

DATED 2023

AQUILA MIDCO 2 LIMITED

INSTRUMENT CONSTITUTING

£[●] 12 PER CENT. UNSECURED REDEEMABLE

MIDCO 2 CONSIDERATION LOAN NOTES 2031

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THIS INSTRUMENT is dated

2023

AND IS ENTERED INTO BY:

AQUILA MIDCO 2 LIMITED, incorporated in England and Wales with registered number 14972051 and whose registered office is at 47 Queen Anne Street, Marylebone, London, England, W1G 9JG (the "**Company**").

WHEREAS:

The Company has, by resolution of its Directors passed on or around the date of this instrument, resolved to create up to a maximum nominal amount of £[●] 12 per cent. unsecured redeemable Midco 2 Consideration Loan Notes 2031 to be constituted in the manner set out in this instrument.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

Save as otherwise provided in this instrument, the following words and phrases have the following meanings throughout this instrument:

Act means the Companies Act 2006.

Articles means the articles of association of the Parent (as amended or replaced from time to time).

Business Day means any day, other than a Saturday, Sunday or English public or bank holiday.

Conditions means the conditions set out in Schedule 1 as from time to time amended in accordance with clause 14 and Condition 5 of Schedule 1 and "**Condition**" shall be construed accordingly.

Directors means the board of directors of the Company from time to time.

Event of Default means any of those events specified in clause 10.2.

Exit has the meaning given to it in the Ranking and Reinvestment Agreement.

Facility Agreement has the meaning given to it in the Ranking and Reinvestment Agreement.

Final Repayment Date means [●] [●] 2031.

Financing Documents means the Facility Agreement together with the associated security documents and ancillary documents referred to therein, in each case as amended, supplemented, novated or replaced from time to time.

Financing Event of Default has the meaning given to "Event of Default" in the Financing Documents, ignoring for these purposes any waiver given by any person or standstill

agreement or similar arrangement entered into with any person in respect of any such default.

Group means the Parent and any undertaking which is a subsidiary undertaking of the Parent from time to time (and the expressions "**Group Company**" and "**member of the Group**" shall be construed accordingly).

Interest Payment Date means 31 March, 30 June, 30 September and 31 December in each year, provided that the first Interest Payment Date shall be 31 December 2023.

Interest Period means the period from and including the date of this instrument up to and including the first Interest Payment Date, and each subsequent period from (and including) the day immediately following an Interest Payment Date up to (and including) the next following Interest Payment Date.

Interest Rate means 12 per cent. per annum (12%) or such other rate as the parties may agree from time to time.

Investor Consent and **Investor Direction** have the meanings given to those terms in the Ranking and Reinvestment Agreement.

Majority Noteholders means the holders of more than 50 per cent. in nominal value of the Notes in issue and outstanding at the relevant time.

New Holding Company means any new holding company of the Parent formed for the purposes of facilitating a Refinancing or a Listing.

Noteholder Resolution means a resolution in writing signed by or on behalf of the Majority Noteholders, and which may be contained in one or more documents in like form, each signed by one or more of the Noteholders.

Noteholders means those persons from time to time entered in the Register as holders of the Notes.

Notes means the £[●] 12 per cent. unsecured redeemable loan notes 2031 constituted by this instrument or, as the case may be, the amount of such Notes from time to time issued and outstanding and references to "**Note**" shall be construed accordingly.

Parent means Aquila Topco Limited, a company incorporated in England and Wales with registered number 14971854.

Ranking and Reinvestment Agreement means the ranking and reinvestment agreement dated on or around the date of this Instrument between (1) the Parent (2) Midco 1 (3) the Investor (as defined therein); and (4) the Reinvesting Security Holders (as defined therein) as amended, supplemented, novated, varied, restated or replaced from time to time.

Refinancing shall be as defined in the Ranking and Reinvestment Agreement.

Register shall be as defined in clause 9.1.

Reorganisation shall be as defined in the Ranking and Reinvestment Agreement.

