy and brown field projects. He is currently leading the master planning of a Garden Village development in Surrey and a self-build development in Oxfordshire.

### ***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. He was also Group Finance Director at New Look, currently manages his own property portfolio, and is the Chair of the A2Dominion Group's Audit Risk and Assurance Committee.

### ***Sara Dickinson***

Sara has worked in financial roles for the past 25 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 and Finance Director of eBookers Group, a pan-European online travel agency. She is currently CFO for Expedia Partner Solutions, the B2B partnerships business within the Expedia Group.

### ***Caroline Tolhurst***

Caroline has over 30 years' experience in the property and investment management sectors as a surveyor and compliance officer, and was previously Company Secretary at Grosvenor and NewRiver Retail. She is now on the board of Wynnstay Properties PLC and LocatED Properties Limited. Caroline currently sits as Chair of the A2Dominion Group's Governance & Remuneration Committee.

### ***Caroline Tiller***

Caroline has over 30 years' housing experience and is Chair of the A2Dominion Group's Customer Advisory Panel. Caroline was Chief Executive of Central and Cecil Housing Trust, a post she held for six

years. Prior to this, Caroline held a number of director-level positions in large and medium sized housing associations, with a focus on customer-facing operations.

***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 Chief Executive of Acton Housing Association and the Dominion Housing Group. In 2017, he became a non-executive board member for Homes for Reading Ltd.

***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, and then Executive Director (Financial Services) at the A2Dominion Group. She is a member of the Chartered Institute of Management Accountants, and has also worked as a finance director within the housebuilding industry.

***Peter Walker***

Peter has over 35 years' experience in the finance sector, with private and public sector board-level experience centred on change, growth and service delivery. He was previously Interim Director for Strategic Programmes at Lloyds Banking Group and the former COO of The Pension Protection Fund. He currently sits on the A2Dominion Group's Audit, Risk & Assurance and Treasury committees. Peter is the lead from Group Board for A2Dominion's business transformation programme, Fit for the Future.

**Executive Management Team**

***Darrell Mercer (Group Chief Executive)***

See above.

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

See above.

***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 has been an IT Director since 1998, holding three IT Director roles before he joined the A2Dominion Group in 2009 as Group Director of IT. He became Executive Director (Change & IT) in 2014.

***Andrew Evans (Executive Director – Operations)***

Andrew has over 35 years' service delivery experience in both the private and public sectors. Andrew was previously 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 housebuilding industry and formerly worked at the Berkeley Group where he held senior management posts including Land Director and Managing Director of St George Central London.

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

Dean is a chartered accountant and has worked in the housing industry for over 30 years. Dean was Group Finance Director of Dominion Housing Group for four years. Prior to that he was Finance Director of its forerunner Acton Housing Association for 11 years, joining the association from McCarthy & Stone Plc. Dean is an Associate of the Institute of Chartered Accountants in England and Wales.

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.

**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 August 2019 when the Regulator issued a narrative regulatory judgement in which the Issuer retained the highest possible regulatory rating of G1 for governance and was awarded V2 for financial viability, which is a compliant grade.

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 Noteholders:

### ***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 414 homes 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.

### ***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 471 new homes, 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 126 new homes.

### ***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 375 new homes at Walton Court in Walton-on-Thames.

### ***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.

### ***A2D NK Homes LLP***

An 80/20 (but with 50/50 voting rights) joint venture by A2D Developments with Nicholas King Developments 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.

### ***A2D NKH (Rowlands Castle) Limited***

A subsidiary of the holding company A2D NK Homes LLP, the principal activity of A2D NKH (Rowlands Castle) Ltd is to develop 43 new homes.

### ***A2D NKH (Mytchett) Limited***

A subsidiary of the holding company A2D NK Homes LLP, the principal activity of A2D NKH (Mytchett) Ltd is to develop 248 new homes.

### ***A2D NK Chinnor LLP***

An 80/20 (but with 50/50 voting rights) limited liability partnership (with registered number OC422689), which is a joint venture with Nicholas King Developments PLC. The principal activity of the partnership is develop a mixed use scheme of 78 units.