1.1 Any reference in this instrument to:

1.1.1 "**this instrument**" or to any other instrument, agreement or document shall, unless the context otherwise requires, be construed as reference to this instrument or such other instrument, agreement or document as the same may from time to time be amended, varied, supplemented or novated;

1.1.2 the "**assets**" of any person shall be construed as a reference to all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital;

1.1.3 a "**security interest**" shall be construed as a reference to a mortgage, charge, assignment, pledge, lien (save as arising in the ordinary course of business), hypothecation, right of set-off, preferential right (save as arising under the general law for the protection of certain classes of creditors) or trust arrangement for the purpose of and having a similar effect to the granting of security, or other security interest of any kind;

1.1.4 a "**guarantee**" also includes an indemnity and any other obligation (whatever called) of any person to pay, purchase, provide funds (whether by the advance of money, the purchase or subscription of shares or other securities, the purchase of assets or services, or otherwise) for the payment of, indemnify against the consequences of default of, or otherwise be responsible for any indebtedness of any other person, and "**guaranteed**" shall be construed accordingly;

1.1.5 "**indebtedness**" shall be construed as a reference to any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;

1.1.6 a "**month**" shall be construed as a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month save that, where any such period would otherwise end on a day which is not a Business Day, it shall end on the next Business Day, unless that day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the preceding Business Day provided that, if a period starts on the last Business Day in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last Business Day in that later month;

1.1.7 a "**person**" shall be construed as a reference to any individual, firm, company or other body corporate, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality), and wherever incorporated or established;

- 1.1.8** "principal monies" in relation to the Notes shall mean the principal amount of the Notes and the word "**principal**" shall be construed accordingly;
- 1.1.9** "**repayment**" includes redemption and vice versa and the words "**repay**", "**redeem**", "**repayable**", "**redeemable**", "**repaid**" and "**redeemed**" shall be construed accordingly;
- 1.1.10** "**sterling**" and "**£**" denotes the lawful currency of the United Kingdom;
- 1.1.11** "**tax**" shall be construed so as to include any present and future tax, levy, impost, deduction, withholding, duty or other charge of a similar nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same); and
- 1.1.12** the "**winding-up**", "**dissolution**" or "**administration**" of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or of any jurisdiction in which such person carries on business.
- 1.2** Unless the context requires otherwise, words and expressions defined in or having a meaning provided in the Act shall have the same meaning in this instrument.
- 1.3** References to any statute or statutory provision shall include references to such statute or statutory provision as in force at the date of this instrument and as subsequently amended, re-enacted, replaced or consolidated and shall include references to any statute or statutory provision of which it is an amendment, re-enactment, replacement or consolidation.
- 1.4** All the provisions of this instrument are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this instrument under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.
- 1.5** In construing this instrument general words introduced by the word "**other**" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words followed by the word "**including**" shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.
- 1.6** The headings in this instrument are inserted for convenience only and shall not affect construction or interpretation and references to a clause, Schedule, paragraph or Condition are (unless otherwise stated) to a clause or Schedule in this instrument and to a paragraph or a Condition in the relevant Schedule respectively.
- 1.7** References to the Notes include references to all and/or any of the Notes.

2. AMOUNT OF NOTES

The principal amount of the Notes is limited to £[●].

3. DESCRIPTION OF NOTES

3.1 The Notes shall be known as the Midco 2 Consideration Loan Notes 2031 and shall be issued in integral multiples of £0.01 by the Company.

3.2 The Notes shall be issued in registered form and shall not be transferable except in accordance with the provisions of this instrument.

4. PROCEEDS OF ISSUE OF NOTES

The Noteholders shall not be obliged to concern themselves with the application of amounts raised by the Company under this instrument.

5. STATUS OF NOTES

5.1 The Notes when issued shall rank pari passu equally and rateably without discrimination or preference and as an unsecured obligation of the Company.

5.2 The Notes, including the rights of the Noteholders and the obligations of the Company in respect of the Notes, any certificate for the Notes and any provisions of this instrument shall be subject in all respects to the provisions of the Financing Documents and the Ranking and Reinvestment Agreement.

6. REPAYMENT OF NOTES

6.1 When the Notes become repayable in accordance with the provisions of Condition 1, the Company will pay to the Noteholders who are entitled to be repaid the full principal amount of the Notes to be repaid together with all accrued interest on such Notes (less any tax which the Company is required by law to deduct or withhold from such interest payment) up to and including the date of payment.

6.2 All payments under this instrument, whether of principal, interest or otherwise, will be made by the Company to or to the order of the Noteholders entitled to such payment as provided in paragraph 7 of Schedule 2.

6.3 Where any payment to a Noteholder, whether of principal, interest or otherwise, is due in accordance with the terms of this instrument on a day which is not a Business Day, payment shall take place on the next succeeding Business Day. If that next succeeding Business Day is in the month following the month in which payment would otherwise be made, payment shall take place on the immediately preceding Business Day.