### ***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 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 SOCIAL HOUSING SECTOR IN ENGLAND

### Regulation and the Regulatory Framework

The Housing and Regeneration Act 2008, as amended by the Localism Act 2011 and the Housing and Planning Act 2016 (the **Act**) makes provision for the regulation of social housing provision in England.

Since January 2018, Homes England has operated the non-regulatory arm and the Regulator of Social Housing (the **Regulator**) has taken on the functions of the regulation committee. The Regulator provides economic regulation for Registered Providers in order to ensure that they are financially viable and well governed.

The Regulator regulates in accordance with the regulatory framework for social housing in England (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 Homes and Communities Agency, as it then was (**HCA**) 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 Registered Providers, can continue to attract the necessary finance to build new homes.

In March 2019, the Regulator updated their "Regulating the Standards" publication which outlines the Regulator's operational approach to assessing Registered Providers' compliance with the economic and consumer standards.

On 30th October, 2015, the Office for National Statistics (**ONS**) announced that private Registered Providers should be reclassified as public non-financial corporations. The effect of this reclassification was that private Registered Providers were categorised as being part of the public sector in the national accounts of the ONS. 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 the classification outside the public sector.

Subsequently, the Government introduced deregulatory measures through the Housing and Planning Act 2016 with the intention that the private sector status of Registered Providers be restored. As part of these deregulatory measures the HCA, in March 2017, published new directions under the Housing and Planning Act 2016 that became effective from 6th April, 2017.

These new directions, which replace the previous "before the event" consent regime with an "after the event" notifications requirement, have been accompanied by detailed guidance on when and how to notify the Regulator about: (a) the removal of the constitutional consensus regime (meaning that consent is no longer be required for Registered Providers to undertake certain changes such as mergers, change of status, restructuring, winding-up or dissolution); and (b) disposals of social housing dwellings (meaning that Registered Providers no longer need consent from the Regulator for sales, charging for security and changes of ownership of social housing stock). They were designed to persuade the ONS to reverse its



reclassification judgement and take Registered Providers back out of the "public sector" classification. The explicit purposes of the new directions notifications are to: (i) validate adherence to all relevant laws and compliance with the governing documents of Registered Providers; (ii) ensure accountability to tenants and enshrine proper consultation with tenants when considering a disposal that would mean a change in the tenant's landlord or changes that affect tenant's statutory or contractual rights; and (iii) promote the achievement of value for money in the delivery of social housing.

In November 2017, the ONS concluded that Registered Providers in England are private, market producers and, as such, reclassified them to the private non-financial corporations sub-sector for the purpose of national accounts and other economic statistics. This classification took effect from 16th November, 2017.

The Regulator's intention is to strengthen its expectations of Registered Providers in relation to risk management and planning for adverse events. The changes are designed to underpin the financial viability of Registered Providers.

### ***Housing Grant***

Grant funding for Registered Providers has, in recent years, undergone significant and material change. Under the 2011–2015 Affordable Homes Programme, the level of capital grant made available to fund new affordable homes was reduced to £4.5 billion compared to £8.4 billion under the previous review period. To compensate for this, Registered Providers are able to charge Affordable Rents where a Framework Delivery Agreement with Homes England has been entered into.

The 2015-2018 Affordable Homes Programme (the **New Framework**) was launched in January 2014. In December 2014 the Chancellor announced that the grant programme would be extended to 2020 with additional grant being made available. The primary change brought about under the New Framework is that all of the available funding is not allocated from the outset. The New Framework allows 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 April 2016, the HCA announced that it was making available £4.7 billion of capital grant between 2016-2021 under the Shared Ownership and Affordable Homes Programme 2016-2021 (**SOAHP 2016 to 2021**). That marked a decisive shift towards support for home ownership in England. However, the Autumn Statement 2016 announced that an additional £1.4 billion would be made available to build 40,000 affordable homes and that the SOAHP 2016 to 2021 will support a variety of tenures which now includes affordable rent, shared ownership and rent to buy. This, together with the publication of the Housing White Paper "Fixing our broken housing market" published in February 2017, has marked a shift of emphasis in Government investment priorities back towards rented housing.