7. INTEREST ON NOTES

Until the Notes are repaid in accordance with the provisions of this instrument, interest will accrue and be paid on the principal amount of the Notes which are outstanding at the rate and in the manner set out in the Conditions.

8. CERTIFICATES

- 8.1** Each certificate for Notes shall bear a denoting number and shall be issued to a Noteholder under the Company's seal or executed as a deed for and on behalf of the Company (signed by two Directors or one Director and the Company Secretary or one Director in the presence of a witness who attests the signature). Each certificate shall be substantially in the form set out in Schedule 1 and shall have the Conditions endorsed on it.
- 8.2** Each Noteholder shall be entitled to receive, without charge, one certificate for the Notes registered in its name.
- 8.3** The Company shall not be bound to register more than four persons as the joint holders of any Notes and, in the case of Notes held jointly by several persons, the Company shall not be bound to issue more than one certificate. Delivery of a certificate to the person who is first named in the Register as Noteholder shall be sufficient delivery to all joint holders of the Notes in respect of which such certificate has been delivered.
- 8.4** When a Noteholder transfers or redeems part only of its Notes in accordance with this instrument, the old certificate shall be cancelled and a new certificate for the balance of such Notes shall be issued without charge.

9. REGISTER

- 9.1** The Company shall at all times keep a register of Noteholders (the "**Register**") at its registered office (or at such other place within the United Kingdom as the Company may from time to time have appointed for the purpose and have notified to the Noteholders). Any Noteholder may at all reasonable times during office hours and on reasonable notice inspect, and take copies of, the Register.
- 9.2** The Register shall contain the following details:
- 9.2.1** the names and addresses of the Noteholders for the time being;
 - 9.2.2** the principal amount of the Notes held by each Noteholder;
 - 9.2.3** the date at which the name of each Noteholder is entered in respect of the Notes registered in its name;
 - 9.2.4** the serial number and date of issue of each Note; and
 - 9.2.5** all transfers and changes of ownership of the Notes.
- 9.3** Any change of name or address by any Noteholder which is notified to the Company at the above address shall be entered in the Register.

10. DEFAULT

- 10.1** Notwithstanding any other provision of this instrument, the Conditions and/or the Schedules, if at any time and for any reason (and whether within or beyond the control of the Company or any relevant Group Company) an Event of Default has occurred, the Company shall within five Business Days of becoming aware of the occurrence of an Event

of Default give notice of such fact to the Noteholders and, notwithstanding any failure by the Company to give such a notice, at any time following the occurrence of an Event of Default, whilst the same is continuing and has not been waived by a Noteholder Resolution, the Majority Noteholders may, by written notice to the Company, direct that the principal amount of all Notes, all unpaid accrued interest and any other sum then payable on such Notes, shall be due and payable immediately, whereupon, subject to the Financing Documents and the Ranking and Reinvestment Agreement, the Company shall immediately pay or repay such amounts to the Noteholders.

10.2 The following are Events of Default for the purpose of clause 10.1:

10.2.1 Failure to pay: the Company fails to pay any principal monies or interest on any of the Notes within 10 Business Days after the due date for payment therefor (except where any such payment or the funding of any payment would breach the terms of any of the Financing Documents or the Ranking and Reinvestment Agreement);

10.2.2 Breach of undertaking: the Company fails duly to perform or comply with any material obligation (other than an obligation to pay principal or interest in respect of the Notes) expressed to be assumed by it in this instrument or in the Ranking and Reinvestment Agreement or in the Articles or the Company or any Group Company fails duly to perform or comply with any material obligation in any of the Financing Documents to which it is a party and such failure continues for 20 Business Days after written notice has been given by any Noteholder requiring remedy thereof

10.2.3 Insolvency: the Company or any Group Company is or could be deemed by law or a court to be insolvent or unable to pay its debts (as defined in sections 123(1)(e) and 123(2) of the Insolvency Act 1986, stops, suspends or threatens to stop or suspend payment of all or any material part of its indebtedness or commences negotiations with any one or more of its creditors with a view to the general readjustment or re-scheduling of all or any material part of its indebtedness or makes a general assignment for the benefit of, or composition with or for the benefit of its creditors (or any class of its creditors) or a moratorium is agreed or declared in respect of, or affecting, all or a material part of its indebtedness;

10.2.4 Winding-up: an order is made or an effective resolution is passed for the winding-up or dissolution of the Company or any Group Company (other than for the purposes of a Reorganisation whereunder a successor company undertakes the obligations of the Company or such other Group Company), or an administrative or other receiver, administrator, liquidator, provisional liquidator, trustee or similar officer is appointed over all or any material part of its assets;

10.2.5 Enforcement proceedings: a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any part of the

assets of the Company or any Group Company and is not discharged or stayed within 10 Business Days of having been so levied, enforced or sued out;

10.2.6 Analogous proceedings: anything analogous to or having a substantially similar effect to any of the events specified in clauses 10.2.3 to 10.2.5 inclusive shall occur under the laws of any applicable jurisdiction;

10.2.7 Cross-default: a Financing Event of Default occurs and is continuing;

10.2.8 Security interest enforceable: any security interest on or over the assets of the Company or any Group Company becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar person) is taken to enforce that security interest;

10.2.9 Illegality: it is or will become unlawful for the Company to perform or comply with any of its obligations under this instrument or any such obligation is not or ceases to be legal, valid and binding;

10.2.10 Cessation of business: the Company or any material Group Company ceases to carry on the whole of the business it carries on at the date of this instrument or a substantial part thereof; or

10.2.11 Authorisations: at any time any action, condition or thing required to be taken, fulfilled or done in order (i) to enable the Company lawfully to enter into, exercise its rights under and perform and comply with its obligations under this instrument and any other document to be entered into pursuant to this instrument or (ii) to make this instrument admissible in evidence in England and Wales is not taken, fulfilled or done.

10.3 The Company shall inform the Noteholders in writing as soon as reasonably practicable after becoming aware that an Event of Default is likely to occur, giving details of the situation and/or circumstances in question.

11. CONTINUING SECURITY

This Instrument shall constitute a continuing security for that part of the Notes remaining unredeemed until all the Notes together with all accrued interest shall have been repaid in full.

12. NO SET-OFF

Payments of principal and interest under this instrument will be paid by the Company to the Noteholders, and the Notes will be transferable in accordance with the provisions of Condition 6 and Schedule 2 without any deduction or withholding (whether in respect of set-off, counterclaim, duties, taxes or otherwise whatsoever) unless the deduction or withholding is required by law, in which event the Company shall:

12.1 ensure that the deduction or withholding does not exceed the minimum amount legally required;

- 12.2** pay to the relevant taxation or other authorities, within the period for payment permitted by applicable law, the full amount of the deduction or withholding; and
- 12.3** furnish to the Noteholders, within the period for payment permitted by applicable law, an official receipt or other evidence of payment to the relevant taxation or other authorities involved for all amounts deducted or withheld.

13. ENFORCEMENT

From and after the date of this instrument and so long as any amount is payable by the Company in respect of the Notes, the Company undertakes that it will duly observe and perform the obligations on its part contained in this instrument and the Notes shall be issued and held subject to and with the benefit of the provisions of this instrument, the Conditions and the Schedules, all of which shall be deemed to be incorporated in this instrument and be binding on the Company, the Noteholders and all persons claiming through or under them respectively and shall enure for the benefit of all Noteholders. Each Noteholder shall be entitled to sue for the observance and performance of the provisions of this instrument so far as its holding of Notes is concerned. No other person shall have any right to enforce any term or condition of this instrument under the Contracts (Rights of Third Parties) Act 1999.

14. MODIFICATION AND VARIATION OF RIGHTS

The Company may at any time with Investor Consent and the consent of the Noteholders acting by Noteholder Resolution, take any action in relation to the Notes, including sanctioning any modification of this instrument or any other modification, abrogation, compromise or arrangement proposed by the Company in respect of the rights of the Noteholders against the Company or any other Group Company or the property of the Noteholders and such Noteholder Resolution shall be binding on all the Noteholders.

15. GOVERNING LAW AND JURISDICTION

- 15.1** This instrument and the Notes and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.
- 15.2** The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this instrument or any Note or their subject matter or formation (including non-contractual disputes or claims).

**SCHEDULE 1
FORM OF LOAN NOTE CERTIFICATE (WITH CONDITIONS)**

Certificate No.