### ***Shared Ownership***

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.

## ***Affordable Rent***

Affordable rents are rents of up to 80 per cent of market rent which Registered Providers can charge for certain residential properties. This limit is set by the rent standard, which is one of the regulatory standards imposed by the Regulator. The Regulator has issued guidance on how market rent should be calculated, and service charges are included.

## ***Social Housing Rents***

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 per cent. annually, for ten years, whilst rent convergence (including the ability to charge an additional £2 per week) would end in April 2015.

The relevant rent standard guidance for Registered Providers is contained within the Regulatory Framework.

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 the Welfare Reform and Work Act 2016.

In the Welfare Reform and Work Act 2016 and associated amendment regulations there is provision for exceptions to the rent reduction requirement and the Minister of Housing, Communities and Local Government (formerly the Secretary of State for Communities and Local Government) has regulation making powers to introduce other exemptions. For example, reductions do not apply to rents payable by residents in low cost home ownership and shared ownership properties. Furthermore, the Welfare Reform and Work Act 2016 also gives the Regulator the power, by direction, to exempt a Registered Provider from the rent reduction requirement but only where compliance with the requirement would jeopardise that Registered Provider's financial viability.

On 4th October, 2017, the Government announced that social housing rents will be restored to the CPI plus 1 per cent. formula for five years from 2020. Rent reductions will continue to apply until then.

## **Household Benefit Cap**

The Summer Budget 2015 announced, and the Spending Review and Autumn Statement 2015 confirmed, that the total household benefit cap (the combined income from a number of welfare benefits for those receiving housing benefit or Universal Credit and that are of working age) would be reduced to £20,000 per year for couples or parents (or £23,000 for Greater London) and £13,400 per year for single people without children (or £15,410 in Greater London). Measures to implement the lowering of the threshold were included in the Welfare Reform and Work Act 2016 which applies to Registered Providers.

Exemptions to the total household benefit cap can apply to those tenants who qualify for working tax credit; are above the qualifying age for pensions credit; obtain certain benefits for sickness and disability; or claim a war pension. The benefit cap will not apply in circumstances where a tenant or a tenant's partner is in receipt of, or is responsible for, a child or young person who is in receipt of benefits such as disability living allowance, personal independence payment or carer's allowance. Housing benefit will not be included when calculating total benefit income where tenants are housed in specified accommodation including supported housing.

## **Occupation Size Criteria**

The Welfare Reform Act 2012 introduced a size criterion for working age social housing tenants in receipt of housing benefit known as the "removal of the spare room subsidy" or "bedroom tax". The arrangements allow each of certain defined categories of people (such defined categories being: (a) a couple, (b) an adult (over 16), (c) two children of the same sex, (d) two children under the age of 10, (e) any other child, (f) those with a disability, and (g) a non-resident overnight carer) to be entitled to one bedroom. Exemptions are applied to supported housing tenants. Where a household has one extra bedroom, housing benefit is reduced by 14 per cent. of the rent charge. Where a household has two or more extra rooms, the reduction to housing benefit is 25 per cent.

## **Universal Credit**

Universal Credit, introduced under the Welfare Reform Act 2012, 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 with a single monthly payment, transferred directly into a household bank account of choice, and is currently in an extended "roll out" phase across the UK which is expected to last until 2023.

There are three types of alternative payment arrangements available for claimants: (a) direct payment of the housing cost element to landlords (known as managed payments); (b) splitting of payments between members of a couple; and (c) more frequent payment of benefit where a claimant is in arrears with their rent for an amount equal to, or more than, two months of their rent or where a claimant has continually underpaid their rent over a period of time, and they have accrued arrears of an amount equal to or more than one month's rent. If the Department of Work and Pensions (the **DWP**) does not set up a managed payment, Registered Providers can request a managed payment and inform the DWP of other reasons why a managed payment might be needed. Landlords can request deductions from a claimant's Universal Credit to repay existing rent arrears, known as third party deductions. Deductions will be a minimum of 10 per cent. and a maximum of 20 per cent. of a claimant's Universal Credit standard allowance.