Date

Amount £

AQUILA MIDCO 2 LIMITED

(Incorporated under the Companies Act 2006)

£[•] 12 PER CENT. UNSECURED REDEEMABLE MIDCO 2 CONSIDERATION LOAN NOTES 2031

THIS IS TO CERTIFY THAT the under-mentioned is/are the registered holder(s) of the amount set out below of the £[•] 12 per cent. unsecured redeemable Midco 2 Consideration Loan Notes 2031 constituted by an Instrument entered into by the Company on [•] [•] 2023 (the "**Instrument**") and issued with the benefit of and subject to the provisions contained in the Instrument and the Conditions.

NAME(S) OF HOLDERS

AMOUNT OF LOAN NOTES

1. The Notes are repayable or redeemable in accordance with Condition 1.
2. This certificate (or an indemnity in respect thereof) must be surrendered before any transfer, whether of the whole or any part of the Notes comprised in it, can be registered or any new certificate issued in exchange.
3. Any change of address of the Noteholder(s) must be notified in writing signed by the Noteholder(s) to the Company.
4. The Notes are transferable in amounts and in integral multiples of £0.01 in accordance with the Conditions.
5. Words and expressions defined in the Instrument shall bear the same meaning in this certificate and in the Conditions endorsed hereon.
6. Noteholders should note that the payment or repayment (as the case may be) of interest or principal in respect of the Notes is subject to the provisions of the Ranking and Reinvestment Agreement and the Financing Documents, the effect of which (inter alia) may be to prohibit, reduce or delay the payment or repayment thereof. In addition, Noteholders should note that their rights (inter alia) to demand and enforce payment of any amounts which, but for the operation of the Ranking and Reinvestment Agreement and/or the Financing Documents, would otherwise have been payable to them, are suspended by the Ranking and Reinvestment Agreement and/or the Financing Documents and neither the Company nor its Directors will be in breach of their duties by suspending payments to Noteholders in these circumstances.

IN WITNESS whereof the Company has duly executed this Certificate as a deed on the day and year first written above.

DATED: [•] [•] 20[•]

EXECUTED and DELIVERED)
as a **DEED** by)
AQUILA MIDCO 2 LIMITED)
acting by:)

.....
Director

in the presence of:

Witness' signature:

Witness' name:

Witness' address:.....

.....

.....

Witness' occupation:

THE CONDITIONS

1. REPAYMENT

- 1.1** Subject to the terms of the Financing Documents and the Ranking and Reinvestment Agreement, and unless previously redeemed in accordance with Conditions 1.2 or 1.3 or following the occurrence of an Event of Default under clause 10 of the Instrument, all the Notes then outstanding shall be repaid in full at par immediately prior to an Exit or, if earlier, on the Final Repayment Date.
- 1.2** Subject to the terms of the Financing Documents and the Ranking and Reinvestment Agreement, the Company may, with Investor Consent, at any time on or after the date which is six months and one day after the issue of the relevant Notes, upon not less than 10 Business Days' written notice to each Noteholder (or such shorter period as the Company and the Majority Noteholders shall agree), repay at par some or all of the outstanding Notes on the date specified for redemption or repayment in such notice.
- 1.3** The Majority Noteholders may, with Investor Consent, at any time on or after the date which is six months and one day after the issue of the relevant Notes, upon not less than 10 Business Days' written notice to the Company (or such shorter period as the Company and the Majority Noteholders shall agree), require the Company to repay some or all of the outstanding Notes. On receipt of such notice the Company shall, subject to the terms of the Ranking and Reinvestment Agreement and if and only to the extent permitted by the Financing Documents, redeem the relevant Notes at par on the date specified for redemption or repayment in such notice.
- 1.4** Any redemption of the Notes shall be made pro rata to the holdings of the Noteholders together with all interest (less any tax required by law to be deducted or withheld from such payment) accrued on the Notes to be redeemed up to (and including) the date of such redemption by the Company.
- 1.5** If the whole or any part of a Noteholder's holding of Notes is to be redeemed pursuant to this Condition 1, the Noteholder must, not later than the due date for payment, deliver to the Company at its registered office the certificate(s) for the Notes which are due to be redeemed on such date (or a suitable indemnity in lieu thereof).
- 1.6** If a Noteholder fails to comply with its obligations under Condition 1.5 or fails or refuses to accept or claim the redemption monies tendered by the Company in respect of the Notes then due for redemption, the monies payable to such Noteholder shall be set aside by the Company and paid into a separate interest-bearing bank account and held by the Company in trust for such Noteholder. Such setting aside shall be deemed for all the purposes of these Conditions to be a payment to such Noteholder. Accordingly, the Company shall be discharged from all further obligations in connection with such Notes. If the Company places the said monies on deposit at a bank, the Company shall not be responsible for the safe custody of such monies or for interest thereon but shall account to the Noteholder for any interest which such monies may earn whilst on deposit, less any tax and reasonable expenses which the Company incurs directly in connection therewith.

Any such amount so paid or deposited and which remains unclaimed after a period of 12 years from the making of the payment or deposit shall revert to the Company notwithstanding that in the intervening period the obligation to pay the same may have been provided for in the books, accounts and other records of the Company.

2. CANCELLATION

All Notes redeemed by the Company in accordance with the terms hereof shall be cancelled and the Company shall not re-issue the same. On any repayment of Notes, the certificate(s) for the relevant Notes delivered by the Noteholder(s) under Condition 1.5 shall be cancelled and the Company shall issue to the relevant Noteholder(s), free of charge, a certificate for the balance of the principal amount of the Notes held by it/them (if any) following such repayment.

3. PAYMENT OF INTEREST

3.1 Until the Notes are redeemed in accordance with these Conditions, interest on the principal amount of the Notes shall accrue at the Interest Rate.

3.2 Such interest shall accrue from day to day on the principal amount of the Notes and, subject to Condition 3.3 below and without prejudice to Condition 3.4, shall subject to the Financing Documents be paid in cash in arrears on each Interest Payment Date for the Interest Period ending on that Interest Payment Date, less any tax required by law to be deducted or withheld from such amount, to the persons who were registered as Noteholders at the close of business on the date immediately prior to the relevant Interest Payment Date.

3.3 The Company may at its discretion elect to defer payment of interest on the Notes which would otherwise be payable on an Interest Payment Date. If the Company elects to defer payment of interest on the Notes, such interest shall automatically compound on the relevant Interest Payment Date in accordance with Condition 3.4. The non-payment of interest on any Interest Payment Date is satisfactory evidence of such an election by the Company. The deferral of any interest payment on any Interest Payment Date (save where such Interest Payment Date is also a date on which the Notes are to be redeemed pursuant to Condition 1) in accordance with this Condition 3.3 will not constitute a default by the Company and will not give the Noteholders any right to accelerate redemption or repayment of the Notes.

3.4 Interest that has accrued on the Notes but which remains unpaid pursuant to Condition 3.2 or which the Company has elected to defer under Condition 3.3, shall be rolled-up and compounded on each Interest Payment Date so that it bears interest from such date as it would had it been added on the relevant Interest Payment Date to the principal amount of the Notes then outstanding and shall become payable in cash, less any tax required by law to be deducted or withheld from such payment, on the date on which the Notes in respect of which such interest has accrued become repayable pursuant to Condition 1 or clause 10 of the Instrument or subject to the terms of the Financing Documents and the

Ranking and Reinvestment Agreement, such earlier date as the Company, with Investor Consent, may think fit.

3.5 Interest shall be calculated on the basis of the actual number of days for the relevant period and a 365-day year (or a 366-day year in a leap year).

3.6 Interest on any Notes redeemed by the Company in accordance with these Conditions shall cease to accrue as from the date of such redemption.

3.7 If the Company fails to pay any amount of principal or interest on any Note on the due date for payment of the same, a debt shall be created equal to such amount and interest at the rate applicable under these Conditions plus 1 per cent. per annum shall accrue on the unpaid amount from the due date until the date of actual payment, other than in respect of any period during which any such payment has been deferred by the Company pursuant to Condition 3.3 or would be prohibited under the terms of the Financing Documents and the Ranking and Reinvestment Agreement. For the purposes of this Condition 3.7, the "**due date**" shall be the date on which the relevant amount becomes payable in accordance with Condition 1 or 3 (as the case may be) or where an Event of Default has occurred, the date on which the Noteholders shall direct that the Notes are repayable under clause 10 of the Instrument, provided that if the Notes shall have become repayable by reason of a resolution being passed or an order being made for the winding-up of the Company or any Group Company under clause 10.2.4 of the Instrument, the "**due date**" shall be the date on which the resolution is passed or the date on which the petition for winding-up is presented, as the case may be.

4. NOTICES

Any Noteholder described in the Register as being at an address outside the United Kingdom but who shall from time to time give to the Company an address within the United Kingdom at which any notice may be served upon it shall be entitled to have notice served on it at such address. Save as otherwise provided in this Condition 4, no Noteholder other than a Noteholder described in the Register as being at an address within the United Kingdom shall be entitled to receive any notice.