## **Government Policy: "Right to Buy"**

The introduction of the right to buy to assured tenants of Registered Providers was a manifesto commitment by the Conservative party for the 2015 and 2017 general elections. An announcement from the Secretary of State for Communities and Local Government on 24th September, 2015 confirmed a proposal made by the NHF to introduce the right to buy voluntarily. The voluntary arrangement is based on four key principles: (a) tenants would have the right to purchase a home at right to buy discounts (maximum discount of £77,900 (£103,900 in London)) subject to government funding for the scheme; (b) Registered Providers will have the final decision about whether to sell an individual property; (c) Registered Providers will receive the full market value of the properties sold, with the value of the discount funded by the Government; and (d) nationally, for every home sold under the agreement a new affordable property would be built, thereby increasing supply.

The Prime Minister confirmed on 7th October, 2015 that the NHF's proposal had been accepted by the Government. This means that, rather than including the right to buy extension in the Housing and Planning Act 2016 as a statutory obligation, there is an agreement by the social housing sector to deliver the extension voluntarily. The Housing and Planning Act 2016 establishes a statutory framework to facilitate the implementation of the voluntary right to buy scheme and makes provision for grants to be paid to Registered Providers to cover the cost of selling housing assets at a discount. The Housing and Planning Act 2016 states that such grant may be made on any terms and conditions the Minister of Housing, Communities and Local Government considers appropriate.

The Autumn Statement 2016 announced that the Government would fund a "large-scale regional pilot of the right to buy for housing association tenants". The Government ran an initial pilot scheme in 2016 involving

five housing associations and launched a further regional pilot in August 2018. The latest pilot is currently underway and will run for two years. It will test two aspects of the voluntary agreement that the original pilot did not cover, namely (a) one for one replacement and (b) portability of discounts. The latest pilot will also test the application of the Voluntary Right To Buy guidance, which is the policy that details how the scheme will operate. This policy has been jointly designed by housing associations, the NHF and the Government.

### **LHA Cap and Sheltered Rent**

In the 2015 Spending Review, the Chancellor outlined plans to cap the amount of rent that housing benefit will cover in the social housing sector to the level of the relevant Local Housing Allowance (the **LHA Cap**). This was to take effect in England only from April 2019 with the key elements being:

- the LHA Cap will apply to all tenants in supported and sheltered housing from April 2019;
- housing cost will continue to be paid through the benefit system up to LHA level;
- no Shared Accommodation Rate (this is the maximum amount of housing benefit or universal credit housing costs a tenant can get when renting a room in a shared house from a private landlord) - one-bedroom LHA rate for under 35 year olds in supported housing;
- local authority top-up, with ring-fenced funds transferred across from the DWP and allocated by the Department for Communities and Local Government;
- the Government believes a different system needs to be worked out for short-term transitional services and it will consult on this; and
- the 1 per cent. rent reduction applies to supported and sheltered housing from April 2017 for three years – except refuges, alms houses and co-ops.

Following a joint DWP/Department for Communities and Local Government select committee inquiry, the Government announced on 31st October, 2017 that the LHA Cap will not apply to tenants in supported housing, nor to the wider social rented sector, and therefore will not apply to the majority of Registered Providers. It was also announced, on 31st October, 2017 that the Government will introduce a new sheltered rent for the sheltered housing and extra care sector from April 2020. This will keep funding within the welfare system and acknowledge the higher cost generated by this type of housing in comparison with general needs housing.

After several consultations, in August 2018 the Government confirmed that housing costs for supported housing will continue to be paid through housing benefit. Additionally, there will be no introduction of a ‘sheltered rent’, which means there will be no cap on services charges in sheltered and extra care schemes.