5. MODIFICATION

The provisions of the Instrument and these Conditions and the rights of the Noteholders may at any time be modified, abrogated or compromised in any respect with the sanction of a Noteholder Resolution and with Investor Consent and the consent of the Company.

6. TRANSFER

The Notes are registered and are freely transferable in accordance with the provisions of paragraphs 2 to 5 of Schedule 2 in amounts and in integral multiples of £0.01, subject to the restrictions contained in the Instrument on registration of transfers.

7. FOREIGN EXCHANGE

7.1 The Company may, by notice in writing to the Noteholder given on or before a date (the "**election date**") not less than 30 days before any redemption date, elect that any outstanding Notes to be redeemed on the next redemption date shall be redeemed in US dollars in which event the Company shall, on the due date for redemption of such Notes and in full discharge of its obligations to repay such Notes, pay to the Noteholder an amount in US dollars obtained by converting the principal amount outstanding of such Notes into US dollars at the selling spot rate for the purchase of US dollars with sterling certified by HSBC Bank plc as prevailing at or about 11.00 a.m. on the election date or, where the election date is not a Business Day, on the next Business Day falling thereafter which exchange rate shall be certified on such date by the Company to such Noteholder provided that:

7.1.1 if the amount payable in US dollars hereunder would otherwise exceed the amount in US dollars obtained by converting 100.25% of the sterling principal amount outstanding of the Notes to be redeemed into US dollars at the selling spot rate for the purchase of US dollars with sterling certified by HSBC Bank plc as prevailing at or about 11.00 a.m. on the relevant redemption date, the latter amount shall be substituted therefor;

7.1.2 if the amount payable in US dollars hereunder would otherwise be less than the amount in US dollars obtained by converting 99.80% of the sterling principal amount outstanding of the Notes to be redeemed into US dollars at the selling spot rate for the purchase of US dollars with sterling certified by HSBC Bank plc applied by the or about 11.00am on the relevant redemption date, the latter amount shall be substituted therefor.

7.2 For the purposes of this Condition 7, a "**redemption date**" means any date (not falling within six months of the date of issue of the Notes concerned) on which the Noteholder may require the Company to repay all or part of its Notes or on which the Company may redeem all or part of the Notes then outstanding.

SCHEDULE 2
PROVISIONS AS TO REGISTRATION, TRANSFER AND OTHER MATTERS

1. RECOGNITION OF NOTEHOLDER AS ABSOLUTE OWNER

The Company will recognise as absolute owner the registered holder of any Notes. The Company shall not (except as ordered by a court of competent jurisdiction) be bound to take notice or see to the execution of any trust (whether express, implied or constructive) to which any Notes may be subject. The receipt of the registered holder for the time being of any Notes or, in the case of joint registered holders, the receipt of any of them, of the principal monies payable in respect of such Notes and of the interest from time to time accruing due in respect of such Notes or of any other monies payable in respect of such Notes shall be a good discharge to the Company notwithstanding any notice it may have (whether express or otherwise) of the right, title, interest or claim of any other person to or in such Notes, interest or monies. The Company shall not be bound to enter any notice of any express, implied or constructive trust on the Register in respect of any Notes.

2. TRANSFERABILITY OF NOTES

2.1 The Notes shall be freely transferable in accordance with this Schedule 2.

2.2 The Notes are transferable by instrument in writing in the usual common form (or in such other form as the Directors may reasonably approve, such approval not to be unreasonably withheld or delayed) in amounts and multiples of £0.01.

2.3 There shall not be included in any instrument of transfer any Notes other than the Notes constituted by this instrument.

3. EXECUTION OF TRANSFERS

Every instrument of transfer must be duly signed by or on behalf of the transferor and the transferor shall be deemed to remain the owner of the Notes to be transferred until the transferee's name is entered in the Register in respect of such Notes.

4. REGISTRATION OF TRANSFERS

Every instrument of transfer must be left for registration at the address where the Register is maintained for the time being (as referred to in clause 9.1 of this instrument) accompanied by the certificate(s) for the Notes to be transferred. All instruments of transfer which are registered shall be retained by the Company.

5. NO FEES FOR REGISTRATION OF TRANSFERS

No fee shall be charged for the registration of any transfer or for the registration of any confirmation, power of attorney or other document relating to or affecting the title to any Notes or for making any entry in the Register relating to or affecting the title to any Notes.