### **Social Housing Green Paper**

The Government’s Social Housing Green Paper – A New Deal for Social Housing – was published on 14th August, 2018.

It draws extensively from a Government listening exercise in which ministers heard the views of social housing tenants across the country, and touches on issues exposed following the Grenfell Tower fire. It also draws on external research and intelligence.

The Green Paper is structured around five themes:

- ensuring homes are safe and decent;

- effective resolution of complaints;
- empowering residents and strengthening the regulator;
- tackling stigma and celebrating thriving communities; and
- expanding supply and supporting home ownership.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes. If, in respect of an issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## 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 12th September, 2019, 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 these Listing Particulars 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 MiFID II; or
- (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

### ***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 these Listing Particulars 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 FCA for Notes issued under the Programme during the period of 12 months from the date of these Listing Particulars 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 17th September, 2019.

### **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 28th August, 2019.

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 performance or financial position of the A2Dominion Group, and no material adverse change in the prospects of the Issuer, since 31st March, 2019.

### **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 these Listing Particulars, copies of the following documents will, when published, be available for inspection from <https://www.a2dominiongroup.co.uk/about/investors>:

- (a) the constitutional documents of the Issuer;
- (b) the Trust Deed, the Agency Agreement and the Custody Agreement;
- (c) the Issuer-ICSDs Agreement dated 25th October, 2016 and the Issuer Effectuation Authorisation dated 25th October, 2016;
- (d) a copy of these Listing Particulars; and
- (e) any future offering circulars, prospectuses, information memoranda, supplements and Final Terms to these Listing Particulars and any other documents incorporated therein by reference.

### **Auditors**

The consolidated financial statements of the Issuer for the financial years ended 31st March, 2018 and 31st March, 2019 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.

The indication of yield 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. To the extent that Noteholders 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.

## 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 12th September, 2019 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 Calculation Agent (if any is specified in the applicable Final Terms), 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.

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 (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Notes; or
- (ii) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the aggregate outstanding nominal amount of Fixed Rates Notes which are Registered Notes in definitive form or the Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded 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 which is a Bearer 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 Principal Paying 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 or the relevant payment date if the Notes become payable on a date other than an 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 or the Calculation Agent, as applicable, under an interest rate swap transaction if the Principal Paying Agent or the Calculation Agent, as applicable, were acting as Calculation Agent (as defined in the ISDA Definitions (as defined below)) 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**, **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 or the Calculation Agent, as applicable. 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 or the Calculation Agent, as applicable, 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**

This Condition 4.2(c) applies only where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined.

*(i) Independent Advisor*

Notwithstanding the provisions in Condition 4.2(b)(ii) above, if the Issuer determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine, following consultation with the Issuer and no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the **IA Determination Cut-off Date**), a Successor Rate or, failing which, an Alternative Reference Rate (in accordance with Condition 4.2(c)(ii)) and, in either case, an Adjustment Spread (in accordance with Condition 4.2(c)(iii)).

An Independent Adviser appointed pursuant to this Condition 4.2(c) shall act in good faith and in a commercially reasonable manner following consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Noteholders, the Trustee, the Paying Agents or the Calculation Agent for any determination it makes pursuant to this Condition 4.2(c). No Independent Adviser appointed in connection with the Notes (acting in such capacity), shall have any relationship of agency or trust with the Noteholders.

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Reference Rate in accordance with this Condition 4.2(c)(i) prior to the relevant IA Determination Cut-off Date, then the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that

which applied to the immediately preceding Interest Period, the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to that immediately preceding Interest Period. For the avoidance of doubt, this sub-paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4.2(c).

(ii) *Successor Rate or Alternative Reference Rate*

If the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4.2(c)(iii)), subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the further operation of this Condition 4.2(c)); or
- (B) there is no Successor Rate but that there is an Alternative Reference Rate, then such Alternative Reference Rate shall (subject to adjustment as provided in Condition 4.2(c)(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the further operation of this Condition 4.2(c)).

(iii) *Adjustment Spread*

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Reference Rate (as the case may be).

Following any such determination by the Independent Adviser, following consultation with the Issuer, of the Adjustment Spread, the Issuer shall give notice thereof in accordance with Condition 4.2(c)(vi). The Principal Paying Agent or the Calculation Agent, as applicable, shall apply such Adjustment Spread to the Successor Rate or the Alternative Reference Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or any component part(s) thereof) by reference to such Successor Rate or Alternative Reference Rate (as applicable).

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Reference Rate and Adjustment Spread is determined in accordance with this Condition 4.2(c) and the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines (i) that amendments to these Conditions, the Trust Deed or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Reference Rate and, in each case, the application of the Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, following consultation with the Independent Adviser and subject to the Issuer giving notice thereof in accordance with Condition 4.2(c)(vi), without any requirement for the consent or approval of Noteholders, vary these Conditions

and/or 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, but subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4.2(c)(vi), the Trustee shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with such determination by the Independent Adviser (following consultation with the Issuer) in using its reasonable endeavours in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee shall not be liable to any party for any consequences thereof, provided that 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 the rights and/or the protective provisions afforded to it in these Conditions and/or the Trust Deed and/or any documents to which it is a party (including, for the avoidance of doubt, any supplemental trust deed) in any way.

In connection with any such modifications in accordance with this Condition 4.2(c)(iv), the Issuer and the Independent Adviser shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) *Survival of Original Reference Rate Provisions*

Without prejudice to the obligations of the Issuer or the Independent Adviser under this Condition 4.2(c), the Original Reference Rate and the fallback provisions provided for in Condition 4.2(b)(ii) and the Agency Agreement will continue to apply unless and until (a) a Benchmark Event has occurred and the Independent Adviser, following consultation with the Issuer, has determined the Successor Rate or the Alternative Reference Rate (as the case may be), the Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this Condition 4.2(c) and (b) the Issuer notifies the Trustee of such determination.

(vi) *Notices*

Any Successor Rate, Alternative Reference Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 4.2(c) will be notified promptly by the Issuer to the Trustee, the Paying Agents, the Calculation Agent (if applicable) and, in accordance with Condition 15, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer:

- (A) confirming (I) that a Benchmark Event has occurred, (II) the Successor Rate or, as the case may be, the Alternative Reference Rate, (III) any Adjustment Spread and (IV) the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4.2(c); and

- (B) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate or Alternative Reference Rate and, in each case, the application of the Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Reference Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Reference Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the ability of the Trustee to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Principal Paying Agent, the Calculation Agent and the Noteholders.

(vii) *Definitions*

In this Condition 4.2(c):

**Adjustment Spread** means either a spread (which may be positive, negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as the case may be) to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Reference Rate (as the case may be) 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 Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Reference Rate);
- (B) the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as the case may be); or (if the Independent Adviser, in consultation with the Issuer, determines that no such industry standard is recognised or acknowledged); or
- (C) the Independent Adviser, in its discretion, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines to be appropriate;

**Alternative Reference Rate** means an alternative benchmark or screen rate which the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines in accordance with Condition 4.2(c)(ii) to use in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component thereof) in the same Specified Currency as the Notes;

**Benchmark Event** means:

- (A) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist;
- (B) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to such date specified in (i);
- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative of an underlying market;
- (D) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (i);
- (E) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will, on or before a specified date, be prohibited from being used either generally, or in respect of the Notes and (ii) the date falling six months prior to the date specified in (i); or
- (F) it has or will prior to the next Interest Determination Date become unlawful for the Principal Paying Agent, the Calculation Agent or the Issuer to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) No. 2016/1011, if applicable);

**Independent Adviser** means an independent financial institution of international repute or an independent financial adviser with experience in the international capital markets appointed by the Issuer at its own expense and notified in writing to the Trustee;