6. RECOGNITION OF PERSONAL REPRESENTATIVES

The executors or administrators of a deceased Noteholder (not being one of several joint registered holders) and, in the case of the death of one or more of several joint registered holders, the survivor or survivors of such joint registered holders, shall be the only person or persons recognised by the Company as having any title to such Notes.

7. TRANSMISSION OF NOTES

Any person who becomes entitled to any of the Notes as a result of the death or bankruptcy of any Noteholder, or of any event giving rise to the transmission of such Notes by operation of law may, upon producing such evidence of their entitlement as the Directors shall think sufficient, and subject to having first adhered to the Ranking and Reinvestment Agreement in accordance with its terms (and/or any other agreement which the board of Directors (with Investor Consent) deem necessary), be registered themselves as the holder of such Notes or, subject to the preceding conditions as to transfer, may transfer such Notes. The Company may retain any payments paid upon any such Notes which any person under this provision is entitled to transfer until such person is registered or has duly transferred the Notes.

8. PAYMENT OF INTEREST AND PRINCIPAL

The payments of principal, interest or other sums payable in respect of the Notes may be paid by electronic transfer to the account specified for such purpose by the Noteholder or joint Noteholders in writing to the Company, failing which notification, by cheque, warrant or banker's draft made payable to and sent to the registered address of the Noteholder or, in the case of joint registered holders, made payable to the order of and sent to the registered address of that one of the joint registered holders who is first named on the Register or made payable to such person and sent to such address as the registered holder or all the joint registered holders may in writing direct. Every such cheque, warrant or banker's draft must, if sent through the post, be sent not later than two Business Days preceding the due date for payment and payment of the cheque, warrant or banker's draft shall be a good discharge to the Company.

9. RECEIPT OF JOINT HOLDERS

If several persons are entered in the Register as joint registered holders of any Notes then, without prejudice to the provisions of paragraph 7, the receipt of any one of such persons for any interest or principal or other monies payable in respect of such Notes shall be as effective a discharge to the Company as if the person signing such receipt were the sole registered holder of such Notes.

10. REPLACEMENT OF CERTIFICATES

If the certificate for any Notes is lost, defaced or destroyed it may be renewed on such terms (if any) as to evidence and indemnity as the Directors may require but otherwise free of charge to the Noteholder. In the case of defacement the defaced certificate shall be surrendered before the new certificate is issued.

11. NOTICE TO NOTEHOLDERS

Any notice, request, demand or other document (including certificates for Notes) may be given or sent to any Noteholder by sending the same by post in a prepaid, first-class envelope addressed to such Noteholder at its registered address in the United Kingdom or (if it has no registered address within the United Kingdom) to the address (if any) supplied by it to the Company for the giving of notice to it or to the address which appears in the Register in respect of such Noteholder. In the case of joint registered holders of any Notes a notice given to the Noteholder whose name stands first in the Register in respect of such Notes shall be sufficient notice to all joint holders. Notice may be given to the persons entitled to any Notes as a result of the death or bankruptcy of any Noteholder by sending the same by post in a prepaid, first-class envelope addressed to them by name or by the title of the representative or trustees of such Noteholder at the address (if any) supplied for the purpose by such persons or (until such address is supplied) by giving notice in the manner in which it would have been given if the death or bankruptcy had not occurred.

12. NOTICE TO THE COMPANY

Any notice, request, demand or other document (including certificates for Notes and transfers of Notes) may be given or sent to the Company by sending the same by post in a prepaid, first-class envelope addressed to the Company at its registered office for the time being.

13. SERVICE OF NOTICES

Any notice, request, demand or other document given or made by delivery shall be deemed to have been delivered or received when left at the appropriate address referred to in paragraph 11 or 12 above, or, if sent by post, on the second Business Day following the day on which it was posted. In proving delivery or receipt of any notice, request, demand or other document sent by post it shall be sufficient to prove that it was properly addressed, stamped and posted (by airmail, if to another country) in the United Kingdom.

IN WITNESS whereof the Company has duly executed this instrument as a deed on the day and year first written above.

EXECUTED and DELIVERED)
as a **DEED** by)
AQUILA MIDCO 2 LIMITED)
acting by:)
Director

in the presence of:

Witness' signature:

Witness' name:

Witness' address:.....

.....

.....

Witness' occupation