**Original Reference Rate** means the benchmark or screen rate (as applicable) originally specified in the applicable Final Terms for the purposes of determining the relevant Rate of Interest (or any component part(s) thereof) in respect of the Notes or (if applicable) any other Successor Rate or Alternative Reference Rate (or any component part(s) thereof) determined and applicable to the Notes pursuant to the earlier operation of this Condition 4.2(c);

**Relevant Nominating Body** means, in respect of a benchmark or screen rate (as applicable):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or



- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (C) a group of the aforementioned central banks or other supervisory authorities, or (D) the Financial Stability Board or any part thereof; and

**Successor Rate** means a successor to or replacement of the Original 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 or the Calculation Agent, as applicable, 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 or the Calculation Agent, as applicable, 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
- (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:

**Y<sub>1</sub>** is the year, expressed as a number, in which the first day of the Interest Period falls;

**Y<sub>2</sub>** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**M<sub>1</sub>** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**M<sub>2</sub>** is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**D<sub>1</sub>** 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

**D<sub>2</sub>** 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:

**Y<sub>1</sub>** is the year, expressed as a number, in which the first day of the Interest Period falls;

**Y<sub>2</sub>** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**M<sub>1</sub>** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**M<sub>2</sub>** is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**D<sub>1</sub>** is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

**D<sub>2</sub>** 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 D<sub>2</sub> 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:

**Y<sub>1</sub>** is the year, expressed as a number, in which the first day of the Interest Period falls;

**Y<sub>2</sub>** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**M<sub>1</sub>** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**M<sub>2</sub>** is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**D<sub>1</sub>** 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 D<sub>1</sub> will be 30; and

**D<sub>2</sub>** 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 D<sub>2</sub> 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 Principal Paying Agent or the Calculation Agent, as applicable, 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 Principal Paying Agent or the Calculation Agent, as applicable 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 or the Calculation Agent, as applicable, 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 Calculation 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 Calculation 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 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 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 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 Benchmark Amendments 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 depository (the **Common Depository**) 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 (EU) 2016/97, 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 / 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 Listing Particulars dated 12th September, 2019 [and the supplement[s] to it dated [ ] [and [ ]] which [together] constitute[s] listing particulars for the purposes of Part VI of the Financial Services and Markets Act 2000 (as amended) (the **Listing Particulars**). This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Listing Particulars in order to obtain all the relevant information. The Listing Particulars are 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 <https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the [Base Prospectus/Listing Particulars] dated [ ] [and the supplement to it dated [ ]] which are incorporated by reference in the Listing Particulars dated 12th September, 2019. This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Listing Particulars dated 12th September, 2019 [and the supplement[s] to it dated [ ] [and [ ]] which [together] constitute[s] listing particulars for the purposes of Part VI of the Financial Services and Markets Act 2000 (the **Listing Particulars**), including the Conditions incorporated by reference in the

Listing Particulars in order to obtain all the relevant information. The Listing Particulars are 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 <https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.]

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 obtained: [ ] [and [ ]], respectively]]

**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 Principal Paying Agent): [ ] (the **Calculation 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 Financial Conduct 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 Financial Conduct 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 Deutschland GmbH]]

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

[[ ] by [S&P Global Ratings Europe Limited]].

*[Insert brief explanation of the ratings if this has previously been published by the rating provider.]*

### 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. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

- (a) Reasons for the offer: [See "*Use of Proceeds*" in the Listing Particulars/*Give details*]
- (b) Estimated net proceeds: [ ]

## 5. 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.

## 6. OPERATIONAL INFORMATION

(a) ISIN: [ ]

(b) Common Code: [ ]

(c) CFI: [[See/[ ], as updated as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

(d) FISN: [[See/[ ], as updated as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

(e) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/[ ]]

(f) Delivery: Delivery [against/free of] payment

(g) Names and addresses of additional Paying Agent(s) (if any): [ ]

(h) 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

### **Morgan Stanley & Co. International plc**

25 Cabot Square  
Canary Wharf  
London E14 4QA  
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**

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